

State of Colorado

Energy & Carbon Management Commission

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Document Number:

404082049

Date Received:

02/05/2025

Spill report taken by:

Ahmadian, Alexander

Spill/Release Point ID:

488924**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>VERDAD RESOURCES LLC</u>	Operator No: <u>10651</u>	Phone Numbers
Address: <u>1125 17TH STREET SUITE 600</u>		Phone: <u>(720) 845-6901</u>
City: <u>DENVER</u>	State: <u>CO</u>	Zip: <u>80202</u>
Contact Person: <u>Michael Cugnetti</u>		Mobile: <u>()</u>
		Email: <u>mcugnetti@verdadresources.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# 404037117

Initial Report Date: 12/20/2024 Date of Discovery: 12/19/2024 Spill Type: Recent Spill

Spill/Release Point Location:QTRQTR SWSE SEC 31 TWP 1n RNG 65w MERIDIAN 6Latitude: 40.001795 Longitude: -104.704267Municipality (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: OIL AND GAS LOCATION☒ Facility/Location ID No 474767Spill/Release Point Name: County Line Pad☐ 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): UnknownEstimated Condensate Spill Volume(bbl): 0Estimated Flow Back Fluid Spill Volume(bbl): 0Estimated Produced Water Spill Volume(bbl): UnknownEstimated Other E&P Waste Spill Volume(bbl): 0Estimated 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:	CROP LAND	Other(Specify):	
Weather Condition:	sunny cool windy		
Surface Owner:	FEE	Other(Specify):	

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

flowline between west well header and separator leaking under surface and . well production shut in so leak has stopped. investigation and cleanup under way.

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>
12/20/2024	Weld County OEM	Web form	-	acknowledged spill report received
12/20/2024	surface owner	Monte Peak	-	acknowledged spill report received

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.

CORRECTIVE ACTIONS

#1	Supplemental Report Date: <u>02/05/2025</u>
Root Cause of Spill/Release <u>Corrosion</u>	
Other (specify) _____	
Type of Equipment at Point of Spill/Release: <u>Wellhead Line</u>	
If "Other" selected above, specify or describe here:	
Describe Incident & Root Cause (include specific equipment and point of failure)	
An underground wellhead flowline failed from a pinhole leak that caused liquid to come to surface. The flowline pinhole failure occurred on the outside of the elbow (90 degree turn on flowline) at about 3 o'clock position on the pipe. This pinhole leak was caused by internal CO2 corrosion.	
Describe measures taken to prevent the problem(s) from reoccurring:	
The section of pipe effected by corrosion was removed and replaced. The wells utilizing this flowline and the other wells on this pad added continuous treatment with a corrosion inhibitor to minimize CO2 corrosion to the wells, downstream flowlines and equipment servicing those wells. The flowline was pressure tested and passed prior to being returned to service. See attached pressure test.	
Volume of Soil Excavated (cubic yards): <u>240</u>	
Disposition of Excavated Soil (attach documentation) <input checked="" type="checkbox"/> Offsite Disposal 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:

All samples confirm spill cleanup. There is no evidence of impacted soils from oil and gas operations yet Barium in 2 samples is just over the Protection of Groundwater Screening Level by less than 5 mg/kg (considering background levels) and under the Residential SSL by 14,907 mg/kg. Further discussion on reasoning for using Residential SSL is attached. Requesting Barium RSSL for 2 samples.

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

Signed: _____ Print Name: Michael Cugnetti

Title: Director of EHS&R Date: 02/05/2025 Email: mcugnetti@verdadresources.com

COA Type

Description

0 COA	

ATTACHMENT LIST

Att Doc Num

Name

404082068	SOIL SAMPLE LOCATION MAP
404082069	SOIL SAMPLE LOCATION MAP
404082070	OTHER
404082071	OTHER
404082072	OTHER
404082073	DISPOSAL MANIFEST
404082074	ANALYTICAL RESULTS
404082075	ANALYTICAL RESULTS
404082076	PHOTO DOCUMENTATION
404082079	ANALYTICAL RESULTS

Total Attach: 10 Files

General Comments

User Group

Comment

Comment Date

		Stamp Upon Approval
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Total: 0 comment(s)