

State of Colorado Oil and Gas Conservation Commission

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Document Number:

403294383

Date Received:

01/18/2023

Spill report taken by:

Kosola, Jason

Spill/Release Point ID:

483533

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: <u>GUNNISON ENERGY LLC</u>	Operator No: <u>10515</u>	Phone Numbers
Address: <u>1801 BROADWAY #1150</u>		Phone: <u>(303) 296-8807</u>
City: <u>DENVER</u>	State: <u>CO</u>	Zip: <u>80202</u>
Contact Person: <u>Tyson Johnston</u>		Mobile: <u>()</u>
		Email: <u>Tyson.Johnston@oxbow.com</u>

☐ 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# 403271200

Initial Report Date: 12/24/2022 Date of Discovery: 12/24/2022 Spill Type: Recent Spill

Spill/Release Point Location:

QTRQTR SWNE SEC 18 TWP 12S RNG 89W MERIDIAN 6Latitude: 39.016832 Longitude: -107.378433Municipality (if within municipal boundaries): _____ County: GUNNISON

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

Reference Location:

Facility Type: WELL SITE☒ Facility/Location ID No 427218Spill/Release Point Name: DGU 18H☐ 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): 0Estimated Condensate Spill Volume(bbl): 0Estimated Flow Back Fluid Spill Volume(bbl): 0Estimated Produced Water Spill Volume(bbl): >=100Estimated Other E&P Waste Spill Volume(bbl): 0Estimated 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: ColdSurface Owner: FEE

Other(Specify): _____

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

At approximately 11:30 AM 12/24/22, Gunnison Energy field staff identified a release of produced water at the DGU Hotchkiss Federal 1289 Section 18 Pad. Approximately 280 barrels of produced water were released from a tank due to a frozen cracked pump suction line. The produced water did go outside the secondary containment but did not leave the location. The situation was controlled by 12:45 PM.

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>
12/24/2022	BLM	Wes Toews	970-876-9000	Emailed
12/24/2022	BLM	Allen Crockett	970-876-9000	Emailed
12/24/2022	COGCC	Aaron Katz	303-894-2100	Emailed
12/24/2022	COGCC	Alex Fischer	303-894-2100	Emailed
12/24/2022	Delta County	John Poulos	970-250-5898	Emailed
12/24/2022	Gunnison County	Cathie Pagano	970-641-7985	Emailed

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: _____
- Yes 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.
- Yes 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	<p>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:</p> <p><input type="checkbox"/> The presence of free product or hydrocarbon sheen Surface Water</p> <p><input type="checkbox"/> The presence of free product or hydrocarbon sheen on Groundwater</p> <p><input type="checkbox"/> The presence of contaminated soil in contact with Groundwater</p> <p><input type="checkbox"/> The presence of contaminated soil in contact with Surface water</p>
No	<p>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.</p>
No	<p>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.</p> <p><input type="checkbox"/> Areas offsite of Oil & Gas Location <input type="checkbox"/> Off-Location Flowline right of way</p>
No	<p>Rule 912.b.(1).I: A Release of natural gas that results in an accumulation of soil gas or gas seeps.</p>
No	<p>Rule 912.b.(1).J: A Release that results in natural gas in Groundwater.</p>

CORRECTIVE ACTIONS

#1 Supplemental Report Date: 01/18/2023

Root Cause of Spill/Release Other

Other (specify) Generator failure resulting in frozen pipe

Type of Equipment at Point of Spill/Release: Other

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

Suction line to water transfer pump froze and split.

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

Generator running transfer pump and heat trace went down when nighttime temperatures were sub-zero. (Line froze and cracked during this outage).

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

Line Preventative Measures:

1. Broken pipe was cut out and replaced with new, 4" schedule 80 line pipe, welded.
2. Line was loaded with water to test for leaks (line is only ever at 10 psig max pressure assuming tank is full to the hatch)
3. Drained line, shut suction load valve at tank and shut water discharge valve from pump to water gathering line.
 - a. Left line dry and out of service
 - b. Flow bypassing tank battery directly from existing separator to existing produced water pipeline, .
 - c. Where applicable, isolate and drain suction lines to prevent future occurrence. (Change operating

procedures)

Secondary Containment Preventative Measures:

1. Line and tanks will remain out of service until spring when remediation activities can begin (produced water has been bypassed to produced water gathering system).
2. Containment will be continually pumped down of snow melt.
3. Remediation of Containment Liner and affected soils will take place after spring thaw allows access.
4. Root Cause of containment failure will be know upon further inspection of containment liner in spring.

Integrity testing:

1. Line was not pressure tested, due to low pressure operations and also being taken out of service for the season.
2. Pressure testing would not play an integral piece in this failure, due to the destructive force ice has on steel.
3. All other flow lines on site are tested annually.

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, 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:

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

Signed: _____ Print Name: Tyson Johnston

Title: Vice President Date: 01/18/2023 Email: Tyson.Johnston@Oxbow.com

COA Type

Description

0 COA	

Attachment List

Att Doc Num

Name

403294383	SPILL/RELEASE REPORT(SUPPLEMENTAL)
403298734	FORM 19 SUBMITTED

Total Attach: 2 Files

General Comments

User Group

Comment

Comment Date

		Stamp Upon Approval
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Total: 0 comment(s)