

# State of Colorado Oil and Gas Conservation Commission

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Document Number:

402278826

Date Received:

01/07/2020

Spill report taken by:

CHESSON, BOB

Spill/Release Point ID:

470400

## SPILL/RELEASE REPORT (SUPPLEMENTAL)

This form is to be submitted by the party responsible for the oil and gas spill or release. Refer to COGCC Rule 906.b. for reporting requirements of spills or releases of E&P Waste or produced fluids. Submit a Site Investigation and Remediation Workplan (Form 27) when requested by the Director.

### OPERATOR INFORMATION

Name of Operator: <u>VERDAD RESOURCES LLC</u>	Operator No: <u>10651</u>	<b>Phone Numbers</b>
Address: <u>5950 CEDAR SPRINGS ROAD</u>		Phone: <u>(720) 8456901</u>
City: <u>DALLAS</u>	State: <u>TX</u>	Zip: <u>75235</u>
Contact Person: <u>Michael Cugnetti</u>		Mobile: <u>( )</u>
		Email: <u>mcugnetti@verdadresources.com</u>

### INITIAL SPILL/RELEASE REPORT

Initial Spill/Release Report Doc# 402273969

Initial Report Date: 12/30/2019 Date of Discovery: 12/29/2019 Spill Type: Recent Spill

#### Spill/Release Point Location:

Location of Spill/Release: QTRQTR NESW SEC 24 TWP 2N RNG 64W MERIDIAN 6

Latitude: 40.120994 Longitude: -104.500303

Municipality (if within municipal boundaries): \_\_\_\_\_ County: WELD

#### Reference Location:

Facility Type: OIL AND GAS LOCATION

☒ Facility/Location ID No 454529

Spill/Release Point Name: ARNOLD

☐ No Existing Facility or Location ID No.

Number: 02N-64W-24

☐ 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? Yes

Estimated Total Spill Volume: use same ranges as others for values

Estimated Oil Spill Volume(bbl): >=5 and <100

Estimated Condensate Spill Volume(bbl): 0

Estimated Flow Back Fluid Spill Volume(bbl): 0

Estimated Produced Water Spill Volume(bbl): 0

Estimated Other E&P Waste Spill Volume(bbl): 0

Estimated Drilling Fluid Spill Volume(bbl): 0

Specify: \_\_\_\_\_

#### Land Use:

Current Land Use: OTHER

Other(Specify): Oil and Gas location

Weather Condition: 20 degrees, partly cloudy

Surface Owner: FEE

Other(Specify): \_\_\_\_\_

#### 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):

The treater for the Boyd 24-4H had a gasket fail. The well was shut in and the vessel isolated to stop the leak. The spill was contained on the oil and gas location. Oil was recovered from containment and pad surface using a vacuum truck. The stained pad surface road base is being pulled up and properly disposed of.

**List Agencies and Other Parties Notified:**

**OTHER NOTIFICATIONS**

Date	Agency/Party	Contact	Phone	Response
12/30/2019	Landowner	Mr. Arnold	-	Emailed: No response yet
12/30/2019	Weld County	Online Spill notificaton	-	Notification acknowledged

Was there a Grade 1 Gas Leak associated with this E & P waste spill or release? Yes ☐ No ☒

If YES, enter the Document Number of the Initial Grade 1 Gas Leak Report Form 44: \_\_\_\_\_

Was there a reportable accident associated with this E & P waste spill or release? Yes ☐ No ☒

If YES, enter the Document Number of the Initial Accident Report, Form 22: \_\_\_\_\_

**SPILL/RELEASE DETAIL REPORTS**

#1	Supplemental Report Date: 01/07/2020		
<b>FLUIDS</b>	BBL's SPILLED	BBL's RECOVERED	Unknown
OIL	18	15	<input type="checkbox"/>
CONDENSATE	0	0	<input type="checkbox"/>
PRODUCED WATER	0	0	<input type="checkbox"/>
DRILLING FLUID	0	0	<input type="checkbox"/>
FLOW BACK FLUID	0	0	<input type="checkbox"/>
OTHER E&P WASTE	0	0	<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): 50 Width of Impact (feet): 80

Depth of Impact (feet BGS): 0 Depth of Impact (inches BGS): 6

How was extent determined?

Extent was determined using sensory observations and will be verified with clean up confirmation sampling and analysis. Analysis will be included as an attachment on a later Supplemental report.

Soil/Geology Description:

6" of imported roadbase material on top of Colby loam, 1 to 3 percent slopes, well drained, moderately high to high available water capacity.

Depth to Groundwater (feet BGS) 300 Number Water Wells within 1/2 mile radius: 6

If less than 1 mile, distance in feet to nearest Water Well 650 None ☐ Surface Water 350 None ☐

Wetlands 4000 None ☐ Springs \_\_\_\_\_ None ☒

Livestock 1440 None ☐Occupied Building 752 None ☐

Additional Spill Details Not Provided Above:

**CORRECTIVE ACTIONS**#1 Supplemental Report Date: 01/07/2020Cause of Spill (Check all that apply) ☒ Human Error ☒ Equipment Failure ☐ Historical-Unknown  
☐ Other (specify) \_\_\_\_\_

Describe Incident &amp; Root Cause (include specific equipment and point of failure)

The treater for the Boyd 24-4H had a gasket fail. The well was shut in and the vessel isolated to stop the leak. The spill was contained on the oil and gas location. Oil was recovered from containment and pad surface using a vacuum truck. The stained pad surface road base has been pulled up and properly disposed of. Clean up documentation will be included as an attachment on a later Supplemental report. The gasket failure was at the fire tube bolt up assembly on the vertical treater. The gasket expanded up through the bolts, pinched between bolts at 1 o'clock position. The Root Cause of the gasket failure appears to be that some of the flange bolts were not completely tightened. Manufacturer says they torque the bolts to 180 lbs at assembly, but they were able to be tightened on the treater.

Describe measures taken to prevent the problem(s) from reoccurring:

Gasket is replaced and bolts have been properly torqued. Treater was pressure tested and checked for leaks after repairs were made. Flange bolts will be checked for tightness on all similar equipment in use at Verdad locations as well as gasket condition. We are evaluating gasket materials also to see if there is a better option.

Volume of Soil Excavated (cubic yards): 74Disposition of Excavated Soil (attach documentation) ☒ Offsite Disposal ☐ Onsite Treatment  
☐ Other (specify) \_\_\_\_\_Volume of Impacted Ground Water Removed (bbls): 0Volume of Impacted Surface Water Removed (bbls): 0**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: Michael CugnettiTitle: Director of EHS&R Date: 01/07/2020 Email: mcugnetti@verdadresources.com**COA Type****Description****Attachment Check List****Att Doc Num****Name**

402279377	AERIAL PHOTOGRAPH
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Total Attach: 1 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
		Stamp Upon Approval

Total: 0 comment(s)