

State of Colorado Oil and Gas Conservation Commission

1120 Lincoln Street, Suite 801, Denver, Colorado 80203 Phone: (303) 894-2100 Fax: (303) 894-2109



Document Number:

400740515

Date Received:

11/26/2014

Spill report taken by:

CANFIELD, CHRIS

Spill/Release Point ID:

440331

SPILL/RELEASE REPORT (SUPPLEMENTAL)

This form is to be submitted by the party responsible for the oil and gas spill or release. Any spill or release which may impact waters of the State must be reported as soon as practicable; any spill over 20 bbls must be reported within 24 hours and all spills over five bbls must be reported within ten days. Submit a Site Investigation and Remediation Workplan (Form 27) when requested by the Director.

OPERATOR INFORMATION

Name of Operator: FOUNDATION ENERGY MANAGEMENT LLC Operator No: 10112 Address: 16000 DALLAS PARKWAY #875 City: DALLAS State: TX Zip: 75248-6607 Contact Person: Caitlin O'Hair Phone Numbers: (918) 526-5591 (918) 636-7239 regulatory@foundationenergy.com

INITIAL SPILL/RELEASE REPORT

Initial Spill/Release Report Doc# 400735085

Initial Report Date: 11/19/2014 Date of Discovery: 11/15/2014 Spill Type: Historical Release

Spill/Release Point Location:

Location of Spill/Release: QTRQTR NW SE SEC 24 TWP 2N RNG 68W MERIDIAN 6

Latitude: 40.122340 Longitude: -104.949770

Municipality (if within municipal boundaries): County: WELD

Reference Location:

Facility Type: FLOWLINE Facility/Location ID No No Existing Facility or Location ID No Well API No. (Only if the reference facility is well) 05-123-09243

Fluid(s) Spilled/Released (please answer Yes/No):

Was one (1) barrel or more spilled outside of berms or secondary containment? Yes Secondary containment, including walls & floor regardless of construction material, must be sufficiently impervious to contain any discharge from primary containment until cleanup occurs.

Were Five (5) barrels or more spilled? No

Estimated Total Spill Volume: use same ranges as others for values

Estimated Oil Spill Volume(bbl): Unknown Estimated Condensate Spill Volume(bbl): Unknown Estimated Flow Back Fluid Spill Volume(bbl): 0 Estimated Produced Water Spill Volume(bbl): Unknown Estimated Other E&P Waste Spill Volume(bbl): 0 Estimated Drilling Fluid Spill Volume(bbl): 0

Specify:

Land Use:

Current Land Use: NON-CROP LAND Other(Specify): Weather Condition: Cold, dry Surface Owner: FEE Other(Specify):

Check if impacted or threatened by spill/Release (please answer Yes/No to all that apply):

Waters of the State Residence/Occupied Structure Livestock Public Byway Surface Water Supply Area As defined in COGCC 100-Series Rules

Describe what is known about the spill/release event (what happened -- including how it was stopped, contained, and recovered):

While conducting flowline tests, this location failed to hold pressure on a test and it was discovered that there was a small leak in the flowline, near the wellhead. The well has continued to be shut-in (initially shut-in for the flowtest), the area excavated and repairs made to the flowline.

List Agencies and Other Parties Notified:

OTHER NOTIFICATIONS

| Date | Agency/Party | Contact | Phone | Response |
|------------|--------------|----------------|--------------|--|
| 11/15/2014 | COGCC | Chris Canfield | 303-894-2100 | x 5183, left message to report the spill |

SPILL/RELEASE DETAIL REPORTS

#1 Supplemental Report Date: 11/25/2014

| FLUIDS | BBL's SPILLED | BBL's RECOVERED | Unknown |
|-----------------|---------------|-----------------|-------------------------------------|
| OIL | _____ | _____ | <input checked="" type="checkbox"/> |
| CONDENSATE | _____ | _____ | <input checked="" type="checkbox"/> |
| PRODUCED WATER | _____ | _____ | <input checked="" type="checkbox"/> |
| DRILLING FLUID | <u>0</u> | <u>0</u> | <input type="checkbox"/> |
| FLOW BACK FLUID | <u>0</u> | <u>0</u> | <input type="checkbox"/> |
| OTHER E&P WASTE | <u>0</u> | <u>0</u> | <input type="checkbox"/> |

specify: _____

Was spill/release completely contained within berms or secondary containment? NO Was an Emergency Pit constructed? NO

Secondary containment, including walls & floor regardless of construction material, must be sufficiently impervious to contain any discharge from primary containment until cleanup occurs.

A Form 15 Pit Report shall be submitted within 30 calendar days after the construction of an emergency pit

Impacted Media (Check all that apply) Soil Groundwater Surface Water Dry Drainage Feature

Surface Area Impacted: Length of Impact (feet): _____ Width of Impact (feet): _____

Depth of Impact (feet BGS): _____ Depth of Impact (inches BGS): _____

How was extent determined?

Still working to determine the extent of the flowline leak.

Soil/Geology Description:

Clay/loam

Depth to Groundwater (feet BGS) 30 Number Water Wells within 1/2 mile radius: 5

If less than 1 mile, distance in feet to nearest

| | | | | | |
|------------|-------------|--|-------------------|-------|--|
| Water Well | <u>1361</u> | None <input type="checkbox"/> | Surface Water | _____ | None <input checked="" type="checkbox"/> |
| Wetlands | _____ | None <input checked="" type="checkbox"/> | Springs | _____ | None <input checked="" type="checkbox"/> |
| Livestock | _____ | None <input checked="" type="checkbox"/> | Occupied Building | _____ | None <input checked="" type="checkbox"/> |

Additional Spill Details Not Provided Above:

CORRECTIVE ACTIONS

#1 Supplemental Report Date: 11/25/2014

Cause of Spill (Check all that apply) Human Error Equipment Failure Historical-Unknown
 Other (specify) _____

Describe Incident & Root Cause (include specific equipment and point of failure)

While conducting flowline tests, this location failed to hold pressure on a test and it was discovered that there was a small leak in the flowline, near the wellhead. The well has continued to be shut-in (initially shut-in for the flowtest), the area excavated and repairs made to the flowline.

Describe measures taken to prevent the problem(s) from reoccurring:

We are repairing the flowline. One kease had been repaired so far.

Volume of Soil Excavated (cubic yards): 15

Disposition of Excavated Soil (attach documentation) Offsite Disposal Onsite Treatment
 Other (specify) Soil still onsite. Working to get the full extent of the soil impacted.

Volume of Impacted Ground Water Removed (bbls): 0
 Volume of Impacted Surface Water Removed (bbls): 0

REQUEST FOR CLOSURE

Spill/Release Reports should be closed when impacts have been remediated or when further investigation and corrective actions will take place under an approved Form 27.

Basis for Closure: Corrective Actions Completed (documentation attached)
 Work proceeding under an approved Form 27
 Form 27 Remediation Project No: _____

I hereby certify all statements made in this form are to the best of my knowledge true, correct, and complete.

Signed: _____ Print Name: Rachel Grant
 Title: Sr. HSE/Regulatory Tech Date: 11/26/2014 Email: regulatory@foundationenergy.com

| <u>COA Type</u> | <u>Description</u> |
|-----------------|--------------------|
| | |

Attachment Check List

| <u>Att Doc Num</u> | <u>Name</u> |
|--------------------|-------------------|
| 400740515 | FORM 19 SUBMITTED |

Total Attach: 1 Files

General Comments

| <u>User Group</u> | <u>Comment</u> | <u>Comment Date</u> |
|-------------------|----------------|---------------------|
| #Error | | |

Total: 0 comment(s)