

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:

400918468

Date Received:

10/16/2015

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.

Spill report taken by:

LUJAN, CARLOS

Spill/Release Point ID:

443559

OPERATOR INFORMATION

Name of Operator: CAERUS PICEANCE LLC Operator No: 10456 Address: 600 17TH STREET #1600N City: DENVER State: CO Zip: 80202 Contact Person: Jake Janicek Phone Numbers: (970) 285-9606 (970) 778-2314 Email: jjanicek@caerusoilandgas.com

INITIAL SPILL/RELEASE REPORT

Initial Spill/Release Report Doc# 400913402

Initial Report Date: 10/07/2015 Date of Discovery: 10/07/2015 Spill Type: Recent Spill

Spill/Release Point Location:

Location of Spill/Release: QTRQTR SWSW SEC 28 TWP 6S RNG 96W MERIDIAN 6

Latitude: 39.488500 Longitude: -108.121700

Municipality (if within municipal boundaries): County: GARFIELD

Reference Location:

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

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): 0 Estimated Condensate Spill Volume(bbl): 0 Estimated Flow Back Fluid Spill Volume(bbl): 0 Estimated Produced Water Spill Volume(bbl): >=1 and <5 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: Clear 80 Surface Owner: FEE Other(Specify): Withheld for Privacy Reasons

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):

During pumping operations, an above-ground line associated with conveying produced water to our H2-797 pad location (COGCC Location ID 439917) for completions operations broke. Pumping operations were immediately shut down. Approximately one barrel of produced water released from the broken line and soaked into the ground. Soil samples were collected from within the spill area and submitted for laboratory analysis.

List Agencies and Other Parties Notified:

OTHER NOTIFICATIONS

Date	Agency/Party	Contact	Phone	Response
10/7/2015	Surface Owner	Surface Owner	-	Verbal

SPILL/RELEASE DETAIL REPORTS

#1 Supplemental Report Date: 10/15/2015

FLUIDS	BBL's SPILLED	BBL's RECOVERED	Unknown
OIL	<u>0</u>	<u>0</u>	<input type="checkbox"/>
CONDENSATE	<u>0</u>	<u>0</u>	<input type="checkbox"/>
PRODUCED WATER	<u>1</u>	<u>0</u>	<input 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): 65 Width of Impact (feet): 15

Depth of Impact (feet BGS): _____ Depth of Impact (inches BGS): 3

How was extent determined?

The extent was determined by visual observations and confirmation soil sampling.

Soil/Geology Description:

Nihill channery loam, 6 to 25 percent slopes

Depth to Groundwater (feet BGS) 25 Number Water Wells within 1/2 mile radius: 7

If less than 1 mile, distance in feet to nearest

Water Well <u>1102</u> None <input type="checkbox"/>	Surface Water <u>499</u> None <input type="checkbox"/>
Wetlands _____ None <input checked="" type="checkbox"/>	Springs _____ None <input checked="" type="checkbox"/>
Livestock _____ None <input checked="" type="checkbox"/>	Occupied Building <u>2372</u> None <input type="checkbox"/>

Additional Spill Details Not Provided Above:

Per the approved Form 4 (Production Water Reuse and Waste Minimization Plan) (COGCC Document ID 400895930), Caerus was receiving produced water from Encana at the Custody Transfer Point mentioned in the form. From that point, Caerus was conveying this water to a pipeline riser owned by WPX southeast of their GR 14-28 pad location (COGCC Location ID 335152). This riser connects to a 12" steel pipeline that was being used to deliver water to our H2-797 pad location (COGCC Location ID 439917) for completions operations. In order to convey this water to the H2-797 pad, pumps were being utilized. During startup on the morning of 10/7/2015, the pump operator made an operational error causing the pressure within the above-mentioned 12" pipeline to increase to 3,800 pounds per square inch, which was the burst pressure for that type of pipe. As a result, the pipe split.

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: _____

OPERATOR COMMENTS:

--

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

Signed: _____ Print Name: Jake Janicek

Title: EHS Professional Date: 10/16/2015 Email: jjanicek@caerusoilandgas.com

Attachment Check List

<u>Att Doc Num</u>	<u>Name</u>
400919747	TOPOGRAPHIC MAP

Total Attach: 1 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>

Total: 0 comment(s)