



STATE OF
COLORADO

Lujan - DNR, Carlos <carlos.lujan@state.co.us>

Re: A27 Flowline Event Status

1 message

Deranleau - DNR, Greg <greg.deranleau@state.co.us>

Tue, Sep 13, 2016 at 11:32 AM

To: "Keil, John R." <John.Keil@encana.com>

Cc: "Rider, Lindsey M." <Lindsey.Rider@encana.com>, Alex Fischer <alex.fischer@state.co.us>, Carlos Lujan <carlos.lujan@state.co.us>, Stan Spencer - DNR <stan.spencer@state.co.us>

John,
Thank you for this explanation. It helps a great deal.

I would also like to express my appreciation for you and your staff being available to meet and taking the time to go over the project in great detail.

If there is anything that you all need from us to help expedite any investigative or remedial work, please let us know. Hopefully the weather cooperates and allows continued progress on investigating the extent and addressing the source this fall.

Best,
Greg

On Mon, Sep 12, 2016 at 5:35 PM, Keil, John R. <John.Keil@encana.com> wrote:

Mr. Deranleau:

On behalf of Hunter Ridge Energy Services, LLC, (HRES) and Encana Services Company, Ltd. (Encana), I would like to express my appreciation for the time provided by you and your staff on September 7th to discuss the status and path forward concerning the A27 flowline event. The purpose of this email is to bring clarity to an issue raised at the September 7th meeting regarding the status of the condensate material associated with the A27 flowline. HRES and Encana believe the A27 flowline event involved an Exploration and Production (E&P) waste.

As discussed, the material in the A27 flowline was associated with condensate pumped from the K22 Central Delivery Point (CDP) facility, where it is metered for purposes of lease allocation reporting to BLM. Custody transfer (i.e., point of sale) does not occur until much further downstream after the material is subject to three-phase separation at the Middle Fork facility operated by Encana Oil & Gas (USA) Inc. Condensate and crude oil generated at the Middle Fork facility are placed in tanks until it is off-loaded by Knowles Transportation, doing business on behalf of Pinnacle Energy Marketing, LLC. The point of custody transfer occurs at the off-loading flange of the condensate and crude oil tanks.

We look forward to continuing the dialog regarding our efforts to investigate and remediate impacts associated with this unplanned event. Please don't hesitate to contact me if you have any further questions or concerns. Once again, HRES and Encana appreciate the efforts of, and positive working relationship with, the Colorado Oil & Gas Conservation Commission.

Best regards,

John Keil

Director, EH&S – Western Operations

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Greg Deranleau

Environmental Manager



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