

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:

404260883

Date Received:

07/15/2025

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:

Heil, John

Spill/Release Point ID:

490260

OPERATOR INFORMATION

Name of Operator: <u>QB ENERGY OPERATING LLC</u>	Operator No: <u>10844</u>	Phone Numbers
Address: <u>1001 17TH STREET SUITE 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>Andy Verbonitz</u>		Email: <u>averbonitz@qb-energy.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# 404212795

Initial Report Date: 05/21/2025 Date of Discovery: 05/21/2025 Spill Type: Recent Spill

Spill/Release Point Location:

QTRQTR SENE SEC 7 TWP 6S RNG 96W MERIDIAN 6

Latitude: 39.538450 Longitude: -108.144320

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: TANK BATTERY

Facility/Location ID No 418883

Spill/Release Point Name: Garden Gulch 2/3 Tank leak

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): 0

Estimated Flow Back Fluid Spill Volume(bbl): 0

Estimated Produced Water Spill Volume(bbl): >=5 and <100

Estimated Other E&P Waste Spill Volume(bbl): 0

Estimated Drilling Fluid Spill Volume(bbl): 0

Specify: 11.5 bbl

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: Clear and Sunny

Surface Owner: FEE Other(Specify): _____

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

Operator noticed produced water in the containment when he went to strap the oil tank. After looking, he verified that he lost 7" of fluids. He then isolated the tank, called a water tank to clean up the produced water, and then had the remaining fluids transferred over to the second tank.

On May 29, 2025, initial release characterization and investigative confirmation soil sampling was completed. The tank battery and containment had been previously removed and excavated to 5.5 to 6 feet below ground surface (bgs). Four confirmation soil samples were collected from each sidewall at depths of approximately 5.5 feet bgs and one confirmation soil sample was collected from the base of the excavation footprint at approximately 6 feet bgs. The excavated material had been stockpiled on location and was sampled via one five-point aliquot confirmation sample. All samples were submitted for laboratory analysis of the full ECMC Table 915-1 suite of constituents.

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>
5/21/2025	CPW	Taylor Elm	970-986-9767	email
5/21/2025	County	Kirby Wynn	970-625-5905	email
5/21/2025	ECMC	Alex Fischer	303-501-3900	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: _____

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.

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? _____

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: <input type="checkbox"/> The presence of free product or hydrocarbon sheen Surface Water <input type="checkbox"/> The presence of free product or hydrocarbon sheen on Groundwater <input type="checkbox"/> The presence of contaminated soil in contact with Groundwater <input type="checkbox"/> The presence of contaminated soil in contact with Surface water
No	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. <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:

Please see the "Corrective Actions" section in ECMC Supplemental Form 19 Document Number (DN) 404221576 for details pertaining to the root cause determination and incident reoccurrence prevention.

A discussion of QB's assessment of potential pathways to groundwater is described below. QB believes that a pathway to groundwater from soil identified beneath the point of release (POR) does not exist because:

- 1) The static water table depth is estimated to be approximately 432 feet bgs based on documents affiliated with the nearest active groundwater monitoring well roughly 6,103 feet east of the Site and identified by DWR Permit # 275085. The well is positioned within the Parachute Creek alluvial valley, while the Site is located on the talus slope along the Logan Mesa cliffs above the alluvial valley.
- 2) No groundwater was / has been observed infiltrating the existing excavation or during site investigation activities.
- 3) The nearest sensitive receptor (5,413 feet southeast) is Parachute Creek, which the United States Geological Survey (USGS) characterizes as perennial; however, based on local knowledge and field observations, this stream is better characterized as intermittent as it predominantly flows during major weather events, exceptional groundwater elevation increases manifested through natural springs, and / or rain / snow melting events.

Given these observations and facts, QB requests that the Director make a determination to continue evaluating remediation success of this project using the RSSLCs listed in Table 915-1.

In accordance with ECMC Table 915-1, Footnote 1, QB requests the Director for relief of arsenic, electrical conductivity (EC), and sodium adsorption ratio (SAR) as contaminants of concern (COCs). All confirmation soil samples from the May 29, 2025 field activities yielded arsenic concentrations ranging from 6.84 to 14.78 milligrams per kilogram (mg/kg), which is less than the levels from background soil samples collected from a nearby facility (Facility ID: 335820), which ranged from 12.32 to 22.3 mg/kg. The only EC exceedance was 4.05 millimhos per centimeter (mmhos/cm) [sample 20250529-GG3-(WW)@5.5], less than the levels of the background soil samples, which ranged from 8.34 to 10 mmhos/cm. The documented SAR exceedances from samples [20250529-GG3-(WW)@5.5 and 20250529-GG3-(STOCK02)] were 7.51 and 7.19, respectively. These values are both lower than the levels of background soils samples taken from a nearby facility, which ranged from 9.1 to 15.46.

Based on the analytical data provided herein and pending approval from the Director, there are no impacts affiliated with the tank battery produced water release. All exceedances were removed via excavation and treated through soil mixing dilution. Based on the data provided herein, QB requests "No Further Action" and closure of Spill/Release Point ID Number 490260.

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

Signed: _____ Print Name: Andy Verbonitz
 Title: EH&S Specialist Date: 07/15/2025 Email: averbonitz@qb-energy.com

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

ATTACHMENT LIST

<u>Att Doc Num</u>	<u>Name</u>
404260885	ANALYTICAL RESULTS
404260887	ANALYTICAL RESULTS
404260982	ANALYTICAL RESULTS
404276194	REMEDATION MEASURES

Total Attach: 4 Files

General Comments

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

Total: 0 comment(s)