COGCC Operator Meeting

Flowline Spill Reporting Requirements

November 15th, 2016

COLORADO
Oil & Gas Conservation Commission
Department of Natural Resources

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Integrity Engineering Supervisor

Agenda

- Flowline Integrity Requirements
- Operator Guidance
- Audit Process
- Flowline Regulations
- Flowline Spills and Reporting
- Questions

Regulatory Goals

Prevent releases

Minimize volumes

Quick response and clean-up

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ENGINEERING INTEGRITY

Supervisor: Mark Schlagenhauf

Engineer: Ellice Hazard

Inspector: Joe MacLaren

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Flowline Integrity

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One Call Participation

- Rule 1102.d: “As to any pipelines over which the Commission has jurisdiction, each operator shall become a member of the Utility Notification Center of Colorado and participate in Colorado’s One Call notification system…”

- Visit http://colorado811.org for more information.

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Flowlines – COGCC

Flowlines include:

1. The line between the wellhead and the separator.
2. The gas line from the separator to the gas meter.
3. Dump Lines – the low pressure water, condensate and oil lines which go to storage tank(s).
4. Process Piping – in multi-well pad situations, individual dump lines manifold together prior to going to a set of tanks connected by piping.
5. The line between the Well Site and the point of transfer when the water treatment facility, production facility or transfer point is not located at the Well Site.

Flowlines – Guidance

1. Published on “Operator Guidance” webpage.
2. Provides guidance on new flowline installation requirements.
3. Provides guidance and options for complying with the annual pressure test requirements outlined in rule 1101.e.
    - Perform annual pressure tests on all flowlines greater than 15psi OR
    - Install a continuous monitoring program of flowlines and submit a 502b variance. The variance can be field wide, basin wide, or county wide if the flowlines are similar technology. Could include SCADA technology or other.
4. Describes the COGCC auditing program.
5. Describes what a flowline integrity program could look like.

COGCC Auditing of Flowlines

Goal: Verify compliance with 1101.e.(1)

<u>Program for 2016</u>

- 18 Operators Audited
  - ✓ 2,479 Wells audited
  - ✓ Over 3,100 Flowline Pressure Tests reviewed

<u>Program for 2017 and Beyond</u>

- Priority Factor Scores used for COGCC to select Flowlines for Audit:
  - Top 33% of Flowlines susceptible to audit
  - Highest 10% will be audited

Additional Audit Items

- Rule 605.d – Flowline Integrity Management Program
- Rule 1102 e. – Emergency Response Plan
- Leak Detection Plan and Best Management Practices for Flowlines within Designated Areas
- Annual Temperature, pressure, and flow rate data (including annual maximum) for the well and associated Flowlines
- Fluid type, Flowline diameter, and approximate Flowline length

Flowline Audit Topics

- Material and Design
- Locations
- Monitoring and Maintenance
- Pressure Testing Methods
- Spills and Repair
- Operating Concerns

Flowline Regulations (mid 1990s)

1101 e. (1) Pressure tests shall be repeated once each calendar year

COGA-WS White Paper Alternatives

Variance Requests

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Updated Operator Guidance

Clarified where Flowlines End

COPUC Regulates Gas Gathering Safety

API RP-80

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604.c.(2) F. Leak Detection Plan. The Operator shall develop a plan to monitor Production Facilities on a regular schedule to identify fluid leaks.

Flowline Spills

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Flowline Spill Findings

1. A significant amount of spills due to Flowlines were not labeled as Flowline spills on the Form 19.
2. The Commission should raise awareness about the proper method for submitting Flowline Spills.

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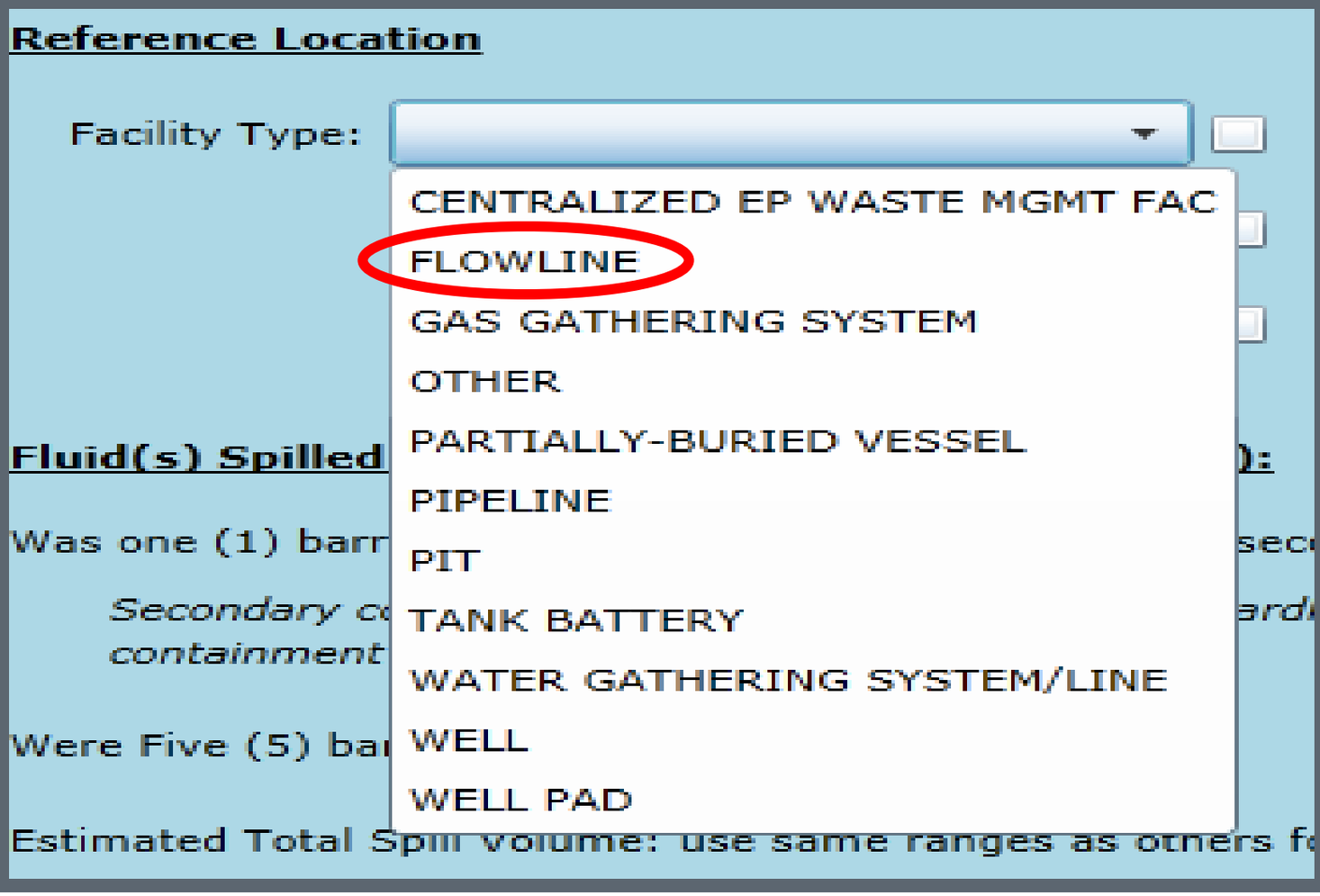
Flowline Spill Reports

When submitting Spill Reports, please make sure that if the spill occurs on a Flowline, it is specified using the “Flowline” Identifier.



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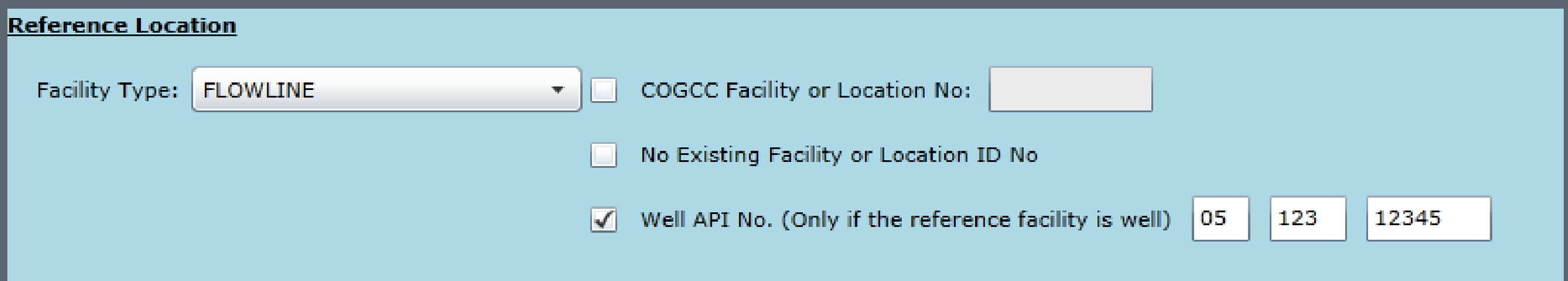
Reference Locations

Flowline spills can be related to a COGCC Facility or Location, or to a well if the Flowline is directly connected to it.

Note: Use the spill/release description text field to describe the location of the spill. (Example: "*The oil line developed a leak running from the separator to the oil tank…*")



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Form 19

Describe Incident & Root Cause

(include specific equipment and point of failure)

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Form 19

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

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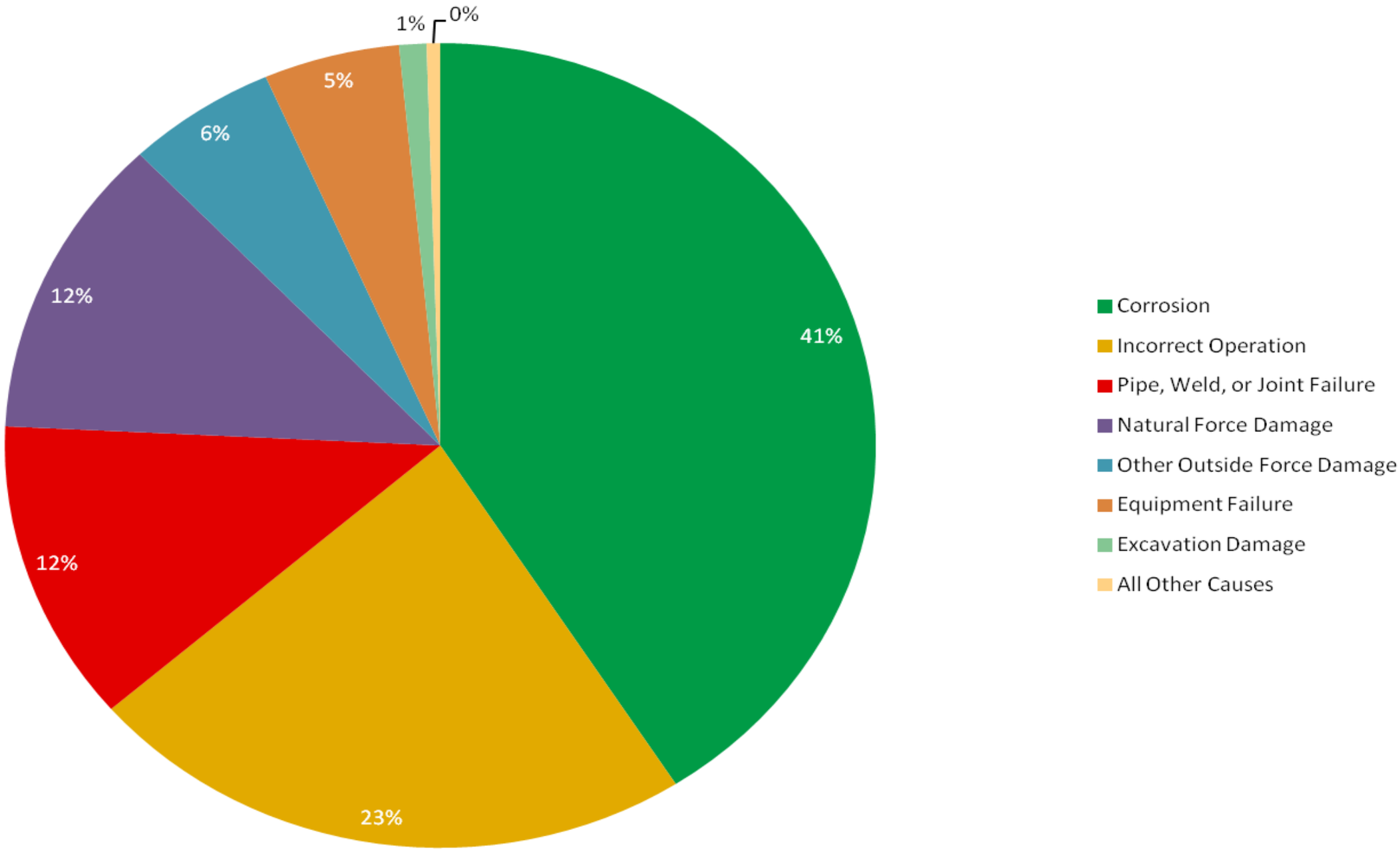
Apparent Causes of Flowline Releases
January 1, 2015 - August 31, 2016



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