

State of Colorado
Oil and Gas Conservation Commission

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Phone: (303) 894-2100 Fax: (303) 894-2109



Document Number:
402969196
Date Issued:
03/01/2022
Date Resolved:

NOTICE OF ALLEGED VIOLATION - ISSUED

Per Rule 523, the Director has reasonable cause to believe that a violation of the Act, or of any Commission rule, order, or permit has occurred, the Director will require the operator to remedy the violation and may commence an enforcement action seeking penalties by issuing a Notice of Alleged Violation (NOAV). Per Rule 525, an operator who violates the Act, or a Commission rule, order, or permit may be subject to a penalty imposed by Commission order.

OPERATOR INFORMATION

OGCC Operator Number: 95620
Name of Operator: WESTERN OPERATING COMPANY
Address: 1165 DELAWARE STREET #200
City: DENVER State: CO Zip: 80204
Contact Name and Telephone:
Name: STEVEN D JAMES
Phone: (303) 893-2438 Fax: ()
Email: steve@westernoperating.com

Well Location, or Facility Information (if applicable):

API Number: 05- - -00 Facility or Location ID: 481054
Name: Harrison 4 Heater Treater Number: _____
QtrQtr: SWSE Sec: 9 Twp: 19S Range: 45W Meridian: 6
County: KIOWA

ALLEGED VIOLATION

Rule: 602
Rule Description: General Safety Requirements
Initial Discovery Date: 10/06/2021 Was this violation self-reported by the operator? No
Date of Violation: 05/05/2021 Approximate Time of Violation: _____
Was this a discrete violation of obvious duration? Unknown

Description of Alleged Violation:

Pursuant to Rule 602.h., Great Western Operating Company ("Operators") will provide initial notification of a reportable safety event described in Rule 602.g.(1), as soon as practicable, but no more than 6 hours after the safety event. A Form 22, Accident Report, will be submitted to the Director within 3 days of the reportable safety event. Pursuant to Rule 602.g.(1), Operator will notify the Director of reportable safety events, including: Any accidental fire, explosion, detonation, uncontrolled release of pressure, or loss of Well control, vandalism or terrorist activity, or any accidental or natural event that damages equipment or otherwise alters an Oil and Gas Facility so as to create a significant Spill or Release, fire hazard, unintentional public access, or any other condition that threatens public safety.

On October 6, 2021, COGCC staff inspected (document no. 700600327) Operator's Harrison 4 offsite tank battery ("Location") and observed a charred fence post and the remains of a burned tank and stained soils, indicating a fire had occurred at that location. COGCC staff met with the landowner on November 3, 2021, who validated staff's assumptions with a video of the fire at the Location that occurred in May of 2021. The inspection report was issued to Operator on November 4, 2021, with a corrective action for Operator to submit a Form 22, Accident Report.

On November 5, 2021, Operator submitted a Form 22, Accident Report (document no. 402706308) that reported the heater treater caught fire on May 5, 2021, from a pin hole in the fire tube, which caused the surface of the fiberglass produced water tank to ignite. After calling 911, the fire department responded and extinguished the fire.

Operator failed to provide notification of a reportable safety event within 6 hours of the safety event and Operator failed to submit a

Abatement or Corrective Action Required to be Performed by Operator: Corrective Action Due Date: 03/31/2022

Proper and timely abatement does not preclude the assessment of penalties and an Order Finding Violation.

Submit documentation of employee training of Rule 602 - General safety requirements

Rule: 912.b.

Rule Description: Reporting Spills or Releases of E&P Waste, Gas, or Produced Fluids

Initial Discovery Date: 10/06/2021 Was this violation self-reported by the operator? No

Date of Violation: 05/05/2021 Approximate Time of Violation:

Was this a discrete violation of obvious duration? Unknown

Description of Alleged Violation:

Pursuant to Rule 912.b.(1), Operators will submit an initial report ("24 Hour Notification") of a Spill or Release of E&P Waste, natural gas, or produced Fluids that meet any of the criteria in Rule 912.b.(1)G., to the Director verbally, via electronic mail, or on a Form 19, Spill/Release Report – Initial within 24 hours of discovery. Pursuant to Rule 912.b.(1)G., Operator will submit a 24 Hour Notification of a suspected or actual Spill or Release of any volume where the volume cannot be immediately determined, including a Spill or Release of any volume that daylight from the subsurface. Pursuant to Rule 912.b.(3), Operator will submit a Form 19 – Initial no less than 72 hours after discovery of the Spill or Release unless the Director extends the timeframe in writing. Pursuant to Rule 912.b.(4), Operator will file a Form 19 – Supplemental not more than 10 days after the Spill or Release is discovered.

On October 6, 2021, COGCC staff inspected (document no. 700600327) Operator's Harrison 4 offsite tank battery ("Location") and observed stained soils, indicating a spill had occurred at that location.

On November 5, 2021, Operator submitted an Initial Form 19, Spill/Release Report (document no. 402862918) that reported the heater treater caught fire on May 5, 2021, from a pin hole in the fire tube, which caused the surface of the fiberglass produced water tank to ignite.

On November 15, 2021, Operator submitted a Supplemental Form 19, Spill/Release Report (document no. 402869793) reporting the collection of confirmation soil samples from the area potentially impacted by the incident after stained soils were removed.

On November 23, 2021, Operator submitted a second Supplemental Form 19, Spill/Release Report (document no. 402879027) reporting results from the confirmation soil samples collected are compliant with Table 915-1 concentration standards and requesting spill closure. COGCC staff approved the closure request and required no further action.

Operator failed to report the discovery of a reportable spill within 24 hours of discovery, submit a Form 19, Spill/Release Report – Initial within 72 hours of discovery of the spill, or file a Form 19, Spill/Release Report – Supplemental within 10 days of discovery of the spill, violating Rule 912.b.

Abatement or Corrective Action Required to be Performed by Operator: Corrective Action Due Date: 03/31/2022

Proper and timely abatement does not preclude the assessment of penalties and an Order Finding Violation.

Submit a detailed written plan that the company will use to train all employees or subcontractor personnel that have a responsibility for field operations or spill/release reporting to prevent violations of Rule 912 in the future. Include a schedule to perform employee training. Provide documentation of employee training of COGCC Rule 912.b. spill reporting timelines, spill reporting thresholds, and spill reporting form requirements within 30-days after COGCC approval of the written plan.

PENALTY

Penalties for violations alleged in this NOAV will be calculated pursuant to Rule 525, with daily penalties accruing pursuant to Section 34-60-121(1), C.R.S.

ANSWER

Pursuant to Rule 523.c.(2), the operator must file an Answer to this NOAV within 28 days of its receipt, or a default judgment may be entered. Answers are filed by email to dnr_cogccenforcement@state.co.us.

NOAV ISSUED

| | |
|--------------------------------------------|----------------------------------------|
| NOAV Issue Date: <u>03/01/2022</u> | |
| COGCC Representative Signature: _____ | |
| COGCC Representative: <u>Trent Lindley</u> | Title: <u>NOAV Specialist</u> |
| Email: <u>trent.lindley@state.co.us</u> | Phone Num: <u>(303) 894-2100 x5143</u> |

CORRECTIVE ACTION COMPLETED

| | |
|---------------------------------------------------------------------------------------|----------------------------------------|
| Rule: <u>602</u> | |
| Rule Description: <u>General Safety Requirements</u> | |
| Corrective Action Start Date: _____ | Corrective Action Complete Date: _____ |
| Has corrective action for this violation been performed as required? _____ | |
| Description of Actual Corrective Action Performed by Operator <input type="text"/> | |

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|-------------------------------------------------------------------------------------------------|----------------------------------------|
| Rule: <u>912.b.</u> | |
| Rule Description: <u>Reporting Spills or Releases of E&P Waste, Gas, or Produced Fluids</u> | |
| Corrective Action Start Date: _____ | Corrective Action Complete Date: _____ |
| Has corrective action for this violation been performed as required? _____ | |
| Description of Actual Corrective Action Performed by Operator <input type="text"/> | |

FINAL RESOLUTION

| | | |
|----------------------------------------------------|------------------------------|-----------------|
| Cause #: _____ | Order #: _____ | Docket #: _____ |
| Enforcement Action: _____ | Final Resolution Date: _____ | |
| Final Resolution Comments: <input type="text"/> | | |

ATTACHMENT LIST

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

| <u>Document Number</u> | <u>Description</u> |
|------------------------|-----------------------------|
| 402969215 | NOAV CERTIFIED MAIL RECEIPT |
| 402969216 | NOAV ISSUED |

Total Attach: 2 Files