

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:

403935672

Date Received:

09/30/2024

SPILL/RELEASE REPORT (SUPPLEMENTAL)

This form is to be submitted by the party responsible for the oil and gas spill or release. Refer to 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.

Spill report taken by:

Anderson, Laurel

Spill/Release Point ID:

487984

OPERATOR INFORMATION

| | | |
|--|---------------------------|----------------------------------|
| Name of Operator: <u>KP KAUFFMAN COMPANY INC</u> | Operator No: <u>46290</u> | Phone Numbers |
| Address: <u>1700 LINCOLN ST STE 4550</u> | | Phone: <u>(720) 8689848x0110</u> |
| City: <u>DENVER</u> State: <u>CO</u> Zip: <u>80203</u> | | Mobile: <u>(303) 5508872</u> |
| Contact Person: <u>John Peterson</u> | | Email: <u>jpeterson@kpk.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# 403930265

Initial Report Date: 09/23/2024 Date of Discovery: 09/20/2024 Spill Type: Recent Spill

Spill/Release Point Location:

QTRQTR SWSW SEC 16 TWP 2N RNG 67W MERIDIAN 6

Latitude: 40.134581 Longitude: -104.900955

Municipality (if within municipal boundaries): _____ County: WELD

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: OFF-LOCATION FLOWLINE Facility/Location ID No 475722

Spill/Release Point Name: Dechant State 3 Flowline 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): Unknown Estimated Condensate Spill Volume(bbl): 0

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, 75 F, Light wind

Surface Owner: STATE

Other(Specify): State of Colorado

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

A KPK employee driving by observed surface staining near a lease road and promptly notified supervisors, ensuring a swift response upon discovery. The surface staining was not easily visible to the pumpers on the standard route due to a surface depression and vegetation obscuring the view from the standard path. The KPK employee that identified the spill was an experienced supervisor that no longer works in the DJ Basin. He was in the area doing oil field maintenance work to cover for regular operations personnel.

In accordance with our protocols, the possible affected wells were shut in to prevent any further environmental impact. A crew was mobilized to initiate containment and remediation activities. Containment measures were established using berms and plastic liners to securely stage the stained soil pending offsite disposal.

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> |
|-------------|---------------------------------|----------------|--------------|-----------------|
| 9/20/2024 | Weld County | Jason Maxey | - | Weld OEM Form |
| 9/20/2024 | State of Colorado/ Landowner | Steve Freese | - | Email |
| 9/20/2024 | ECMC | Kari Brown | - | Email |
| 9/20/2024 | ECMC | Nikki Graber | - | Email |

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? _____

Yes 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.): _____ 200

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: 09/26/2024

| FLUIDS | BBL's SPILLED | BBL's RECOVERED | Unknown |
|-----------------|---------------|-----------------|-------------------------------------|
| OIL | _____ | _____ | <input checked="" type="checkbox"/> |
| CONDENSATE | <u>0</u> | <u>0</u> | <input type="checkbox"/> |
| PRODUCED WATER | _____ | _____ | <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): 302 Width of Impact (feet): 65

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

How was extent determined?

Through visual observation of surface staining and excavation. KPK will continue the process of delineating the full horizontal and vertical extent of impact by removing contaminated soil and collecting confirmation samples.

Soil/Geology Description:

Sand

Depth to Groundwater (feet BGS) 10 Number Water Wells within 1/2 mile radius: 13

If less than 1 mile, distance in feet to nearest

| | | | | | |
|------------|-------------|-------------------------------|-------------------|-------------|--|
| Water Well | <u>798</u> | None <input type="checkbox"/> | Surface Water | <u>1057</u> | None <input type="checkbox"/> |
| Wetlands | <u>718</u> | None <input type="checkbox"/> | Springs | _____ | None <input checked="" type="checkbox"/> |
| Livestock | <u>2893</u> | None <input type="checkbox"/> | Occupied Building | <u>1764</u> | None <input type="checkbox"/> |

Additional Spill Details Not Provided Above:

Distances to receptors are as follows:
 Water well: approximately 798 feet northwest of the release point.
 Surface water: Coal ridge ditch is approximately 1057 feet west of the release
 Wetlands: a freshwater emergent wetland is located approximately 718 feet west of the release point
 Livestock: approximately 2893 feet southwest of the release point however the State Land Board has indicated that the parcel directly at the spill site is currently used for grazing livestock. No livestock have been observed at the site to date. KPK will install a fence to prevent livestock from coming into contact with the contaminated soil.
 Occupied building: approximately 1764 feet southwest of the release point

Nearest static water level determined from CWCB/DWR mapping site showed a static water level at 10' at permit number 120942 receipt number 0215702 located approximately 3072 feet west of the release point.

CORRECTIVE ACTIONS

| | | |
|---|---------------------------|------------|
| #1 | Supplemental Report Date: | 09/26/2024 |
| Root Cause of Spill/Release <u>Corrosion</u> | | |
| Other (specify) _____ | | |
| Type of Equipment at Point of Spill/Release: <u>Gathering Line</u> | | |
| If "Other" selected above, specify or describe here: | | |
| | | |
| Describe Incident & Root Cause (include specific equipment and point of failure) | | |
| <p>KPK has determined that the point of failure occurred at the 6 o'clock position of a steel dresser sleeve on the 3" fiberglass line. The cause of failure is due to internal corrosion. The operator prior to KPK had placed this sleeve over the fiberglass line. The root cause of this spill is due to inadequate repair measures employed on a fiberglass line by the prior operator of the flowline. Rather than placing a steel sleeve over the fiberglass, the entire section of compromised fiberglass line should have been replaced with new fiberglass and manufacturer's recommended fiberglass fusing technology at each end of the new section.</p> <p>There are many causes of corrosion in buried steel including (but not limited to): age; insulation failure; low pH; hard water; water temperature; microorganisms; chemical and electrochemical reactions; soil type and quality; chlorides; pressure; and/or oxygenated water. In most cases of both internal and external corrosion, more than one of these factors contribute. Every site has the potential for a different combination of contributing factors. In the case of this incident, the steel sleeve should have never been used as a repair alternative due to propensity for future corrosion. These sleeves are not meant for permanent repair on flowlines.</p> | | |
| Describe measures taken to prevent the problem(s) from reoccurring: | | |
| <p>KPK plans to replace the failed section of flowline with 3" fiberglass. KPK will fuse each end of the replacement section to the existing fiberglass flowline using manufacturer's recommended protocols.</p> | | |
| Volume of Soil Excavated (cubic yards): <u>100</u> | | |
| Disposition of Excavated Soil (attach documentation) <input checked="" type="checkbox"/> Offsite Disposal <input type="checkbox"/> Onsite Treatment | | |
| <input type="checkbox"/> Other (specify) _____ | | |
| Volume of Impacted Ground Water Removed (bbls): <u>0</u> | | |
| Volume of Impacted Surface Water Removed (bbls): <u>0</u> | | |

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:

KPK is working on an updated form 44 for the flowline at this site. It will be included as a related form on the next form 19 or form 27 initial.

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

Signed: _____ Print Name: Cullen Chew
Title: Environmental Coordinator Date: 09/30/2024 Email: cchew@kpk.com

| COA Type | Description |
|-----------------|--|
| | Operator shall collect confirmation soil samples as described in the Rule 915.e.(2) Guidance Document. Operator will analyze soil samples for TPH (C6-C36), Table 915-1 Organic Compounds in Soil, Table 915-1 metals, and Table 915-1 Soil Suitability for Reclamation (Electrical conductivity, Sodium adsorption ratio, and pH by saturated paste method, boron (hot water soluble)). |
| | Pursuant to Rule 912.b.(6) Operator is required to submit a Form 19 Supplemental Report for the associated spill within 90 days of the spill date requesting closure pursuant to Rule 913.h and supported by adequate documentation to demonstrate that the Spill or Release has been fully cleaned up and complies with Table 915-1; or A Form 27 if any of the criteria listed in Rules 912.b.(6).B.i–iii apply. If Remediation will continue under an approved Form 27, the Operator will also submit a Form 19 – Supplemental which requests closure of the Spill or Release and includes the Remediation project number assigned by the Director. |
| | In accordance with 912.a.(2) Operator will investigate, cleanup, and document impacts resulting from Spill and Releases as soon as the impacts are discovered. |
| | The previously applied COA remains outstanding: The spill point is located >500' from the mapped flowline alignment as submitted by Operator to ECMC. Pursuant to Rule 1101.b.(3)(C) The GIS data for these off-location flowlines must be the most accurate data possible without using invasive methods AND a minimum horizontal positional accuracy of +/- 25 feet. Operator shall provide an updated flowline alignment via Form 44 within 90 days of spill discovery. |
| | The previously applied COA remains outstanding: Operator will provide notice to ECMC EPS Kari Brown (kari.l.brown@state.co.us) and Nikki Graber (nikki.graber@state.co.us) at least 48 hours prior to any sampling events performed on location. |
| | The previously applied COA remains outstanding: Operator shall ensure that stormwater does not transport impacts outside of the spill footprint. |
| | The previously applied COA remains outstanding: Operator shall provide all waste manifests as required by Rule 905.b.(3) for oily waste hauled off site for disposal. |
| 7 COAs | |

ATTACHMENT LIST

| Att Doc Num | Name |
|--------------------|---------------------|
| 403935672 | FORM 19 SUBMITTED |
| 403935996 | MAP |
| 403939694 | PHOTO DOCUMENTATION |

Total Attach: 3 Files

General Comments

| User Group | Comment | Comment Date |
|-------------------|---|---------------------|
| Environmental | The operator's documentation of the cause of this spill and their description of measures implemented to prevent future releases due to similar causes do not meet the requirements of Rule 912.d. However, this Spill/Release Report is accepted into the record at this time and any issues of non-compliance may be adjudicated as necessary, consistent with staff discretion, in accordance with Commission Rules. | 10/21/2024 |

Total: 1 comment(s)