

State of Colorado
Oil and Gas Conservation Commission

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07/28/2020

NOTICE OF ALLEGED VIOLATION - ISSUED

Per Rule 522, the Director has reasonable cause to believe that a violation of the Act, or of any Commission rule, order, or permit has occurred, the Director will require the operator to remedy the violation and may commence an enforcement action seeking penalties by issuing a Notice of Alleged Violation (NOAV). Per Rule 523, an operator who violates the Act, or a Commission rule, order, or permit may be subject to a penalty imposed by Commission order.

OPERATOR INFORMATION

OGCC Operator Number: 94300

Name of Operator: WARD & SON* ALFRED

Address: P O BOX 737

City: OGALLALLA State: NE Zip: 69153

Contact Name and Telephone:

Name: RANDY WARD

Phone: (308) 284-8350 Fax: ()

Email: randy@wardoil.com

Well Location, or Facility Information (if applicable):

API Number: 05- - -00

Facility or Location ID: 117639

Name: WRIGHT 31-1

Number:

QtrQtr: SESE Sec: 31

Twp: 2S

Range: 53W

Meridian: 6

County: WASHINGTON

ALLEGED VIOLATION

Rule: 324A.a

Rule Description: General Environmental Protection

Initial Discovery Date: 05/04/2020

Was this violation self-reported by the operator? No

Date of Violation: 05/04/2020

Approximate Time of Violation:

Was this a discrete violation of obvious duration? Unknown

Description of Alleged Violation:

Pursuant to Rule 324A.a, Ward & Son* Alfred ("Operator") shall take precautions to prevent significant adverse environmental impacts to air, water, soil, or biological resources to the extent necessary to protect public health, safety and welfare, including the environment and wildlife resources, taking into consideration cost-effectiveness and technical feasibility to prevent the unauthorized discharge or disposal of oil, gas, E&P waste, chemical substances, trash, discarded equipment or other oil field waste.

On May 4, 2020, COGCC conducted a site inspection (FIR Document #688307804) and discovered the presence of oil on an unlined, non-netted produced water pit (Facility ID 117639). COGCC also discovered several deceased ducks and birds in free oil in the produced water pit.

On May 5, 2020, COGCC staff returned with a Colorado Public Wildlife ("CPW") officer and observed Operator removing approximately 100bbls of oil from the surface of the pit (FIR Document #688307804). The CPW Officer collected 7 ducks and birds as evidence, while an additional two ducks and one bird could not be retrieved from the pit.

Operator failed to take precautionary measures to prevent significant adverse environmental impacts to biological resources and to protect wildlife, violating Rule 324A.a.

Abatement or Corrective Action Required to be Performed by Operator:

Corrective Action Due Date: 08/27/2020

Proper and timely abatement does not preclude the assessment of penalties and an Order Finding Violation.

Operator shall submit a Supplemental Spill/Release Report on Form 19 that meets the requirements of Rule 906.b. and addresses the conditions of approval applied to the Initial Spill/Release Report, Form 19 Document #402392751 (root cause analysis of the oil skimming system failure, invoice for the most recent removal of oil from the oil skim tank prior to this spill incident, photographs of clean pit banks and soil disposal manifests, documentation of surface owner and local government notifications of spill incident).

Rule: 906.a.

Rule Description: Spills and Releases - General

Initial Discovery Date: 05/04/2020

Was this violation self-reported by the operator? No

Date of Violation: 05/04/2020

Approximate Time of Violation:

Was this a discrete violation of obvious duration? Unknown

Description of Alleged Violation:

Pursuant to Rule 906.a., Ward & Son* Alfred ("Operator") shall, immediately upon discovery, control and contain all spills/releases of E&P waste, gas, or produced fluids to protect the environment, public health, safety, and welfare, and wildlife resources. Operators shall investigate, clean up, and document impacts resulting from spills/releases as soon as practicable. The Director may require additional activities to prevent or mitigate threatened or actual significant adverse environmental impacts on any air, water, soil or biological resource, or to the extent necessary to ensure compliance with the concentration levels in Table 910-1, with consideration to WQCC groundwater standards and classifications.

On May 4, 2020, COGCC conducted a site inspection (FIR Document #688307804) and discovered the presence of oil on an unlined, non-netted produced water pit (Facility ID 117639). COGCC also discovered several deceased ducks and birds in free oil in the produced water pit.

On May 5, 2020, COGCC staff returned with a Colorado Public Wildlife ("CPW") officer and observed Operator removing approximately 100bbls of oil from the surface of the pit (FIR Document #688307804). The CPW Officer collected 7 ducks and birds as evidence, while an additional two ducks and one bird could not be retrieved from the pit.

On June 23, 2020, COGCC staff conducted an inspection (FIR Document #688000451) and observed corrective actions from the previous inspections were not complete. Areas of stained soil remain and remediation of the pit walls had not begun.

Operator failed to investigate, clean up, and document impacts resulting from spills/releases as soon as practicable, violating Rule 906.a.

Abatement or Corrective Action Required to be Performed by Operator:

Corrective Action Due Date: 08/27/2020

Proper and timely abatement does not preclude the assessment of penalties and an Order Finding Violation.

Operator shall submit a Supplemental Spill/Release Report on Form 19 that meets the requirements of Rule 906.b. and addresses the conditions of approval applied to the Initial Spill/Release Report, Form 19 Document #402392751 (root cause analysis of the oil skimming system failure, invoice for the most recent removal of oil from the oil skim tank prior to this spill incident, photographs of clean pit banks and soil disposal manifests, documentation of surface owner and local government notifications of spill incident).

Rule: 906.b.(4)

Rule Description: Supplemental Spill Report - Form 19

Initial Discovery Date: 05/04/2020

Was this violation self-reported by the operator? No

Date of Violation: 05/04/2020

Approximate Time of Violation:

Was this a discrete violation of obvious duration? Unknown

Description of Alleged Violation:

Pursuant to Rule 906.b.(4). In addition to the Initial Report to the Director, Ward & Son* Alfred ("Operator") shall make a supplemental report on Form 19 not more than 10 calendar days after the spill/release is discovered that includes an 8 1/2 x 11 inch topographic map showing the governmental section and location of the spill or an aerial photograph showing the location of the spill; all pertinent information about the spill/release known to the Operator that has not been reported previously; and information relating to the initial mitigation, site investigation, and remediation measures conducted by the Operator.

On May 4, 2020, COGCC conducted a site inspection (FIR Document #688307804) and discovered the presence of oil on an unlined, non-netted produced water pit (Facility ID 117639). COGCC also discovered several deceased ducks and birds in free oil in the produced water pit.

On May 7, 2020, the Operator submitted an Initial Spill/Release Report, Form 19 (Document #402392751).

A Supplemental Spill/Release Report, Form 19 was due on May 14, 2020. The Operator has not submitted a Supplemental Spill/Release Report, Form 19 as of July 23, 2020.

Operator failed to submit a Supplemental Spill/Release Report on Form 19 violating Rule 906.b.(4).

Abatement or Corrective Action Required to be Performed by Operator:

Corrective Action Due Date: 08/27/2020

Proper and timely abatement does not preclude the assessment of penalties and an Order Finding Violation.

Operator shall submit a Supplemental Spill/Release Report on Form 19 that meets the requirements of Rule 906.b. and addresses the conditions of approval applied to the Initial Spill/Release Report, Form 19 Document #402392751 (root cause analysis of the oil skimming system failure, invoice for the most recent removal of oil from the oil skim tank prior to this spill incident, photographs of clean pit banks and soil disposal manifests, documentation of surface owner and local government notifications of spill incident).

Rule: 907.c

Rule Description: Produced Water

Initial Discovery Date: 05/04/2020

Was this violation self-reported by the operator? No

Date of Violation: 05/04/2020

Approximate Time of Violation:

Was this a discrete violation of obvious duration? Unknown

Description of Alleged Violation:

Pursuant to Rule 907.c.(1), produced water shall be treated by Ward & Son* Alfred ("Operator"), prior to placement in a production pit to prevent crude oil and condensate from entering the pit.

On May 4, 2020, COGCC conducted a site inspection (FIR Document #688307804) and discovered the presence of oil on an unlined, non-netted produced water pit (Facility ID 117639). COGCC also discovered several deceased ducks and birds in free oil in the produced water pit.

On May 5, 2020, COGCC staff returned with a Colorado Public Wildlife ("CPW") officer and observed Operator removing approximately 100bbls of oil from the surface of the pit (FIR Document #688307804). The CPW Officer collected 7 ducks and birds as evidence, while an additional two ducks and one bird could not be retrieved from the pit.

Operator failed to adequately treat produced water to prevent crude oil and condensate from entering the pit violating Rule 907.c.(1).

Abatement or Corrective Action Required to be Performed by Operator:

Corrective Action Due Date: 08/27/2020

Proper and timely abatement does not preclude the assessment of penalties and an Order Finding Violation.

Operator shall submit a Supplemental Spill/Release Report on Form 19 that meets the requirements of Rule 906.b. and addresses the conditions of approval applied to the Initial Spill/Release Report, Form 19 Document #402392751 (root cause analysis of the oil skimming system failure, invoice for the most recent removal of oil from the oil skim tank prior to this spill incident, photographs of clean pit banks and soil disposal manifests, documentation of surface owner and local government notifications of spill incident).

Operator shall not place produced water in the pit until treatment is implemented in accordance with Rule 907.c.(1) to comply with Rule 902.c. Additional incidents of oil accumulation on the pit may result in the Director revoking the Form 15 resulting in the requirement to close pit facility #117639.

PENALTY

Penalties for violations alleged in this NOAV will be calculated pursuant to Rule 523, with daily penalties accruing pursuant to Section 34-60-121(1), C.R.S.

ANSWER

Pursuant to Rule 522.d.(2), the operator must file an Answer to this NOAV within 28 days of its receipt, or a default judgement may be entered. Hard copy answers are filed with the Commission Secretary at the Commission's Denver office and should also be emailed to dnr_cogccenforcement@state.co.us.

NOAV ISSUED

NOAV Issue Date: 07/28/2020

COGCC Representative Signature: 

COGCC Representative: Trent Lindley

Title: NOAV Specialist

Email: trent.lindley@state.co.us

Phone Num: (303) 894-2100x

ATTACHMENT LIST

View Attachments in Imaged Documents on COGCC website (<http://ogccweblink.state.co.us/>) - Search by Document Number.

<u>Document Number</u>	<u>Description</u>
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Total Attach: 0 Files