

State of Colorado  
Oil and Gas Conservation Commission

1120 Lincoln Street, Suite 801, Denver, Colorado 80203  
Phone: (303) 894-2100 Fax: (303) 894-2109



Document Number:

403315396

Date Received:

02/08/2023

FIR RESOLUTION FORM

Overall Status: CAC

CA Summary:

2 of 3 CAs from the FIR responded to on this Form

2 CA Completed  
0 Factual Review Request

OPERATOR INFORMATION

OGCC Operator Number: 96850

Name of Operator: TEP ROCKY MOUNTAIN LLC

Address: 1058 COUNTY ROAD 215

City: PARACHUTE State: CO Zip: 81635

Contact Name and Telephone:

Name: \_\_\_\_\_

Phone: ( ) \_\_\_\_\_ Fax: ( ) \_\_\_\_\_

Email: \_\_\_\_\_

Additional Operator Contact:

Contact Name

Phone

Email

Fischer, Alex

alex.fischer@state.co.us

Heil, John

john.heil@state.co.us

Arthur, Denise

denise.arthur@state.co.us

.TEP

COGCCInspectionReports@terraep.com

COGCC INSPECTION SUMMARY:

FIR Document Number: 696204612

Inspection Date: 02/03/2023

FIR Submit Date: 02/03/2023

FIR Status: \_\_\_\_\_

Inspected Operator Information:

Company Name: TEP ROCKY MOUNTAIN LLC

Company Number: 96850

Address: 1058 COUNTY ROAD 215

City: PARACHUTE State: CO Zip: 81635

LOCATION - Location ID: 440705

Location Name: Watson Ranch B Pad Number: \_\_\_\_\_ County: \_\_\_\_\_

Qtrqr: SESW Sec: 17 Twp: 7S Range: 95W Meridian: 6

Latitude: 39.433375 Longitude: -108.022682

FACILITY - API Number: 05-045- -00 Facility ID: 440705

Facility Name: Watson Ranch B Pad Number: \_\_\_\_\_

Qtrqr: SESW Sec: 17 Twp: 7S Range: 95W Meridian: 6

Latitude: 39.433375 Longitude: -108.022682

CORRECTIVE ACTIONS:

1 ☒ CA# 167266

Corrective Action: Ensure production facilities, valves, pipes, fittings, and vessels are securely fastened or sealed, and maintained in good mechanical condition. Any Stormwater (Snow, snowmelt, ice, etc...) in contact with E&P Waste due to the potential spill is required to be removed within 48 hours.

Date: 02/05/2023

Response: CA COMPLETED

Date of Completion: 02/04/2023

Operator  
Comment:

After being notified of a potential spill at this location on February 3, 2023, TEP production personnel responded to this location on the same day (February 3, 2023) to further investigate the potential leak. Production personnel found that the storage tank was in fact empty of all fluids and all valves going to / from the tank were closed. The bubbling that Inspector Trujillo observed during his site inspection was caused from air and vapors (not liquids) within the tank that were escaping from the bottom of the tank. As the sun warms the tank during the daytime, the atmosphere (air / vapors) within the tank is expanded creating pressure which was being released through a small hole in the bottom of the tank. The air was escaping the between the tank bottom and the surface of the tank pedestal. The air would escape horizontally along this surface and would bubble up around the edge of the tank as it passed through the clean storm water (snow melt) that had accumulated inside containment over the course of the winter. TEP production personnel and a contractor went out to the location again on the morning of February 4, 2023 and used hot water and heaters to clean out / remove ice from around the area where the bubbling was observed, and to ensure that no fluids (i.e., contamination) had leaked from the tank. See attached photographs. In summary, our investigation has confirmed that no fluids were being stored in the tank at the time the potential "leak" was observed, all valving leading to/from the tank were closed, and no produced water or condensate were released into the containment. There was no release of liquids from the tank; therefore, there is nothing to cleanup. The tank in question was not in service and has since been removed from the containment. This is still an active, producing location with 2 x 300 bbl water tanks and 2 x 300 bbl oil tanks remaining in service.

COGCC Decision: Approved

COGCC  
Representative:

CA is being considered "resolved".

3  CA# 167268

Corrective Action:

Comply with Rule 1003.b and conduct interim recalculation on areas of the Location not reasonably needed for production Operations.

Date: 04/30/2023

Response: CA COMPLETED

Date of Completion: 02/06/2023

Operator  
Comment:

TEP conducted significant interim reclamation at this location during 2022, after the previous operator had left the entire location un-reclaimed. See attached Interim Reclamation As-Built drawing. The area between the wellheads and the production equipment contains essential pipelines, flowlines, and infrastructure. Consequently, this working portion of the pad is considered to be an area that is reasonably needed for on-going production operations (or potential future drilling). TEP has reclaimed as much of the location as possible and has reduced the size of the working area so as to not interfere with our on-going production operations and existing infrastructure. Any further reclamation of these areas would interfere with our abilities to access and maintain our existing pipelines and infrastructure. All feasible interim reclamation activities have been completed at this location in accordance with Rule 1003.b.

COGCC Decision: **Not Approved**

COGCC  
Representative:

After additional review by COGCC Staff, and in light of the 2 Locations west and northwest of the subject Location, it appears that there remains areas of the Location that are not reasonably necessary for production Operations, and therefore the corrective action to comply with 1003 rules remains applicable. Existing pipelines should be placed like any off-location flowlines, and should be deep enough as to not interfere with surface reclamation. Lack of interim reclamation should not occur for "potential future drilling" operations. Additionally, the FIRR, Corrective action complete section, is not a forum for Operators to disagree/argue with the corrective actions; Operator response of "Corrective Action Complete" is a notification to the State that the corrective action has been addressed in its entirety.

COGCC  
Supervisor:

After additional review by COGCC Staff, and in light of the 2 Locations west and northwest of the subject Location, it appears that there remains areas of the Location that are not reasonably necessary for production Operations, and therefore the corrective action to comply with 1003 rules remains applicable. Existing pipelines should be placed like any off-location flowlines, and should be deep enough as to not interfere with surface reclamation. Lack of interim reclamation should not occur for "potential future drilling" operations. Additionally, the FIRR, Corrective action complete section, is not a forum for Operators to disagree/argue with the corrective actions. Operator response of "Corrective Action Complete" is a notification to the State that the corrective action has been addressed in its entirety.

#### OPERATOR COMMENT AND SUBMITTAL

Comment:

CA #167266:

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CA #167268:

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

Print Name: Michael Gardner

Signed: \_\_\_\_\_

Title: TEP Environmental

Date: 2/8/2023 2:49:38 PM

## 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>
403315396	FIR RESOLUTION SUBMITTED
403315433	Correspondence dated 02/04/23
403315622	Photo: Location where air escaped between tank and pedestal
403315630	Unused tanks removed
403316060	Interim Reclaim As-Built Drawing

Total Attach: 5 Files