

State of Colorado

Energy & Carbon Management Commission

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Document Number:

403727590

Date Received:

03/25/2024

Spill report taken by:

Araza, Steven

Spill/Release Point ID:

485888

SPILL/RELEASE REPORT (SUPPLEMENTAL)

This form is to be submitted by the party responsible for the oil and gas spill or release. Refer to ECMC 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>CAERUS PICEANCE LLC</u> | Operator No: <u>10456</u> | Phone Numbers |
| Address: <u>1001 17TH STREET #1600</u> | | Phone: <u>(970) 640-6919</u> |
| City: <u>DENVER</u> State: <u>CO</u> Zip: <u>80202</u> | | Mobile: <u>(970) 640-6919</u> |
| Contact Person: <u>Blair Rollins</u> | | Email: <u>brollins@caerusoilandgas.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 REPORTInitial Spill/Release Report Doc# 403661296

| | | |
|--|--------------------------------------|---------------------------------|
| Initial Report Date: <u>01/21/2024</u> | Date of Discovery: <u>01/21/2024</u> | Spill Type: <u>Recent Spill</u> |
|--|--------------------------------------|---------------------------------|

Spill/Release Point Location:

QTRQTR nenw SEC 4 TWP 6s RNG 96w MERIDIAN 6

Latitude: 39.561557 Longitude: -108.111650

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 311638

Spill/Release Point Name: C04-1C-4 flowline release ☐ 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): <u>0</u> | Estimated Condensate Spill Volume(bbl): <u>Unknown</u> |
| Estimated Flow Back Fluid Spill Volume(bbl): <u>0</u> | Estimated Produced Water Spill Volume(bbl): <u>Unknown</u> |
| Estimated Other E&P Waste Spill Volume(bbl): <u>0</u> | Estimated Drilling Fluid Spill Volume(bbl): <u>0</u> |

Specify: underground flowline release

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: snowy and cloudy

Surface Owner: FEE

Other(Specify): Caerus Oil and Gas

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

Operator noticed trending on well, went to investigate. Flow line wouldn't hold pressure. Operator shut in flow line and initiated EH&S on call.

List of Agencies and Other Parties Notified Pursuant to Rule 912.b.(7)-(11):

OTHER NOTIFICATIONS

| Date | Agency/Party | Contact | Phone | Response |
|-----------|------------------------|---------------|-------------|----------|
| 1/21/2024 | Garfield county liason | Kirby Wynn | 970-9872557 | emailed |
| 1/21/2024 | CPW | Taylor Elm | 970-9869767 | emailed |
| 1/21/2024 | ECMC | Steven Arauza | 720-4985298 | 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: _____

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. |

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:

Laboratory analysis of soil samples from the release cleanup excavation reported exceedances in TPH-GRO, TPH-DRO, benzene, naphthalene, SAR, pH, arsenic, and hexavalent chromium. All detections of TPH-GRO, TPH-DRO, benzene, and naphthalene were reported in the initial release characterization sample and were addressed by the removal of impacted soil. The SAR exceedance reported in 20240219-C04 696-(POR)@10 was also resolved through additional excavation.

Hexavalent chromium was not detected in any soil samples above the laboratory RDL of 1.00 mg/kg, which is above the RSSL concentration of 0.3 mg/kg. Caerus requests that CECMC Table 915-1 Footnote 9 be applied to adjust the cleanup threshold for hexavalent chromium to the laboratory RDL.

It is understood by the Operator that the most likely source for impacts associated with this release would be from produced water. Laboratory analysis of a representative sample of produced fluid collected from the C04 696 1-C separator reported a pH value of 6.48 and an arsenic concentration below the laboratory RDL of 1.00 mg/L. Based on these results, the elevated arsenic and pH levels reported are likely representative of naturally occurring soil composition and not related to the flowline release. A Statement of Operator Knowledge with the 1-C separator produced fluid laboratory analytical results and report are included as an Attachment.

Based on field observations and soil analytical results presented herein, Caerus requests closure of release number 485888 with the CECMC.

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: 03/25/2024 Email: brollins@caerusoilandgas.com

| COA Type | Description |
|----------|-------------|
| 0 COA | |

Attachment List

| Att Doc Num | Name |
|-------------|----------------------|
| 403730115 | REMEDIATION MEASURES |

Total Attach: 1 Files

General Comments

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

Total: 0 comment(s)