

U.S. ENVIRONMENTAL PROTECTION AGENCY
POLLUTION/SITUATION REPORT
Winganon Oil Spill Project - Removal Polrep



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
Region VI

Subject: POLREP #7
Completion of Field Activities
Winganon Oil Spill Project
V6KC
Winganon, OK
Latitude: 36.5797986 Longitude: -95.5333757

To:
From: Roberto Bernier, FOSC
Date: 6/21/2011
Reporting Period: February 22 to June 20, 2011

1. Introduction

1.1 Background

Site Number:	V6KC	Contract Number:	
D.O. Number:		Action Memo Date:	
Response Authority:	OPA	Response Type:	Emergency
Response Lead:	EPA	Incident Category:	Removal Action
NPL Status:	Non NPL	Operable Unit:	
Mobilization Date:		Start Date:	
Demob Date:		Completion Date:	
CERCLIS ID:		RCRIS ID:	
ERNS No.:		State Notification:	
FPN#:	E10606	Reimbursable Account #:	

1.1.1 Incident Category

Discharging or Threatening to Discharge Abandoned Oil Production Wells

1.1.2 Site Description

In early 2009, the Oklahoma Corporation Commission (OCC) requested EPA-R6 assistance with abandoned oil production wells that were leaking crude oil in areas located near Lake Oologah and its tributaries. The wells were from leases that were initially part of Phase I of the Lake Oologah Oil Spill Project (Oologah Project) but were not addressed then because they were either part of an active lease or were secured at the time. With no viable responsible party (RP) after many years from the original project phase, EPA proceeded to address the wells by Plugging and Abandonment (P&A). After noticing the large number of wells now discharging or threatening to discharge crude oil, EPA conducted a re-assessment of all the wells that were not P&A within the previous Phases of the Oologah Project. The re-assessments were to determine if the wells were now discharging or threatening to discharge into navigable waters of the U.S. and adjoining shorelines.

During the winter of 2009-2010, EPA conducted a re-assessment of the wells within the Oologah Project database that were not P&A during previous phases and noticed that a substantial number of the wells were now discharging or threatening to discharge oil, unsecured, and potentially abandoned with no viable RP.

1.1.2.1 Location

The wells are located in the east side of Lake Oologah scattered within 21 Sections in Rogers and Nowata counties in Oklahoma. In specific, Sections 4, 5, 6, 8, 9, 16, 17, 20, 21, 28, 30, and 32 of Township (T) 24N, Range (R) 17E and Sections 23, 24, 25, and 26 of T 24N, R 16E, in Rogers County; and, Sections 16, 17, 28, 29, and 32 of T 25N, R 17E in Nowata County.

The Command Post for the project is located in Section 7 T 24N, R 17E, in specific 16510 A&B E 300 Road, Chelsea, Rogers Co., Oklahoma. The coordinates are Latitude 36.58018° N, Longitude 95.53283° W.

1.1.2.2 Description of Threat

The re-assessment revealed that most of the wells seemed to be abandoned and that equipment associated with production has been removed, leaving the wells unsecured and many of them substantially

discharging oil onto the surrounding area. The wells that are not visually leaking are completely unsecured with crude oil measured inside the well within a close distance from the top of the casing. All the unsecured and/or leaking wells are located next or near to a ditch, ravine, or creek that drains directly to Lake Oologah within a short distance. Drainage throughout the project area is within 0 to 4 miles of and contiguous with the lake. Lake Oologah is a navigable waterway of the U.S. and a drinking water source for the city of Tulsa and other smaller municipalities in the area.

1.1.3 Preliminary Removal Assessment/Removal Site Inspection Results

Between November of 2009 and January of 2010, EPA conducted a comprehensive re-assessment of wells not P&A within Phases I, II, and III of the Oologah Project. After corroborating previous property access agreements, ground teams visited the sites using GPS coordinates already logged into the project database. The reassessment consisted of ground inspections of each site for visual observations, and determining the depth of fluids from the top of casing for those wells that a discharge was not apparent.

Close to 2,500 well sites within 36 Sections were visited and a substantial number of the wells are now actively discharging or threatening to discharge crude oil, unsecured, and potentially abandoned with no viable RP. Of those, 228 wells were identified to require some type of removal action (plugging or repairs). Based on observations and discussion with current owners and/or operators still producing oil in the area, about one half of those wells can be addressed by RPs. The rest appear to be abandoned with almost no possibility that a viable potential RP (PRP) could be found.

2. Current Activities

2.1 Operations Section

2.1.1 Narrative

Between February and June of 2011, EPA continued to address abandoned and unsecured or leaking oil wells within Rogers and Nowata Counties, Oklahoma. Oil wells without a viable RP are plugged and abandoned (P&A), which generally consists of filling well bore with cement to prevent oil from discharging onto the surface and into a navigable water body. In addition, EPA has coordinated clean-up of leaking oil wells with RPs.

2.1.2 Response Actions to Date

For this reporting period, EPA addressed 78 additional abandoned wells for a total of 114 wells for the project. Five of those still need to be cut and capped for final P&A. This represent all the wells that needed to be addressed by EPA for the project. Significant delays were encountered due to extreme winter weather and then the spring wet weather. They project had to be shut down several times due to inoperable equipment when extremely cold and due to high water and mud conditions during the rainy season on the way to access the wells. As in previous occasions, several leaking wells required drilling because of obstructions or ineffective cement plugs by previous unknown parties, which is time consuming. Also, the crew was utilized to P&A two nearby deep wells under different projects and FPNs.

During this reporting period, the addressed oil wells were located in Project Areas (PA) 11, 13, 16, 19, 20, 22, 24, 25, 29, and 32; of Rogers County; and PAs 34, 37, 38, and 45 of Nowata County. See uploaded maps for Section numbers/PA cross reference.

Since initiation of P&A activities on April 20, 2010, EPA has addressed a total of 114 abandoned and discharging or unsecured oil wells. Of the 114 addressed oil wells, 109 oil wells have been P&A by cut and capping. 7 of them required significant drilling of previously poured cement done in the past incorrectly by unknown parties. EPA addressed those wells since oil was seeping and leaking through the bad plug. In addition, EPA has coordinated with viable RPs clean-up and remediation activities of well sites for which they are liable. This included the repair of leaking wells or securing those that were threatening to leak. Again, total delays for the project include several incidents including the mobilization of resources to the Deepwater Horizon Gulf Response for over 3 months during last summer, and extreme winter and spring weather that has caused the project to shut downs, adding delays.

2.1.3 Enforcement Activities, Identity of Potentially Responsible Parties (PRPs)

EPA coordinated with active RPs to verify that their work to secure the wells within their responsibility was performed properly. Seven RPs or active operators are working or have completed work to secure the wells within their responsibility. The RPs have provided notification of completion and OSC Bernier conducted final inspection of the wells. So far, RPs with problem wells within PAs 12, 13, 19, 24, 25, 26, 27, 28, 30, 31, 32, 41, and 42 have continue their efforts to correct or secure the wells and prevent a discharge of oil. After inspection by the OSC, around 75 wells have been P&A, repaired, and/or secured by these RP as part of the coordinating efforts with EPA.

Also, EPA sent a Notice of Federal Interest (NOFI) letter to a recently found PRP for unsecured and/or leaking oil wells in a lease within PAs 29 and 32 that appears to be abandoned, where a significant number of wells within meet the project criteria to be P&A by EPA. After researching the history, it appears that for many years up to the late 1990s, the lease was apparently owned and apparently operated by several entities with no clear, official, or definitive title to own or operate the lease. It appears that one of the minerals and property owner never signed to authorize the production of the wells. EPA work closely with the State and the locals to determine if in fact there is a viable RP for this lease, but due to potential invalid lease transfers and lack of official records, the lease was determined to be potentially abandoned. The PRP that a NOFI was issued, apparently acquired the lease from a supposedly invalid transfer but received a mechanics lien through a court order to recover cost for work performed for another company that apparently had the lease. EPA still gave the PRP a chance to work and repair the wells but due to financial constraints, the PRP was not able to fix or operate the wells. EPA issued a Notice of Federal Assumption and proceeded to P&A the wells.

2.2 Planning Section

2.2.1 Planned Response Activities

- Cut and Cap 4 additional wells to complete field or P&A activities.
- Initiate demobing activities from the project, including the Command Post.

2.2.2 Next Steps

- Continue and finalize record keeping for all the P&A activities.

2.2.3 Issues

As in previous phases of the EPA Lake Oologah Oil Spill Project, for the most part the wells that EPA P&A were abandoned or no viable RPs was located, except for one potential RP that could be liable for the wells that EPA P&A within the last oil & gas lease, as mentioned above. Although it appears that this lease unofficially exchanged hands many times, EPA gave this last PRP on record an opportunity to repair and secure the wells but due to his inability to secure funds and lack of capital was not able to take over the lease. It appears that this PRP never produced the wells, just became the owner and/or operator on paper.

2.3 Logistics Section

No information available at this time.

2.4 Finance Section

No information available at this time.

2.5 Other Command Staff

No information available at this time.

3. Participating Entities

3.1 Unified Command

3.2 Cooperating Agencies

Oklahoma Corporation Commission (OCC)

Oklahoma Department of Environmental Quality (ODEQ)

4. Personnel On Site

No information available at this time.

5. Definition of Terms

No information available at this time.

6. Additional sources of information

No information available at this time.

7. Situational Reference Materials

No information available at this time.