

State of Colorado
Oil and Gas Conservation Commission

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Document Number:

403126252

Date Received:

08/04/2022

Spill report taken by:

Arauz, Steven

Spill/Release Point ID:

482680

SPILL/RELEASE REPORT (INITIAL)

This form is to be submitted by the party responsible for the oil and gas spill or release. Refer to COGCC Rule 912.b. for reporting requirements of spills or releases of E&P Waste, produced Fluids, or unauthorized Releases of natural gas. Submit a Site Investigation and Remediation Workplan (Form 27) if Rule 913.c. applies.

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) 285.2739</u> |
| City: <u>DENVER</u> State: <u>CO</u> Zip: <u>80202</u> | | Mobile: <u>(970) 987.4650</u> |
| Contact Person: <u>Brett Middleton</u> | | Email: <u>bmiddleton@caerusoilandgas.com</u> |

INITIAL SPILL/RELEASE REPORT

Initial Spill/Release Report Doc# 403126252

Initial Report Date: 08/04/2022 Date of Discovery: 08/02/2022 Spill Type: Historical Release

Spill/Release Point Location:

QTRQTR NENE SEC 20 TWP 5S RNG 95W MERIDIAN 6

Latitude: 39.606183 Longitude: -108.071958

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

Enter Lat./long measurement of the actual Spill/Release Point. Lat./Long. Data shall meet standards of Rule 216.

Reference Location:

Facility Type: GAS GATHERING PIPELINE SYSTEM Facility/Location ID No _____

Spill/Release Point Name: Long Ridge D21 595 Gas line failure Well API No. (Only if the reference facility is well) 05- -

No Existing Facility or Location ID 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>Unknown</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: _____

Has the subject Spill/Release been controlled at the time of reporting? Yes

Land Use:

Current Land Use: NON-CROP LAND Other(Specify): _____

Weather Condition: clear

Surface Owner: FEE Other(Specify): Caerus

Describe what is known about the spill/release event (what happened -- including how it was stopped, contained, and recovered):

The previous operator shut in all producing wells in October of 2021, Caerus purchased the asset in 2022 and has not put the pipeline back in service. Caerus has been conducting pressure testing on the pipeline and isolating and repairing failed valves. Through this process Caerus has identified an approximate pipeline failure point and is excavating the location to identify the point of release. Caerus will sample and define the historic vertical and horizontal impacts, all potential impacts would have been from the previous operators use of the pipeline.

List of Agencies and Other Parties Notified Pursuant to Rule 912.b.(7)-(11):

OTHER NOTIFICATIONS

| <u>Date</u> | <u>Agency/Party</u> | <u>Contact</u> | <u>Phone</u> | <u>Response</u> |
|-------------|---------------------|----------------|--------------|-----------------|
| 8/4/2022 | GARCO | Kirby Wynn | 970-987.2557 | emailed report |
| 8/4/2022 | CPW | Taylor Elm | 970-986.9767 | emailed report |

REPORT CRITERIA

Rule 912.b.(1) Report to the Director (select all criteria that apply):

No Rule 912.b.(1).A: A Spill or Release of any size that impacts or threatens to impact any Waters of the State, Public Water System, residence or occupied structure, livestock, wildlife, or publicly-maintained road.

Waters of the State: _____ Public Water System: _____
Residence or Occupied Structure: _____ Livestock: _____
Wildlife: _____ Publicly-Maintained Road: _____

No Rule 912.b.(1).B: A Spill or Release in which 1 barrel or more of E&P Waste or produced fluids is spilled or released outside of berms or other secondary containment.

No Rule 912.b.(1).C: A Spill or Release of 5 barrels or more of E&P Waste or produced Fluids regardless of whether the Spill or Release is completely contained within berms or other secondary containment.

No Rule 912.b.(1).D: Within 6 hours of discovery, a Grade 1 Gas Leak. For a Grade 1 Gas Leak from a Flowline, the Operator also must submit the Form 19 – Initial, document number on a Form 44, Flowline Report, for the Grade 1 Gas Leak

Enter the approximate time of discovery _____ (HH:MM)
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? _____
Enter the Document Number of the Initial Accident Report, Form 22 _____
Was there damage during excavation? _____
Was CO 811 notified prior to excavation? _____

No Rule 912.b.(1).E: The discovery of 10 cubic yards or more of impacted material resulting from a current or historic Spill or Release. Discovery and reporting will not be contingent upon confirmation samples demonstrating exceedance of Table 915-1 standards.

Estimated Volume of Impacted Solids (cu. yd.): _____

No Rule 912.b.(1).F: The discovery of impacted Waters of the State, including Groundwater. Discovery and reporting will not be contingent upon confirmation samples demonstrating exceedance of Table 915-1 standards. The presence of free product or hydrocarbon sheen on Groundwater or surface water is reportable. The presence of contaminated soil in contact with Groundwater or surface water is reportable. Check all that apply:

- The presence of free product or hydrocarbon sheen Surface Water
- The presence of free product or hydrocarbon sheen on Groundwater
- The presence of contaminated soil in contact with Groundwater
- The presence of contaminated soil in contact with Surface water

| | |
|-----|--|
| Yes | Rule 912.b.(1).G: 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. |
| No | Rule 912.b.(1).H: Spill or Release resulting in vaporized hydrocarbon mists that leave the Oil and Gas Location or Off-Location Flowline right of way from an Oil and Gas Location and impacts or threatens to impact off-location property. <input type="checkbox"/> Areas offsite of Oil & Gas Location <input type="checkbox"/> Off-Location Flowline right of way |
| No | Rule 912.b.(1).I: A Release of natural gas that results in an accumulation of soil gas or gas seeps. |
| No | Rule 912.b.(1).J: A Release that results in natural gas in Groundwater. |

OPERATOR COMMENTS:

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

Signed: _____ Print Name: Brett Middleton
 Title: Environmental Lead Date: 08/04/2022 Email: bmiddleton@caerusoilandgas.com

Condition of Approval

| COA Type | Description |
|-----------------|---|
| | Submit photo documentation, as described in Rule 912.b.(4).B, via a Supplemental Form 19. |
| | Operator shall collect sample(s) from comparable, nearby non-impacted native soil for purposes of establishing background soil conditions including pH, electrical conductivity (EC) and sodium adsorption ratio (SAR), per Rule 915.e.(2).D. |
| | Per Rule 912.a.(2), the Operator will conduct sampling and analysis of soil, and groundwater--if encountered, to determine the horizontal and vertical extent of any contamination in excess of the cleanup concentrations in Table 915-1 for soil and groundwater. The Operator shall analyze samples for the complete Table 915-1 list and shall compare analytical results for site investigation samples to both the Table 915-1 Residential Soil Screening Level Concentrations and the Protection of Groundwater Soil Screening Level Concentrations. Submit an assessment of potential pathways to groundwater via a Supplemental Form 19. |
| | In the Supplemental Form 19, identify the root cause of the failure and explain how reoccurrence on this pipeline and the other pipelines associated with this facility will be prevented, per Rule 912.d.(3). Operator shall coordinate with COGCC Engineering Integrity Supervisor, Mark Schlagenhauf, regarding pipeline excavation, assessment, and repair. |
| | Assess nature and extent of contamination with confirmation soil samples. The operator shall comply with Rule 915.e.(2) for collection of soil samples. The operator shall notify the COGCC and comply with Rule 915.e.(3) if groundwater is encountered during cleanup operations. |
| | Additional information required by Rule 912.b.(4) shall be submitted on a supplemental spill report no later than ten days after discovery (reported Discovery Date: 8/2/2022). Within 90 days of spill discovery date, Operator shall comply with Spill/Release closure requirements outlined in Rule 912.b.(6). |
| 6 COAs | |

Attachment List

| Att Doc Num | Name |
|--------------------|-------------------------------|
| 403126252 | SPILL/RELEASE REPORT(INITIAL) |
| 403128725 | FORM 19 SUBMITTED |

Total Attach: 2 Files

General Comments

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

Total: 0 comment(s)