

**From:** [Mike Gardner](#)  
**To:** [Fischer - DNR, Alex](#)  
**Cc:** [Kirby Burchett - DNR](#); [Mike Longworth - DNR](#); [John Heil](#); [Jeff Kirtland](#); [Shawn Brennan](#); [Brandon Baker](#)  
**Subject:** RE: FW: COGCC FIELD INSPECTION REPORT [Doc#701103681, Loc Id: 383331 Name: SPECIALTY RESTAURANTS-67S96W 33NWSW] SUBMITTED NOTICE  
**Date:** Monday, February 13, 2023 8:12:00 AM

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Alex,

Discrete confirmation soil samples have already been collected and will be sent out today for a RUSH analysis. Lab times have improved somewhat over the last few months, so hopefully we can have some data back by the end of this week (February 17, 2023). As requested, these data will be submitted to COGCC via a FIRR as soon as we receive them back from the lab.

Thanks.

Mike Gardner  
Cell: (970) 623-4875  
Office: (970) 263-2760  
[mgardner@terraep.com](mailto:mgardner@terraep.com)

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**From:** Fischer - DNR, Alex <[alex.fischer@state.co.us](mailto:alex.fischer@state.co.us)>  
**Sent:** Monday, February 13, 2023 8:05 AM  
**To:** Mike Gardner <[MGardner@terraep.com](mailto:MGardner@terraep.com)>  
**Cc:** Kirby Burchett - DNR <[kirby.burchett@state.co.us](mailto:kirby.burchett@state.co.us)>; Mike Longworth - DNR <[michael.longworth@state.co.us](mailto:michael.longworth@state.co.us)>; John Heil <[john.heil@state.co.us](mailto:john.heil@state.co.us)>; Jeff Kirtland <[JKirtland@terraep.com](mailto:JKirtland@terraep.com)>; Shawn Brennan <[sbrennan@terraep.com](mailto:sbrennan@terraep.com)>; Brandon Baker <[BBaker@terraep.com](mailto:BBaker@terraep.com)>  
**Subject:** Re: FW: COGCC FIELD INSPECTION REPORT [Doc#701103681, Loc Id: 383331 Name: SPECIALTY RESTAURANTS-67S96W 33NWSW] SUBMITTED NOTICE

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Mike,

Thank you for your opinion and response. The COGCC recognizes the use of PetroFlag for site/field characterization, per Rule 912.a.(4) and 913.b.(2) please provide discrete confirmation samples via FIRR.

Alex

On Fri, Feb 10, 2023 at 8:07 PM Mike Gardner <[MGardner@terraep.com](mailto:MGardner@terraep.com)> wrote:

Alex,

TEP did not report this incident as a reportable spill or release because in our opinion this event did not meet any of the criteria for a reportable spill as outlined in Rule 912.b.(1).A-J. Please see explanation below:

**COGCC Rule 912**

b. Reporting Spills or Releases of E&P Waste, Gas, or Produced Fluids.

(1) Report to the Director. 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 following criteria to the Director verbally, via electronic mail, or on a Form 19, Spill/Release Report – Initial within 24 hours of discovery, unless otherwise specified below.

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[1]maintained road; **Not**

applicable. This minor gas leak at an elbow on the vertical riser of the sales line. The minor amount of natural gas that leaked from the sales line traveled up the vertical pipe and came to surface impacting an area that measured approximate 4 feet in diameter around the gas line. There were only very minor amount of water that leaked from the pipeline during repairs. TEP responded to the call from the inspector immediately and blew down the pipeline in preparation to make repairs. There were no produced liquids or other E&P wastes present around the pipeline. The only liquids that were present during the release was snowmelt that has saturated the top 12-inches (+/-) of the pad. The gas that was escaping from the sales line was bubbling up through mud that was saturated with naturally-occurring snow melt water. A vac truck was called out immediately to clean out the mud from around the gas line. Once all mud had been evacuated from around the gas line, TEP sent the load of soil to an off-site commercial disposal facility out of an abundance of caution. TEP then immediately commenced excavation of the gas line to determine the exact location of the leak and begin repairs. After the gas line was excavated and the pin-hole leak was found, soil samples were collected from the impacted area immediately below and above the location of the leak. The Petroflag results for the two samples collected were 53 ppm TPH and 113 ppm TPH ... indicating a very low hydrocarbon content within the area potentially impacted by the gas leak.

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; **Not applicable.** A very minor amount of water was estimated to be approximately 10 gallons (<0.25 bbls) was recovered from the excavation. This is not a reportable volume. See attached photo.

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. **Not applicable.** The total volume of any fluids released from the gas line is estimated to be approximately 10 gallons (<0.25 bbls). This is not a reportable volume. See attached photo.

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. **This leak does not meet the definition of a Grade 1 gas leak as the leak did not ignite, nor did the leak result in an atmosphere that was hazardous to persons or property.** TEP personnel responding to the release were wearing personal gas monitors. The monitors did not detect any unsafe or hazardous atmosphere at any time the workers were responding to this incident. Gas / pressure trending data were also collected and reviewed for a 4-day period (2/2/23 – 2/6/23). The SCADA data do not show any significant drop in pressure that would indicate any type of release that would be indicative of a Grade 1 gas leak. TEP production personnel believe that this was a very minor pinhole leak that had not been happening for any significant amount of time prior to it being discovered by Inspector Burchette. See attached trending data. Further, this incident did not pose any type of hazard to any residential or otherwise occupied structures. The nearest occupied structure is located approximately 1,460 feet southeast from the location.

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. **Not applicable.** Field screening data indicate that the release did not result in an impact to any materials that would exceed COGCC 915-1 standards.

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. **Not applicable.** The gas release did not impact Waters of the State, including groundwater.

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 daylighted from the subsurface. **Not applicable.** There were no reportable volumes of fluids released from this incident. SCADA trending data collected for this location over a four-day time frame shows no evidence of a detectable gas leak or drop

in pressure which means this was a very minor and recent event. See attached SCADA data. Further, the small amount of gas that did leak was coming up through soils that were saturated with snow melt / natural precipitation water. TEP production personnel responding to the incident did not have any personal gas monitor alarms signal any type of a hazardous atmosphere and are confident that the leak had only recently occurred. Further, the separator heaters were running at the time of the release and would have ignited any gas that would have been present on the pad in hazardous concentrations. There was no ignition, and our personal gas monitors did not signal gas concentrations that would indicate a hazardous atmosphere.

H. A 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. **Not applicable.** There was no misting or vaporized hydrocarbons that left the location or threatened off location property. The extent of the surface impact from the release was evident in the snow cover at the location and is estimated to be approximately 4 feet in diameter around the center of the gas line. See attached pic.

I. A Release of natural gas that results in an accumulation of soil gas or gas seeps. **Not applicable.** The leak did not impact soils or result in any gas seeps.

J. A Release that results in natural gas in Groundwater. **Not applicable.** The gas leak did not impact groundwater.

TEP believes that there was a low spot on the gas line near the elbow where water within the line eventually corroded a small pinhole in the bottom of the line (6:00 position on the line). To prevent this problem from reoccurring, TEP has chosen to excavate and replace a portion of the line and reset it at a higher elevation to prevent any future accumulation of water at this location. In addition, the wall thickness of the pipeline segment that is being repaired, is also being upgraded as additional protection against future corrosion at this location. Clean spoils from the excavation are being temporarily stockpiled on site pending completion of pipeline repairs, after which the clean spoils will be used to backfill the repaired pipeline. Erosion control wattles have been installed around the perimeter of the stockpiled soils to minimize and control sediment migration from the stockpile. There are also additional storm water BMPs in place around the pad that will further protect migration of sediment from the active construction area. During periods when the excavation is left unattended, TEP has installed construction fencing around the open excavation to clearly mark the open trench and prevent any accidental entrance into the open trench. There is no on-site landfarming or other storage of any contaminated materials occurring at this location. TEP expects to complete the upgrade and replacement of the pipeline during the week of February 13-18, 2023.

In summary, for the reasons as explained above, this gas leak was not reported as it did not meet any of the criteria for a reportable spill or release per Rule 912.b.(1).A-F. As always, TEP would welcome the opportunity to meet with COGCC staff on location to review the specific actions that have been taken and our plans for moving forward and completing the repairs.

Mike Gardner  
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**From:** Fischer - DNR, Alex <[alex.fischer@state.co.us](mailto:alex.fischer@state.co.us)>

**Sent:** Friday, February 10, 2023 1:52 PM

**To:** Mike Gardner <[MGardner@terraep.com](mailto:MGardner@terraep.com)>; Jeff Kirtland <[JKirtland@terraep.com](mailto:JKirtland@terraep.com)>

**Cc:** Kirby Burchett - DNR <[kirby.burchett@state.co.us](mailto:kirby.burchett@state.co.us)>; Mike Longworth - DNR <[michael.longworth@state.co.us](mailto:michael.longworth@state.co.us)>;

John Heil <[john.heil@state.co.us](mailto:john.heil@state.co.us)>

**Subject:** Fwd: COGCC FIELD INSPECTION REPORT [Doc#701103681, Loc Id: 383331 Name: SPECIALTY RESTAURANTS-67S96W 33NWSW] SUBMITTED NOTICE

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Mike and Jeff- TEP is out of compliance on the Initial F19 submittal.

Please advise.

Alex

----- Forwarded message -----

From: **COGCC Field Inspection Report** <[dnr\\_eform.helpdesk@state.co.us](mailto:dnr_eform.helpdesk@state.co.us)>

Date: Fri, Feb 10, 2023 at 1:29 PM

Subject: COGCC FIELD INSPECTION REPORT [Doc#701103681, Loc Id: 383331 Name: SPECIALTY RESTAURANTS-67S96W 33NWSW] SUBMITTED NOTICE

To: <[john.heil@state.co.us](mailto:john.heil@state.co.us)>, <[steven.arauza@state.co.us](mailto:steven.arauza@state.co.us)>, <[mark.schlagenhauf@state.co.us](mailto:mark.schlagenhauf@state.co.us)>, <[alex.fischer@state.co.us](mailto:alex.fischer@state.co.us)>, <[shaun.kellerby@state.co.us](mailto:shaun.kellerby@state.co.us)>, <[COGCCInspectionReports@terraep.com](mailto:COGCCInspectionReports@terraep.com)>, <[kirby.burchett@state.co.us](mailto:kirby.burchett@state.co.us)>

Cc: <[michael.longworth@state.co.us](mailto:michael.longworth@state.co.us)>

**Colorado**  
**Oil & Gas Conservation**  
**Commission**  
Department of Natural Resources

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Denver, CO 80203  
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FAX: (303) 894-2109  
[cogcc.state.co.us](http://cogcc.state.co.us)

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**COGCC Field Inspection Report**

ATTACHED REPORT HAS BEEN SUBMITTED TO COGCC DATABASE BASED ON FIELD INSPECTION RESULTS. OPERATORS HAVE SEVEN (7) DAYS TO REVIEW BEFORE THE INSPECTION FORM IS POSTED TO THE WEBSITE.

PLEASE REVIEW ENTIRE REPORT. **COMMENTS** ARE HIGHLIGHTED IN **BLUE**, **CORRECTIVE ACTION ITEMS** ARE HIGHLIGHTED IN **RED**.

--

**Alex Fischer, P.G.**

**Environmental Supervisor, Western Colorado**

[Redacted]

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**Alex Fischer, P.G.**

**Environmental Supervisor, Western Colorado**

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