

State of Colorado
Energy & Carbon Management Commission



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Phone: (303) 894-2100 Fax: (303) 894-2109

Document Number:

404147267

Date Received:

03/31/2025

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:

Ahmadian, Alexander

Spill/Release Point ID:

489672

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) 647-6852</u>
City: <u>DENVER</u> State: <u>CO</u> Zip: <u>80202</u>		Mobile: <u>()</u>
Contact Person: <u>Dean Wagoner</u>		Email: <u>dwagoner@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 REPORT

Initial Spill/Release Report Doc# 404137719

Initial Report Date: 03/23/2025 Date of Discovery: 03/23/2025 Spill Type: Recent Spill

Spill/Release Point Location:

QTRQTR SWSE SEC 31 TWP 1N RNG 65W MERIDIAN 6

Latitude: 40.001795 Longitude: -104.704267

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: OIL AND GAS LOCATION Facility/Location ID No 474767

Spill/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): 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: CROP LAND _____

Other(Specify): _____

Weather Condition: Clear, Breezy, Warm _____

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 elbow. The leaking section of flow line was isolated/shut in, leak immediately stopped. Investigation and cleanup under way.

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

OTHER NOTIFICATIONS

Date	Agency/Party	Contact	Phone	Response
3/23/2025	Surface Owner	Monte Peak	-	acknowledged spill report received
3/23/2025	Weld County OEM	Web Form	-	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.

SPILL/RELEASE DETAIL REPORTS

#1	Supplemental Report Date: <u>03/31/2025</u>		
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? <u>NO</u> Was an Emergency Pit constructed? <u>NO</u>			
<i>Secondary containment, including walls & floor regardless of construction material, must be sufficiently impervious to contain any discharge from primary containment until cleanup occurs.</i>			
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) <input checked="" type="checkbox"/> Soil <input type="checkbox"/> Groundwater <input type="checkbox"/> Surface Water <input type="checkbox"/> Dry Drainage Feature			
Surface Area Impacted: Length of Impact (feet): <u>20</u>		Width of Impact (feet): <u>20</u>	
Depth of Impact (feet BGS): <u>6</u>		Depth of Impact (inches BGS): <u>0</u>	
How was extent determined?			
the extent was determined by excavation and visual observation and with field screenings using a PID. Extent determination and cleanup confirmation samples have been collected and submitted to laboratory for analysis. Supplemental report to follow with sampling details and analytical results.			
Soil/Geology Description:			
Spill occurred on Vona sandy loam, 1 to 3 percent slopes. near by water well geologic log states, 0-13' soil, Subsurface soils generally consisted of a sand clay mixture to 28 ft. BGS, underlain by a well graded sand to approximately 43 ft			
Depth to Groundwater (feet BGS) <u>22</u>		Number Water Wells within 1/2 mile radius: <u>18</u>	
If less than 1 mile, distance in feet to nearest		Water Well <u>1420</u> None <input type="checkbox"/>	Surface Water <u>1100</u> None <input type="checkbox"/>
		Wetlands <u>1100</u> None <input type="checkbox"/>	Springs _____ None <input checked="" type="checkbox"/>
		Livestock _____ None <input checked="" type="checkbox"/>	Occupied Building <u>1280</u> None <input type="checkbox"/>
Additional Spill Details Not Provided Above:			

CORRECTIVE ACTIONS

#1 Supplemental Report Date: 03/31/2025

Root Cause of Spill/Release Corrosion

Other (specify)

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

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

Empty box for specifying other equipment details.

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

An underground wellhead flowline failed from a pinhole leak that caused the release of fluid. The flowline failure occurred on the outside radius of the elbow at the 3 o'clock position on the pipe. The pin hole was caused by internal CO2 corrosion.

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

The wellhead line that was affected by the CO2 corrosion in its entirety has been removed and a new wellhead line is in the process of being installed. Other lines on this pad have continuous treatment of corrosion inhibitor to minimize CO2 corrosion to the wells, downstream flowlines and equipment servicing all wells. After construction of this wellhead line, a pressure tested will be conducted and passed prior to being put into service.

Volume of Soil Excavated (cubic yards): 240

Disposition of Excavated Soil (attach documentation) [X] Offsite Disposal Onsite Treatment [] Other (specify)

Volume of Impacted Ground Water Removed (bbls): 0

Volume of Impacted Surface Water Removed (bbls): 0

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:

Spill cleanup has been completed. Confirmation samples are being processed. Manifest from disposal will be submitted.

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

Signed: Print Name: Dean Wagoner

Title: EHS&R field Manager Date: 03/31/2025 Email: dwagoner@verdadresources.com

Table with 2 columns: COA Type, Description. Row 1: 0 COA

ATTACHMENT LIST

<u>Att Doc Num</u>	<u>Name</u>
404147358	AERIAL IMAGE
404147361	PHOTO DOCUMENTATION

Total Attach: 2 Files

General Comments

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

Total: 0 comment(s)