

State of Colorado  
Energy & Carbon Management Commission



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

Document Number:

403693947

Date Received:

03/04/2024

**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.

Spill report taken by:

Araza, Steven

Spill/Release Point ID:

485686

**OPERATOR INFORMATION**

|  |                           |   |
|--|---------------------------|---|
| Name of Operator: <u>CAERUS PICEANCE LLC</u>           | Operator No: <u>10456</u> | <b>Phone Numbers</b>                              |
| Address: <u>1001 17TH STREET #1600</u>                 |                           | Phone: <u>(970) 902-3598</u>                      |
| City: <u>DENVER</u> State: <u>CO</u> Zip: <u>80202</u> |                           | Mobile: <u>(970) 902-3598</u>                     |
| Contact Person: <u>Andrew Verbonitz</u>                |                           | Email: <u>averbonitz@caerusoila<br/>ndgas.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# 403621001

Initial Report Date: 12/11/2023 Date of Discovery: 12/10/2023 Spill Type: Recent Spill

**Spill/Release Point Location:**

QTRQTR NWNW SEC 11 TWP 7S RNG 94W MERIDIAN 6

Latitude: 39.457866 Longitude: -107.858903

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.

Check this box if this spill/release is related to a loss of integrity of a flowline, pipeline, crude oil transfer line, or produced water transfer line.

**Reference Location:**

Facility Type: WELL SITE

Facility/Location ID No 335004

Spill/Release Point Name: Dumpline Failure Behind 4 Pack

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: Sunny and cold

Surface Owner: FEDERAL Other(Specify): \_\_\_\_\_

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

On December 11, 2023, a failure point was discovered in the dumpline while conducting wellhead maintenance. An unknown volume of comingled fluid was released. The release was reported via Energy & Carbon Management Commission (ECMC) Form 19 Document 403621001 to open Spill/Release Point ID 485686.

**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> |
|-------------|---------------------|------------------|--------------|-----------------|
| 12/11/2023  | BLM                 | Alex Provstgaard | -            | Sent Form 19    |
| 12/11/2023  | BLM                 | Vanessa Caranese | -            | Sent Form 19    |
| 12/11/2023  | Garfield County     | Kirby Wynn       | -            | Sent Form 19    |
| 12/11/2023  | CPW                 | Taylor Elm       | -            | Sent Form 19    |
| 12/11/2023  | ECMC                | Steven Arauza    | -            | Spoke on phone  |

**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.

Areas offsite of Oil & Gas Location  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: 02/21/2024

| FLUIDS          | BBL's SPILLED     | BBL's RECOVERED   | Unknown                             |
|-----------------|-------------------|-------------------|-------------------------------------|
| OIL             | <u>0</u>          | <u>0</u>          | <input type="checkbox"/>            |
| CONDENSATE      | <u>          </u> | <u>          </u> | <input checked="" type="checkbox"/> |
| PRODUCED WATER  | <u>          </u> | <u>          </u> | <input checked="" type="checkbox"/> |
| DRILLING FLUID  | <u>0</u>          | <u>0</u>          | <input type="checkbox"/>            |
| FLOW BACK FLUID | <u>0</u>          | <u>0</u>          | <input type="checkbox"/>            |
| OTHER E&P WASTE | <u>0</u>          | <u>0</u>          | <input type="checkbox"/>            |

specify: \_\_\_\_\_

Was spill/release completely contained within berms or secondary containment? NO Was an Emergency Pit constructed? NO

*Secondary containment, including walls & floor regardless of construction material, must be sufficiently impervious to contain any discharge from primary containment until cleanup occurs.*

**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)  Soil  Groundwater  Surface Water  Dry Drainage Feature

Surface Area Impacted: Length of Impact (feet): 0 Width of Impact (feet): 0

Depth of Impact (feet BGS): 0 Depth of Impact (inches BGS): 0

How was extent determined?

The point of release (POR) was identified and exposed via hydrovacuum truck. A sample was collected directly beneath the POR at 4 feet below ground surface (bgs) to characterize potential impacts. The soil sample was analyzed for ECMC Table 915-1 soil constituents and compared to Residential Soil Screening Levels (RSSLs). Analytical results of excavation samples are compliant with Table 915-1 RSSLs for all constituents of concern except for arsenic. Although arsenic exceeding Table 915-1 RSSLs remains in the investigation area at 3.50 mg/kg, background data collected from the Location indicates this result is within native levels at the Location. In accordance with Table 915-1 Footnote 1, Caerus requests an alternative allowable limit for arsenic of 5.22 mg/kg. See the attached Report of Work Completed (ROWC) for details.

Soil/Geology Description:

Map Unit Symbol 47: Nihill Channery Loam 6 to 25 % slopes

Depth to Groundwater (feet BGS) 60 Number Water Wells within 1/2 mile radius: 4

If less than 1 mile, distance in feet to nearest Water Well 1100 None  Surface Water 630 None

Wetlands            None  Springs            None

Livestock \_\_\_\_\_ None Occupied Building \_\_\_\_\_ None 

Additional Spill Details Not Provided Above:

Lithology at the Location is characterized as clayey loam with shale and sandy loam with shale. Groundwater is expected to flow east to Porcupine Creek and ultimately to the Colorado River, located 3.0 miles north of the Location. Because the Location sits approximately 60 feet higher in elevation than the nearest surface water, Porcupine Creek, depth to groundwater is estimated to be 60 feet bgs. Due to the estimated depth to groundwater of 60 feet bgs, Caerus requests to compare analytical results of site investigation to Table 915-1 RSSLs as no reasonable pathway to groundwater appears to exist.

### CORRECTIVE ACTIONS

#1 Supplemental Report Date: 02/21/2024

Root Cause of Spill/Release Corrosion

Other (specify) \_\_\_\_\_

Type of Equipment at Point of Spill/Release: Dump Line

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

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

External corrosion on faulty weld resulted in the release of an unknown volume of comingled fluids.

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

The effected portion of the dumpline will be replaced with upgraded materials and the chemical treatment program will be evaluated.

Volume of Soil Excavated (cubic yards): 0

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:

This form has been submitted to provide results of initial release investigation and to request closure of Spill/Release Point ID 485686 as analytical results of the POR characterization soil sample are within Table 915-1 RSSLs or alternative allowable limits. See the attached ROWC and photolog for details.

Caerus is requesting use of Table 915-1 footnote 9 regarding the laboratory method detection limit of <1.00 mg/kg for chromium (VI).

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

Signed: \_\_\_\_\_ Print Name: Andrew Verbonitz

Title: EHS Rem. Specialist Date: 03/04/2024 Email: averbonitz@caerusoilandgas.com

| <u>COA Type</u> | <u>Description</u> |
|-----------------|--------------------|
|                 |                    |
| 0 COA           |                    |

### Attachment List

| <u>Att Doc Num</u> | <u>Name</u> |
|--------------------|-------------|
| 403705694          | OTHER       |

Total Attach: 1 Files

### General Comments

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

Total: 0 comment(s)