



November 20, 2017

State of Colorado Oil and Gas Conservation Commission  
1120 Lincoln Street  
Suite 801  
Denver, CO 80203

**RE: Closure Request:  
Highlands 5-64 15-16 Drilling Pad Drilling Fluid Release  
COGCC Spill/Release Point ID #451741  
Arapahoe County, Colorado**

During surface casing drilling operations by Highlands Natural Resources early in morning of 8/15/2017 one of two fischer pumps used to circulate drilling fluid and cutting out of the cellar got clogged. This reduced the efficiency of the system causing a slow overflow of the cellar. This overflow was mostly contained in the primary containment beneath the drilling rig. A small volume of drilling mud did leak out of the containment around the base of the catwalk where the catwalk was sitting on the containment berm. Drilling operations ceased, Highlands was immediately notified, and the area of the spill was quickly contained and absorbent material was spread on the affected area. The leaked drilling fluid was water based drilling with some weighting agents.

To prevent further instances, pump inspection schedules were set at regular intervals, any changes in rates were to be accompanied by a visual inspection of the cellar to verify pump efficiency, equipment was rearranged not to interfere with containment berms, and containment berms were reinforced. Additional high visibility spill containment kits were added to location to decrease response time in the event of another leak.

The affected area was scraped down past the affected soil depth and the waste was incorporated into the existing drill cuttings waste for disposal at an external site.



Additionally, Susan Sherman with the COGCC was notified immediately and she did a preliminary inspection of the release.

Sincerely,

A handwritten signature in blue ink, consisting of stylized, overlapping loops and lines that form the letters "S" and "M".

**Stephen Miller**

Vice President of Operations

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