

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:

403996550

Receive Date:

Report taken by:

Site Investigation and Remediation Workplan (Supplemental Form)

This form shall be submitted to the Director for approval prior to the initiation of site investigation and remediation activities. However, this shall not preclude the Operator from taking immediate action to protect public health or safety, the environment, wildlife, or livestock.

This Form 27 describes site conditions as currently understood by the Operator; approval of this Form 27 by ECMC is based on the site conditions accurately described herein; any changes in site conditions identified during or subsequent to the performance of the approved workplan may necessitate additional investigation or remediation which shall be described on a supplemental Form 27. This Form 27 is intended to provide basic information regarding the proposed site investigation and remediation actions, but the workplan may be more fully described in attached documentation.

Closure request is not available for an Initial Site Investigation and Remediation Workplan.

OPERATOR INFORMATION

Name of Operator: CAERUS PICEANCE LLC	Operator No: 10456	Phone Numbers
Address: 1001 17TH STREET #1600		Phone: (970) 640-6919
City: DENVER	State: CO	Zip: 80202
Contact Person: Blair Rollins	Email: brollins@qb-energy.com	Mobile: (970) 640-6919

PROJECT, PURPOSE & SITE INFORMATION

PROJECT INFORMATION

Remediation Project #: 23856 Initial Form 27 Document #: 403056775

PURPOSE INFORMATION

- ☐ Rule 913.c.(1): Pit or Cuttings Trench closure.
- ☐ Rule 913.c.(2): Buried or partially buried vessel closure, which will be by removal.
- ☒ Rule 913.c.(3): Remediation of Spill and Releases pursuant to Rule 912.
- ☐ Rule 913.c.(4): Land treatment of Oily Waste pursuant to Rule 905.e.
- ☐ Rule 913.c.(5): Closure of Centralized E&P Waste Management Facilities pursuant to Rule 907.h.
- ☐ Rule 913.c.(6): Remediation of impacted Groundwater pursuant to Rule 915.e.(3).D, and the contaminant concentrations in Table 915-1.
- ☐ Rule 913.c.(7): Investigation and remediation of natural gas in soil or Groundwater.
- ☐ Rule 913.c.(8): When requested by the Director due to any potential risk to soil, Groundwater, or surface water.
- ☐ Rule 913.c.(9): Decommissioning of Oil and Gas Facilities.
- ☐ Rule 913.g: Changes of Operator.
- ☐ Rule 915.b: Request to leave elevated inorganics in situ.
- ☐ Other: _____

SITE INFORMATION

No Multiple Facilities

Facility Type: SPILL OR RELEASE	Facility ID: 481668	API #: _____	County Name: GARFIELD
Facility Name: P26W Spill	Latitude: 39.410515	Longitude: -107.734642	
** correct Lat/Long if needed: Latitude: _____		Longitude: _____	
QtrQtr: SESE	Sec: 26	Twp: 7S	Range: 93W
Meridian: 6	Sensitive Area? No		

SITE CONDITIONS

General soil type - USCS Classifications GC Most Sensitive Adjacent Land Use Non-cropland rangeland

Is domestic water well within 1/4 mile? No Is surface water within 1/4 mile? No

Is groundwater less than 20 feet below ground surface? No

NA

SITE INVESTIGATION PLAN**TYPE OF WASTE:**☒ **E&P Waste** ☐ **Other E&P Waste** ☐ **Non-E&P Waste**☒ Produced Water☐ Workover Fluids☐ Oil☐ Tank Bottoms☒ Condensate☐ Pigging Waste☐ Drilling Fluids☐ Rig Wash☐ Drill Cuttings☐ Spent Filters☐ Pit Bottoms☐ Other (as described by EPA)**DESCRIPTION OF IMPACT**

Impacted?	Impacted Media	Extent of Impact	How Determined
UNDETERMINED	SOILS	To be determined	Soil sampling and laboratory analysis

INITIAL ACTION SUMMARY

Description of initial action or emergency response measures take to abate, investigate, and/or remediate impacts associated with E&P Waste.

On February 21, 2022, an unknown volume of comingled fluid was released into the lined secondary containment due to a valve failure during transport truck offloading operations. The release was reported via Energy & Carbon Management Commission (ECMC) Form 19 Document 402963034 to open Spill/Release Point ID 481668. Form 27 Document 403056775 was later submitted to open Remediation Project 23856.

PROPOSED SAMPLING PLAN**Proposed Soil Sampling**

☒ Will soil samples be collected as part of this investigation? (Number, type (grab/composite), analyses, and locations of samples):

Additional soil samples will be collected to delineate the horizontal extent of soil impacts. Organic soil impacts have been delineated vertically. Background soil samples may be collected to determine native levels of inorganics at the Location. A produced water sample may also be collected to profile inorganics in the released fluids. See the attached Report of Work Completed (ROWC) for details.

Proposed Groundwater Sampling

☐ Will groundwater samples be collected as part of this investigation? (Number, analyses, and locations of samples):

Groundwater is not anticipated to be encountered. If groundwater is encountered during site investigation, QB will attempt to collect a sample for characterization.

Proposed Surface Water Sampling

☐ Will surface water samples be collected as part of this investigation? (Number, analyses, and locations of samples):

Additional Investigative Actions

☐ Additional alternative investigative actions described in attached Site Investigation Plan (summary):

SITE INVESTIGATION REPORT**SAMPLE SUMMARY**

Soil

Number of soil samples collected 5

Number of soil samples exceeding 915-1 5

Was the areal and vertical extent of soil contamination delineated? No

Approximate areal extent (square feet) 200

Groundwater

Number of groundwater samples collected 0

Was extent of groundwater contaminated delineated? Yes

Depth to groundwater (below ground surface, in feet)

Number of groundwater monitoring wells installed

Number of groundwater samples exceeding 915-1

Surface Water

0 Number of surface water samples collected

Number of surface water samples exceeding 915-1

If surface water is impacted, other agency notification may be required.

NA / ND

-- Highest concentration of TPH (mg/kg) 606.4

-- Highest concentration of SAR 9.89

BTEX > 915-1 No

Vertical Extent > 915-1 (in feet) 9

Highest concentration of Benzene (µg/l)

Highest concentration of Toluene (µg/l)

Highest concentration of Ethylbenzene (µg/l)

Highest concentration of Xylene (µg/l)

Highest concentration of Methane (mg/l)

OTHER INVESTIGATION INFORMATION☐ Were impacts to adjacent property or offsite impacts identified?☐ Were background samples collected as part of this site investigation?☐ Was investigation derived waste (IDW) generated as part of this investigation?

Volume of solid waste (cubic yards)

Volume of liquid waste (barrels)

☒ Is further site investigation required?

See Proposed Soil Sampling and the attached ROWC.

REMEDIAL ACTION PLAN

Does this Supplemental Form 27A include changes to a previously approved Remedial Action Plan? No

SOURCE REMOVAL SUMMARY

Describe how source is to be removed.

QB is in the process of determining the extent of impacts associated with the project. Once impacts are delineated, QB will prepare a remediation plan to remove the source material within the release area.

REMEDIAL ACTION SUMMARY

Describe how remediation of existing impacts to soil and groundwater is to be accomplished (i.e. summarize remedial action plan). Provide a brief narrative description including: technical justification, schedule for implementation, estimated time to attain NFA status, plus plans and specifications for the selected remedial action technology.

On June 20, 2024, initial sampling was conducted to determine if impacts from the release were present within the soil beneath the liner. Three potholes were advanced at an angle on the southeast corner of the tank battery containment to depths of 4 to 5 feet below ground surface (bgs). Hand tools were used to collect soil from the terminus of each pothole beneath the tank containment liner. One soil sample was collected from each pothole. Analytical results of the soil samples indicated compliance with Table 915-1 Residential Soil Screening Levels (RSSLs) except for total petroleum hydrocarbons (TPH), sodium adsorption ratio (SAR), pH, and arsenic.

On July 18, 2024, Form 27 Document 403850138 was submitted to present results of the initial site investigation to the ECMC, request comparison of analytical results to RSSLs, and to request a reduced analyte suite of TPH, SAR, pH, arsenic, and hexavalent chromium. The ECMC approved the form and associated requests on August 7, 2024.

On October 17, 2024, vertical delineation soil samples were collected from beneath the pit liner, north of SB01-SB03. Prior to sampling, a small hole was made in the pit liner to access soil within the tank battery containment. One surface soil sample was collected via hand tools before a pothole was advanced with a hand auger to a total depth of 9 feet bgs. One soil sample was collected from the terminus of the pothole. Analytical results of soil samples indicate compliance with RSSLs except for SAR, pH, and arsenic. See the attached ROWC for details.

Soil Remediation Summary

☐

In Situ

_____ Bioremediation (or enhanced bioremediation)

_____ Chemical oxidation

_____ Air sparge / Soil vapor extraction

_____ Natural Attenuation

_____ Other _____

☐

Ex Situ

_____ Excavate and offsite disposal

_____ If Yes: Estimated Volume (Cubic Yards) _____

_____ Name of Licensed Disposal Facility or ECMC Facility ID # _____

_____ Excavate and onsite remediation

_____ Land Treatment

_____ Bioremediation (or enhanced bioremediation)

_____ Chemical oxidation

_____ Other _____

Groundwater Remediation Summary

_____ Bioremediation (or enhanced bioremediation)

_____ Chemical oxidation

_____ Air sparge / Soil vapor extraction

_____ Natural Attenuation

_____ Other _____

GROUNDWATER MONITORING

If groundwater has been impacted, describe proposed monitoring plan, including # of wells or sample points, monitoring schedule, analytical methods, points of compliance. Attach a groundwater monitoring location diagram.

Groundwater is not anticipated to be encountered. If groundwater is encountered during site investigation, QB will attempt to collect a sample for characterization.

REMEDIATION PROGRESS UPDATE

PERIODIC REPORTING

Approved Reporting Schedule:

☒ Quarterly☐ Semi-Annually☐ Annually☐ Other

☒ Request Alternative Reporting Schedule:

☒ Semi-Annually☐ Annually☐ Other

Rule 913.e:

After initial approval of a Form 27, the Operator will provide quarterly update reports in a Supplemental Form 27 to document progress of site investigation and remediation, unless an alternative reporting schedule has been requested by the Operator and approved by the Director. The Director may request a more frequent reporting schedule based on site-specific conditions.

Report Type:

☐ Groundwater Monitoring☐ Land Treatment Progress Report☐ O&M Report☒ Other Q4 2024 Remediation Update

Adequacy of Operator's General Liability Insurance and Financial Assurance

Describe the adequacy of the Operator's general liability insurance and Financial Assurance to fully address the anticipated costs of Remediation, including the estimated remaining cost for this project (below).

If this information has been provided on a Form 27 within the last 12 months, provide the Document Number of that form.

Per Rule 705.b, and in line with guidance laid out in the SBAP, QB Energy has general liability insurance in the amount of \$5M, and QB Energy has umbrella insurance, which sits over the general liability insurance in the amount of \$65M. The umbrella and general liability insurance covers property damage, bodily injury to third parties, and sudden or accidental pollution under a combined \$70M.

Operator anticipates the remaining cost for this project to be: \$ 85000

WASTE DISPOSAL INFORMATION

Was E&P waste generated as part of this remediation? _____

Describe beneficial use, if any, of E&P Waste derived from this remediation project:

Volume of E&P Waste (solid) in cubic yards _____

E&P waste (solid) description _____

ECMC Disposal Facility ID #, if applicable: _____

Non-ECMC Disposal Facility: _____

Volume of E&P Waste (liquid) in barrels _____

E&P waste (liquid) description _____

ECMC Disposal Facility ID #, if applicable: _____

Non-ECMC Disposal Facility: _____

REMEDIATION COMPLETION REPORT

REMEDIATION COMPLETION SUMMARY

Is this a Final Closure Request for this Remediation Project? No _____

If YES:

☐ Compliant with Rule 913.h.(1).☐ Compliant with Rule 913.h.(2).☐ Compliant with Rule 913.h.(3).

Do all soils meet Table 915-1 standards? _____

Does the previous reply indicate consideration of background concentrations? _____

Does Groundwater meet Table 915-1 standards? _____

Is additional groundwater monitoring to be conducted? _____

Operator shall comply with the ECMC 1000-Series Reclamation Requirements for all impacted and disturbed areas.

RECLAMATION PLAN

RECLAMATION PLANNING

Describe reclamation plan. Discuss existing and new grade recontouring; method and testing of compaction alleviation; and reseeding program, including location of new seed, seed mix and noxious weed prevention. Attach diagram or drawing.

The spill occurred within the secondary containment on the active working surface of the pad. Any disturbance will be returned to the active working surface of the well pad for continued operation. When the site is decommissioned at a later date, it will be reclaimed in accordance with 1000 Series regulations.

Is the described reclamation complete? No

Does the reclamation described herein constitute interim or final reclamation of the Oil and Gas Location?

☐ Interim

☐ Final

Did the Surface Owner provide the seed mix? _____

If YES, does the seed mix comply with local soil conservation district recommendations? _____

Did the local soil conservation district provide the seed mix? _____

SITE RECLAMATION DATES

Proposed date of commencement of Reclamation. _____

Proposed date of completion of Reclamation. _____

IMPLEMENTATION SCHEDULE

Per Rule 913.d.(2): Any change from the approved implementation schedule will be requested at least 14 days in advance, and the Operator may not make the change without the Director's approval.

PRIOR DATES

Date of Surface Owner notification/consultation, if required. 02/21/2022

Actual Spill or Release date, or date of discovery. 02/21/2022

SITE INVESTIGATION DATES

Date of Initial Actions described in Site Investigation Plan (start date). 06/20/2024

Proposed site investigation commencement. 06/20/2024

Proposed completion of site investigation. 08/01/2025

REMEDIAL ACTION DATES

Proposed start date of Remediation. 05/01/2025

Proposed date of completion of Remediation. _____

Per Rule 913.d.(2): Any change from the approved implementation schedule will be requested at least 14 days in advance, and the Operator may not make the change without the Director's approval.

☐ Change from approved implementation schedule per Rule 913.d.(2).

Basis for change in implementation schedule:

OPERATOR COMMENT

This form has been submitted to provide a Q4 2024 status update to the ECMC and to request a semi-annual reporting schedule. QB proposes the advancement of a minimum of three soil borings to complete horizontal delineation of organic impacts, and horizontal and vertical delineation of inorganic impacts. QB proposes to collect background soil samples to characterize native levels of inorganics at the Location. QB also proposes to collect a produced water sample to profile inorganics in the released fluids. See the attached ROWC for details.

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

Signed: Blair Rollins

Title: Environmental Specialist

Submit Date: _____

Email: brollins@qb-energy.com

Based on the information provided herein, this Application for Site Investigation and Remediation Workplan complies with ECMC Rules and applicable orders and is hereby approved.

ECMC Approved: _____

Date: _____

Remediation Project Number: 23856

COA Type**Description**

0 COA	

ATTACHMENT LIST

Upon approval, the approved Form 27 and all listed attachments will be indexed to the Remediation Project file. Only the approved Form 27 will also be indexed to the related Facilities.

Att Doc Num**Name**

403996607	ANALYTICAL RESULTS
404018038	SITE INVESTIGATION REPORT

Total Attach: 2 Files

General Comments**User Group****Comment****Comment Date**

		Stamp Upon Approval
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Total: 0 comment(s)