



Environmental, Audit & Assessment, Inc.

225 North 5th St. Suite #8, Grand Junction, CO 81501, (970) 245-5897, Fax 245-0259, Email info@eaa-co.com
Web Site: www.eaa-co.com

20 October 2010

Colorado Oil and Gas Conservation Commission
Chris Canfield
Environmental Protection Specialist
707 Wapiti Court, Suite 204
Rifle, CO 81650

RE: Form 4 – Arco Deep 1-27

Mr. Canfield:

Please find the attached Sundry Form 4 and supporting documentation, submitted on behalf of Williams Production RMT Company, updating the existing open Form 27 for the closure of the production pit (Remediation #5109, Spill Tracking Number 2521200) at the Arco Deep 1-27 (NWSE, Sec 27, T6S, R97W; API 05-045-06510) well pad. As shown, the horizontal extent of the contamination has been identified; however, the vertical extent remains unknown. During the excavation of the east bottom portion of the pit a rock shelf was encountered. The track hoe attempted to break through on several occasions; however, was unsuccessful. Williams would like the opportunity to discuss options for further investigation of the pit bottom and would welcome an opportunity to meet.

Thank you in advance for your time in reviewing the attached document and consideration of Williams' meeting request. If you have any specific questions, would like additional information, or would otherwise like to discuss the matter further, please contact myself, Jason Rauen at 970-623-8993, or Gretchen Kohler at 303-260-4531, at your convenience.

Sincerely,

Jana Sanders
Environmental Scientist
Environmental, Audit & Assessment, Inc

TECHNICAL INFORMATION PAGE



FOR OGCC USE ONLY

| | |
|---|------------------------------|
| 1. OGCC Operator Number: 96850 | API Number: 05-045-06510 |
| 2. Name of Operator: Williams Production R.M.T. Compan | OGCC Facility ID # |
| 3. Well/Facility Name: Arco Deep 1-27 | Well/Facility Number: 322539 |
| 4. Location (QtrQtr, Sec, Twp, Rng, Meridian): NWSE, 27, 6S, 97W, 6PM | |

This form is to be completed whenever a Sundry Notice is submitted requiring detailed report of work to be performed or completed. This form shall be transmitted within 30 days of work completed as a "subsequent" report and must accompany Form 4, page 1.

5. **DESCRIBE PROPOSED OR COMPLETED OPERATIONS**

This COGCC Form 4 and attached supporting documentation is being submitted to amend the existing open Form 27 for the Arco Deep 1-27. A COGCC Form 19 was submitted on September 3, 2010, indicating that a release was discovered during routine closure of the Arco Deep 1-27 production pit, Remediation Number 5109 and Spill/Release Tracking Number 2521200. It is not believed that the release was caused due to improper care or operation of the pit. The cause is unknown and occurred unknowingly sometime in the past. This statement is supported by the pre-removal liner inspection which revealed no tears or rips below the high water mark.

As outlined in the approved Form 27, upon removal of the pit liner, soil samples were collected from the four sidewalls and the bottom of the pit. Samples were submitted to Accutest Laboratories for analysis of COGCC Table 910-1 parameters. Once concentrations exceeding 910-1 were confirmed via laboratory analytical, the suspect soils from the bottom east section of the pit were excavated and stockpiled in lined secondary containment. The excavation was driven by visual and olfactory assessment, PID readings, and PetroFlag measurements.

During the excavation of the east bottom portion of the pit a rock shelf was encountered. The track hoe attempted to break through on several occasions; however, was unsuccessful. A soil sample was collected from the bottom of the excavation and submitted for analysis. Analytical results showed DRO concentrations to exceed the allowable concentrations in Table 910-1.

At this time, the horizontal extent of the contamination has been identified; however, vertical extent is unknown. Further investigation is planned to define the extent of the contamination.

Please note, the well pad is situated approximately 8,632 feet above sea level on non-crop rangelands and Parachute-Rhone loams soils with moderate to severe erosion potential. Vegetation consists of sage brush and grassland communities. Receiving waters include an unnamed ephemeral stream that is tributary to Baker Gulch. No flow was observed during the pit closure process. The estimated distance to the receiving waters is approximately 315 feet.