

State of Colorado  
Oil and Gas Conservation Commission

1120 Lincoln Street, Suite 801, Denver, Colorado 80203  
Phone: (303) 894-2100 Fax: (303) 894-2109



Document Number:

402511467

Date Received:

10/28/2020

Spill report taken by:

Arauzo, Steven

Spill/Release Point ID:

477494

**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>CAERUS PICEANCE LLC</u>	Operator No: <u>10456</u>	<b>Phone Numbers</b>
Address: <u>1001 17TH STREET #1600</u>		Phone: <u>(970) 285-2925</u>
City: <u>DENVER</u> State: <u>CO</u> Zip: <u>80202</u>		Mobile: <u>(970) 640-6919</u>
Contact Person: <u>Blair Rollins</u>		Email: <u>brollins@caerusoilandgas.com</u>

**INITIAL SPILL/RELEASE REPORT**

Initial Spill/Release Report Doc# 402453780

Initial Report Date: 07/27/2020 Date of Discovery: 07/27/2020 Spill Type: Recent Spill

**Spill/Release Point Location:**

QTRQTR NENE SEC 23 TWP 5S RNG 96W MERIDIAN 6

Latitude: 39.601691 Longitude: -108.140371

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

**Reference Location:**

Facility Type: FLOWLINE SYSTEM  Facility/Location ID No 335667

Spill/Release Point Name: 6D-23 Flowline  Well API No. (Only if the reference facility is well) 05- -

No Existing Facility or Location ID No.

**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): <u>0</u>	Estimated Condensate Spill Volume(bbl): <u>&gt;=5 and &lt;100</u>
Estimated Flow Back Fluid Spill Volume(bbl): <u>0</u>	Estimated Produced Water Spill Volume(bbl): <u>&gt;=5 and &lt;100</u>
Estimated Other E&P Waste Spill Volume(bbl): <u>0</u>	Estimated Drilling Fluid Spill Volume(bbl): <u>0</u>

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

**Land Use:**

Current Land Use: CROP LAND Other(Specify): \_\_\_\_\_

Weather Condition: Cloudy

Surface Owner: FEE Other(Specify): Caerus Oil and Gas

**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):

Leak was discovered during well trending by Caerus personnel. Further investigation is being completed to determine cause and extent. Spill is not visible from well pad surface.

List Agencies and Other Parties Notified:

### OTHER NOTIFICATIONS

Date	Agency/Party	Contact	Phone	Response
7/27/2020	COGCC	Steven Arauza	303-894-2100	Left message
7/27/2020	BLM	Jim Byers	970-319-2532	Email notification
7/27/2020	BLM	Wesley Toews	970-876-9000	Email notification
7/27/2020	Garfield County	Kirby Wynn	970-625-5905	Email notification

Was there a Grade 1 Gas Leak? Yes  No

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

Was there a reportable accident associated with either a Grade 1 Gas Leak or an E&P waste spill or release? Yes  No

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

Was there damage during excavation? Yes  No

If YES, was CO 811 notified prior to excavation? Yes  No

### SPILL/RELEASE DETAIL REPORTS

#1	Supplemental Report Date:	10/19/2020		
<b>FLUIDS</b>	BBL's SPILLED	BBL's RECOVERED	Unknown	
OIL	0	0	<input type="checkbox"/>	
CONDENSATE	0	0	<input type="checkbox"/>	
PRODUCED WATER	5	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? <u>NO</u> Was an Emergency Pit constructed? <u>NO</u>				
<i>Secondary containment, including walls &amp; floor regardless of construction material, must be sufficiently impervious to contain any discharge from primary containment until cleanup occurs.</i>				
<b>A Form 15 Pit Report shall be submitted within 30 calendar days after the construction of an emergency pit</b>				
Impacted Media (Check all that apply) <input checked="" type="checkbox"/> Soil <input type="checkbox"/> Groundwater <input type="checkbox"/> Surface Water <input type="checkbox"/> Dry Drainage Feature				
Surface Area Impacted: Length of Impact (feet):		12	Width of Impact (feet): 5	
Depth of Impact (feet BGS):		7	Depth of Impact (inches BGS): _____	
How was extent determined?				
Caerus conducted two excavation and confirmation sampling events to determine the extent of contamination associated with the project.				

Soil/Geology Description:

Nihill Channery loam, 6 to 25 percent slopes

Depth to Groundwater (feet BGS) 60

Number Water Wells within 1/2 mile radius: 1

If less than 1 mile, distance in feet to nearest

Water Well 240 None

Surface Water 280 None

Wetlands 280 None

Springs 1297 None

Livestock \_\_\_\_\_ None

Occupied Building \_\_\_\_\_ None

Additional Spill Details Not Provided Above:

All impacted soil was removed by hydrovac and taken to the NPR Solidification Facility (Location ID 428910) for handling and offsite disposal at Greenleaf Environmental Services near DeBeque, Colorado.

## CORRECTIVE ACTIONS

#1 Supplemental Report Date: 10/19/2020

Root Cause of Spill/Release Corrosion

Other (specify) \_\_\_\_\_

Type of Equipment at Point of Spill/Release: Other

If "Other" selected above, specify or describe here:

Flowline elbow

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

The incident occurred ue to external corrosion at hte flowline ninety degree turn.

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

The flowline ninety degree turn was replaced with a more gradual ninety degree bend, properly coated and wrapped prior to installation.

Volume of Soil Excavated (cubic yards): 20

Disposition of Excavated Soil (attach documentation)  Offsite Disposal  Onsite Treatment

Other (specify) \_\_\_\_\_

Volume of Impacted Ground Water Removed (bbls): 0

Volume 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:

Based on the impacted soil volume and the short spill duration, Caerus estimates the release to be no greater than 5 barrels.

The 20 cubic yards of excavated material is an estimate based on the total of both excavation activities.

An initial assessment point of release sample was collected on August 3rd, 2020. Following hydrovac excavation of the spill area, confirmation samples were collected on August 20th, 2020. Additional excavation and sampling was conducted on September 30th, 2020. Based on the sampling events, the following exceedances to COGCC Table 910-1 standards are present:

North Wall @ 6' = SAR, pH, and arsenic

South Wall @ 6' = pH and arsenic  
 East Wall @ 6' = pH and arsenic  
 West Wall @ 6' = SAR, pH, and arsenic  
 Bottom @ 7' = SAR and arsenic

Arsenic was found to be above COGCC Table 910-1 concentration levels in all samples collected to characterize this spill. Caerus requests relief from the COGCC Table 910-1 soil concentration level for arsenic based on naturally occurring background concentrations for arsenic found in native soil adjacent to the K26 well pad (Location ID 335668). Please refer to the attached map, tabulated laboratory data, and laboratory analytical report for the K26 background soil sample results.

Based on the potential receptors in the area being Parachute Creek which is an ephemeral drainage approximately 300 feet to the west, the small amount of spilled fluid, and the safety concerns with conducting additional excavation between well heads and flowlines/gaslift lines, Caerus requests no further action on this spill and to close the project. Caerus will backfill the excavation to the active working surface of the pad with clean fill material and return the pad to continued production. At the end of the life of the well pad, Caerus will ensure all SAR and pH impacted soil will be buried below under at least three feet of native fill material to ensure sufficient zone for agronomic growth.

I hereby certify all statements made in this form are to the best of my knowledge true, correct, and complete.

Signed: \_\_\_\_\_ Print Name: Blair Rollins  
 Title: Blair Rollins Date: 10/28/2020 Email: brollins@caerusoilandgas.com

<u>COA Type</u>	<u>Description</u>

**Attachment Check List**

<u>Att Doc Num</u>	<u>Name</u>
402514150	AERIAL PHOTOGRAPH
402514151	ANALYTICAL RESULTS
402514153	ANALYTICAL RESULTS
402514156	ANALYTICAL RESULTS
402514157	ANALYTICAL RESULTS
402520023	ANALYTICAL RESULTS
402520024	ANALYTICAL RESULTS
402520025	AERIAL PHOTOGRAPH

Total Attach: 8 Files

**General Comments**

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Environmental	Operator has not addressed Arsenic exceedances.	10/21/2020
Environmental	Analytical data checks out, but extensive inorganics impacts are documented at 6-7'. Considering approval with a requirement for an F27 upon PA of the wells?	10/21/2020

Total: 2 comment(s)