

State of Colorado
Oil and Gas Conservation Commission

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Document Number:

402566138

Date Received:

01/05/2021

Spill report taken by:

Arauzo, Steven

Spill/Release Point ID:

478636

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>	Phone Numbers
Address: <u>1001 17TH STREET #1600</u>		Phone: <u>(970) 778-2314</u>
City: <u>DENVER</u> State: <u>CO</u> Zip: <u>80202</u>		Mobile: <u>(970) 778-2314</u>
Contact Person: <u>Jake Janicek</u>		Email: <u>jjanicek@caerusoilandgas.com</u>

INITIAL SPILL/RELEASE REPORT

Initial Spill/Release Report Doc# 402538104

Initial Report Date: 11/23/2020 Date of Discovery: 11/21/2020 Spill Type: Recent Spill

Spill/Release Point Location:

QTRQTR NENW SEC 4 TWP 6S RNG 96W MERIDIAN 6

Latitude: 39.561578 Longitude: -108.111816

Municipality (if within municipal boundaries): _____ County: GARFIELD

Reference Location:

Facility Type: WELL PAD Facility/Location ID No 311638

Spill/Release Point Name: C04 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? No

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>0</u>
Estimated Flow Back Fluid Spill Volume(bbl): <u>0</u>	Estimated Produced Water Spill Volume(bbl): <u>Unknown</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: NON-CROP LAND Other(Specify): _____

Weather Condition: clear

Surface Owner: FEE Other(Specify): Caerus

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):

A flowline failed quarterly pressure testing, the operator checked all associated valves. The location of the failure has not been identified a one-call has been placed and excavation is being scheduled to attempt to identify the failure point.

List Agencies and Other Parties Notified:

OTHER NOTIFICATIONS

Date	Agency/Party	Contact	Phone	Response
11/21/2020	COGCC	Steven Arauza	720-498.5298	voice and email
11/21/2020	Garfield Co	Kirby Wynn	970-987.2557	email

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

CORRECTIVE ACTIONS

#1 Supplemental Report Date: 01/05/2021

Root Cause of Spill/Release Corrosion

Other (specify) _____

Type of Equipment at Point of Spill/Release: Wellhead Line

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

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

The failure occurred approximately 80 feet south of the ninety degree elbow where the flowline transitions from an east-west orientation to a north-south orientation. This transition is approximately 18 feet east of the wellhead connected to the MF07A-4 well. The root cause was determined to be external corrosion.

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

The failed piping was replaced. Daily review of production data will continue to be trended in order to catch any potential failures.

Volume of Soil Excavated (cubic yards): _____

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

Other (specify) _____

Volume of Impacted Ground Water Removed (bbls): _____

Volume of Impacted Surface Water Removed (bbls): _____

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:

On 12/2/2020, a soil sample (20201202-C04-696-POR@7') was collected from the soil adjacent to the point of release (POR). The sample was submitted for laboratory analysis of all analytes listed in COGCC Table 910-1. Laboratory analytical results indicate that the soil sample was compliant with all COGCC Table 910-1 Concentration Levels or below background concentrations for arsenic, except for the EC and pH measurements. Table 1 summarizes analytical results and reports are attached. Please see Figure 1 which depicts soil sampling locations and other pertinent site info.

In order to address the arsenic exceedances exhibited in the sample mentioned above, Caerus is requesting consideration for the COGCC Table 910-1 Concentration Level for arsenic under guidelines set forth under FAQ 31. Caerus believes the request for FAQ 31 consideration is acceptable as the arsenic results for the sample was below background samples for arsenic collected at the site in 2011. Table 1 summarizes background analytical results and reports are attached. Please see Figure 1 which depicts background soil sampling locations.

In order to address the EC and pH exceedances exhibited in the sample, Caerus is requesting consideration for COGCC Table 910-1 Concentration Levels for EC and pH under guidelines set forth under FAQ 32 as this sample was collected from seven feet below pad surface which will be covered by even more soil during final reclamation activities. Caerus believes the request for FAQ 32 consideration is acceptable as there are minimal potential receptors in the area and environmental impacts to these receptors are unlikely. The nearest surface water is 719 feet to the west and groundwater at the site is estimated to be 150 feet below the pad surface based on topography.

A COA listed on the Initial Form 19 for this release requested that a representative fluid sample be collected from the well associated with the failed flowline. Caerus requests relief from this COA due to the technical infeasibility associated with the failed flowline being part of a three-phase process system that is connected directly into a three-phase pipeline instead of a production tank. Under this process system, a sufficient amount of sample fluid would not be able to be collected to fulfill the requirement.

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

Signed: _____ Print Name: Jake Janicek

Title: EHS Specialist Date: 01/05/2021 Email: jjanicek@caerusoilandgas.com

COA Type

Description

COA Type	Description

Attachment Check List

<u>Att Doc Num</u>	<u>Name</u>
402566140	SITE MAP
402566141	ANALYTICAL RESULTS
402566142	ANALYTICAL RESULTS

Total Attach: 3 Files

General Comments

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

Total: 0 comment(s)