



OUTCOME NOTICE for WARNING LETTER # 401122759

01/26/2017

BARRETT CORPORATION* BILL (# 10071)

Rusty Frishmuth
 rfrishmuth@billbarrettcop.com

1099 18TH ST STE 2300
 DENVER, CO 80202

Tracey Fallang (tfallang@billbarrettcop.com)

Duane Zavadil (dzavadil@billbarrettcop.com)

Re: Warning Letter # 401122759

Date Issued 10/12/2016

SWNW, 2, 4N, 62W, WELD

This Outcome Notice is to inform you of the status of the violation(s) alleged in the above referenced Warning Letter.

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.

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

Corrective Action Performed by Operator

Description: Operator submitted the required response on November 14, 2016.

Completion Date: 11/14/2016

Outcome of Warning Letter # 401122759: No Further Action Required

Operator submitted the required response on November 14, 2016.

Other Violations:

If COGCC has reasonable cause to believe that BARRETT CORPORATION* BILL has additional violations not addressed through the above referenced Warning Letter, the COGCC may 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. COGCC may or may not elect to issue Warning Letters for additional instances of non-compliance based on the guidance of the COGCC Enforcement Guidance and Penalty Policy (Corrected 4/8/2015) and COGCC Rules.

Sincerely,

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

Attachments

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

Document Number Description

401122759	WARNING LETTER OUTCOME NOTICE
401128889	WARNING LETTER CERTIFIED MAIL RECEIPT
401128997	WARNING LETTER ISSUED
401128999	WARNING LETTER IN PROCESS
401145787	WARNING LETTER CERTIFIED MAIL RETURN RECEIPT

Total Attach: 5 Files

