



COLORADO

Oil & Gas Conservation Commission

Department of Natural Resources

1120 Lincoln Street, Suite 801  
Denver, CO 80203

## WARNING LETTER # 401122759

10/12/2016

BARRETT CORPORATION\* BILL (# 10071)

Rusty Frishmuth

rfrishmuth@billbarrettcorp.com

1099 18TH ST STE 2300

DENVER, CO 80202

Tracey Fallang (tfallang@billbarrettcorp.com)

Duane Zavadil (dzavadil@billbarrettcorp.com)

Anschutz State 4-62-2 (Location ID # 436165)

SWNW, 2, 4N, 62W, WELD

**This Warning Letter is to inform you that BARRETT CORPORATION\* BILL ("Operator") may be in violation of the rules and regulations of the Colorado Oil and Gas Conservation Commission ("COGCC") and corrective action is required.**

The COGCC has reasonable cause to believe that the Operator has committed one or more violations of the Oil and Gas Conservation Act, or of a rule, regulation, or order of the Commission, or of a permit issued by the Commission. The Operator is required to comply with this Warning Letter by the **Corrective Action Deadline Date(s)** to resolve the alleged violation(s). Failure to do so will result in the issuance of a Notice of Alleged Violation and initiation of enforcement proceedings in which COGCC will seek monetary penalties for the alleged violations pursuant to § 34-60-121, C.R.S. and Rule 523, COGCC Rules of Practice and Procedure, 2 CCR 404-1.

### Alleged Violation(s) and Required Corrective Action(s):

#### 1101 Installation and Reclamation

Description of Alleged Violation: Pursuant to Rule 1101, materials for pipe and other components of pipelines shall be able to maintain the structural integrity of the pipeline under temperature, pressure, and other conditions that may be anticipated. Each component of a pipeline shall be designed and installed to prevent failure from corrosion and to withstand anticipated operating pressures and other loadings without impairment of its serviceability. In August 2014, Operator installed an underground poly line and placed it in low pressure service, conveying natural gas to a flare. In November 2015, the line was repurposed to convey discharge from the liquid dump leg of a 2 phase separator/line heater being used to condition gas for gas lift. On September 7, 2016, the line ruptured causing a release of gas vapor to the atmosphere which travelled to a nearby combustor and ignited. It was determined that the Operator used pipe materials that, though appropriate for its original use, were not designed to withstand the conditions for which they were later repurposed.

P 303.894.2100 F 303.894.2109 www.colorado.gov/cogcc

Commissioners: Andrew L. Spielman - Chairman, Ashley L. Ager, John H. Benton, James W. Hawkins, Tommy Holton, Kent Jolley, W. Perry Pearce, Robert W. Randall, Dr. Larry Wolk  
John W. Hickenlooper, Governor | Robert W. Randall, Executive Director, DNR | Matthew J. Lepore, Director





**Required Corrective Action:** Operator shall implement procedures to prevent future occurrence at the site of the incident and all others, as submitted with Form 22 Accident Report (Document #401116905). If Operator discovers any sites that have repurposed polyethylene lines for other services and verifies that the new operating conditions could exceed the ratings of the poly lines, Operator shall to shut in all wells serviced by the line until the poly line is replaced with appropriately rated lines. The implementation of procedures to prevent future line failures, the shutting in of any wells serviced by under rated poly lines, and notification to Mark Schlagenhauf via email that actions have been corrected, shall be completed by November 18, 2016.

**Corrective Action Deadline Date:** 11/18/2016

**How to Comply with Warning Letter:**

Operator shall complete the Required Corrective Action(s) above within the deadline(s) provided. Upon completion of the Corrective Action(s), Operator shall provide notice and evidence of completion to the COGCC staff identified below by the Corrective Action Deadline Date(s):

COGCC Enforcement: Steven Mah  
Email: [Steven.Mah@state.co.us](mailto:Steven.Mah@state.co.us)

Title: NOAV Specialist  
Phone Num: (303) 894-2100 x5159

COGCC Representative: Mark Schlagenhauf  
Email: [mark.schlagenhauf@state.co.us](mailto:mark.schlagenhauf@state.co.us)

Title: Engineering Integrity Sup  
Phone Num: (303)894-2100x5177

If you have any procedural questions about this Warning Letter, please contact Steven Mah.  
If you have any technical questions about this Warning Letter, please contact the COGCC Representative identified above.

**Failure to Comply with Warning Letter:**

If the Operator fails to perform Required Corrective Action(s) on or before the Corrective Action Deadline Date(s) stated above the COGCC will issue a Notice of Alleged Violation and seek penalties pursuant to § 34-60-121, C.R.S. and Rule 523, COGCC Rules of Practice and Procedure, 2 CCR 404-1.

All well data, rules and forms are available on our website at [www.colorado.gov/cogcc](http://www.colorado.gov/cogcc).

Sincerely,

Mark Schlagenhauf  
Engineering Integrity Sup  
(303)894-2100x5177  
[mark.schlagenhauf@state.co.us](mailto:mark.schlagenhauf@state.co.us)





## COLORADO

Oil & Gas Conservation  
Commission

Department of Natural Resources

1120 Lincoln Street, Suite 801  
Denver, CO 80203

### Attachments

View Attachments in Imaged Documents on COGCC website <http://ogccweblink.state.co.us/> Search by Document Number.

<u>Document Number</u>	<u>Description</u>
------------------------	--------------------

401128889	WARNING LETTER CERTIFIED MAIL RECEIPT
-----------	---------------------------------------

Total Attach: 1 Files

