

State of Colorado Oil and Gas Conservation Commission

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Document Number:

403134222

Date Received:

08/12/2022

Spill report taken by:

Araza, Steven

Spill/Release Point ID:

482680

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

☐ Transfer of Operatorship: Pursuant to Rule 912.f, this Supplemental Form 19 is being submitted to designate the Buying Operator as the responsible Operator for this Spill and Release.

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): 0

Estimated Condensate Spill Volume(bbl): Unknown

Estimated Flow Back Fluid Spill Volume(bbl): 0

Estimated Produced Water Spill Volume(bbl): Unknown

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

Estimated Drilling Fluid Spill Volume(bbl): 0

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

Date	Agency/Party	Contact	Phone	Response
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 daylights 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.

SPILL/RELEASE DETAIL REPORTS

#1	Supplemental Report Date: 08/12/2022		
FLUIDS	BBL's SPILLED	BBL's RECOVERED	Unknown
OIL	0	0	<input type="checkbox"/>
CONDENSATE			<input checked="" type="checkbox"/>
PRODUCED WATER			<input checked="" 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 & floor regardless of construction material, must be sufficiently impervious to contain any discharge from primary containment until cleanup occurs.</i>			
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) <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): <u>40</u>		Width of Impact (feet): <u>40</u>	
Depth of Impact (feet BGS): <u>10</u>		Depth of Impact (inches BGS): _____	
How was extent determined?			
The extent of contamination associated with the spill will be determined through field screening, sample collection, and laboratory analytical results. Caerus is in the process of determining the extent of contamination associated with the project.			
Soil/Geology Description:			
Soil map unit # 53: Parachute-Rhone loams, 5 to 30 percent slopes.			
Depth to Groundwater (feet BGS) <u>60</u>		Number Water Wells within 1/2 mile radius: <u>0</u>	
If less than 1 mile, distance in feet to nearest	Water Well <u>4380</u> None <input type="checkbox"/>	Surface Water <u>4505</u> None <input type="checkbox"/>	
	Wetlands _____ None <input checked="" type="checkbox"/>	Springs <u>3070</u> None <input type="checkbox"/>	
	Livestock _____ None <input checked="" type="checkbox"/>	Occupied Building _____ None <input checked="" type="checkbox"/>	
Additional Spill Details Not Provided Above:			
The spring located 3070 feet south of the POR was dry during our field assessment. A surface water sample was collected from a stock pond approximately 4380 feet southeast of the point of release but it was a stagnant pond with no flow into or out of the pond. Sample results will be provided when available.			

CORRECTIVE ACTIONS

#1 Supplemental Report Date: 08/12/2022

Root Cause of Spill/Release Corrosion

Other (specify) _____

Type of Equipment at Point of Spill/Release: Process Piping

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

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

The root cause of the incident appears to have been created by external to internal corrosion of the pipeline.

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

The pipeline was repaired and proper coating was applied to the pipe to prevent the external to internal corrosion to reoccur.

Volume of Soil Excavated (cubic yards): 20

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

☒ Other (specify) to be determined

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, check all that apply)
 - ☐ Horizontal and Vertical extents of impacts have been delineated.
 - ☐ Documentation of compliance with Table 915-1 is attached.
 - ☐ All E&P Waste has been properly treated or disposed.
 - ☐ Work proceeding under an approved Form 27 (Rule 912.c).
 - Form 27 Remediation Project No: _____
 - ☐ SUSPECTED Spill/Release did not occur or was below Rule 912.a.(5) reporting thresholds.

OPERATOR COMMENTS:

The spring located 3070 feet south of the POR was dry during field assessment. A surface water sample was collected from a stock pond approximately 4380 feet southeast of the point of release but it was a stagnant pond with no flow into or out of the pond. Sample results will be provided when available.

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: EHS Specialist Date: 08/12/2022 Email: brollins@caerusoilandgas.com

COA Type	Description

Attachment List

<u>Att Doc Num</u>	<u>Name</u>
403134271	AERIAL IMAGE
403134275	PHOTO DOCUMENTATION
403134278	TOPOGRAPHIC MAP

Total Attach: 3 Files

General Comments

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

Total: 0 comment(s)