

FORM INSP
Rev 05/11

State of Colorado
Oil and Gas Conservation Commission

1120 Lincoln Street, Suite 801, Denver, Colorado 80203
Phone: (303) 894-2100 Fax: (303) 894-2109



| | | | |
|----|----|----|----|
| DE | ET | OE | ES |
|----|----|----|----|

Inspection Date:
06/02/2014

Document Number:
673703736

Overall Inspection:
SATISFACTORY

FIELD INSPECTION FORM

| | | | | | |
|---------------------|---------------|---------------|-----------------------|--------------------------|-------------|
| Location Identifier | Facility ID | Loc ID | Inspector Name: | On-Site Inspection | 2A Doc Num: |
| | <u>204467</u> | <u>320687</u> | <u>Sherman, Susan</u> | <input type="checkbox"/> | |

Operator Information:

| | |
|-----------------------|--|
| OGCC Operator Number: | <u>46290</u> |
| Name of Operator: | <u>K P KAUFFMAN COMPANY INC</u> |
| Address: | <u>1675 BROADWAY, STE 2800</u> |
| City: | <u>DENVER</u> State: <u>CO</u> Zip: <u>80202</u> |

- THIS IS A FOLLOW UP INSPECTION
- FOLLOW UP INSPECTION REQUIRED
- NO FOLLOW UP INSPECTION REQUIRED
- INSPECTOR REQUESTS FORM 42 WHEN CORRECTIVE ACTIONS ARE COMPLETED

Contact Information:

| Contact Name | Phone | Email | Comment |
|-------------------|----------------|------------------------------|---------|
| ELLSWORTH, STUART | | stuart.ellsworth@state.co.us | |
| Kuhn, Denny | (303) 825-4822 | dkuhn@kpk.com | |
| Teter, Roy | (303) 825-4822 | rteter@kpk.Com | |
| Lara-Mesa, Susana | (303) 825-4822 | slaramesa@kpk.com | |

Compliance Summary:

| Insp. Date | Doc Num | Insp. Type | Insp Status | Satisfactory /Action Required | PA P/F/I | Pas/Fail (P/F) | Violation (Y/N) |
|------------|-----------|------------|-------------|-------------------------------|----------|----------------|-----------------|
| 07/19/2013 | 668300562 | SI | SI | SATISFACTORY Y | P | | No |
| 06/19/2013 | 668300386 | SI | SI | SATISFACTORY Y | P | | No |
| 09/21/2012 | 663400879 | SI | SI | SATISFACTORY Y | P | | No |
| 07/23/2012 | 667600592 | SI | SI | SATISFACTORY Y | P | | No |
| 08/21/2011 | 200318973 | MI | SI | SATISFACTORY Y | | | No |
| 07/15/2009 | 200214799 | MI | AC | SATISFACTORY Y | | | No |
| 08/08/2008 | 200194195 | MI | AC | SATISFACTORY Y | | | No |
| 04/02/2008 | 200129918 | ES | AC | SATISFACTORY Y | | | No |
| 07/13/2007 | 200114645 | MI | AC | SATISFACTORY Y | | Pass | No |
| 07/18/2006 | 200096477 | MI | AO | ACTION REQUIRED | | Fail | No |
| 08/30/2005 | 200075888 | MI | SI | SATISFACTORY Y | | Pass | No |
| 07/26/2005 | 200074233 | MI | AC | ACTION REQUIRED | | Fail | Yes |

Inspector Name: Sherman, Susan

| | | | | | | | |
|------------|-----------|----|----|----------------------------|--|-------------|-----|
| 08/03/2004 | 200057597 | MI | AC | SATISFACTOR Y | | Pass | No |
| 08/27/2003 | 200043004 | MI | AC | SATISFACTOR Y | | Pass | No |
| 08/09/2002 | 200029407 | MI | AC | SATISFACTOR Y | | Pass | No |
| 08/06/2002 | 200029390 | MI | AC | ACTION REQUIRED | | Fail | Yes |
| 07/10/2002 | 200028744 | MI | AC | ACTION REQUIRED | | Fail | Yes |
| 06/29/2001 | 1064713 | MI | AC | SATISFACTOR Y | | Pass | No |
| 08/02/2000 | 896117 | MI | AC | SATISFACTOR Y | | Pass | No |
| 02/09/1995 | 500134494 | MI | AC | | | | |

Inspector Comment:

Related Facilities:

| Facility ID | Type | Status | Status Date | Well Class | API Num | Facility Name | Insp Status |
|-------------|-----------------|--------|-------------|------------|-----------|--------------------|--|
| 110594 | PIT | | 09/23/1999 | | - | STATE 32-16 | |
| 118987 | PIT | | 09/23/1999 | | - | STATE 1-16 & 32-16 | |
| 150142 | UIC DISPOSAL | AC | 10/26/1987 | | - | STATE 1-16 | AC <input checked="" type="checkbox"/> |
| 204467 | WELL | IJ | 01/04/2002 | DSPW | 005-06552 | STATE 1-16 | IJ <input checked="" type="checkbox"/> |

Equipment:

Location Inventory

| | | | |
|------------------------------|------------------------|---------------------|-------------------------|
| Special Purpose Pits: _____ | Drilling Pits: _____ | Wells: _____ | Production Pits: _____ |
| Condensate Tanks: _____ | Water Tanks: _____ | Separators: _____ | Electric Motors: _____ |
| Gas or Diesel Mortors: _____ | Cavity Pumps: _____ | LACT Unit: _____ | Pump Jacks: _____ |
| Electric Generators: _____ | Gas Pipeline: _____ | Oil Pipeline: _____ | Water Pipeline: _____ |
| Gas Compressors: _____ | VOC Combustor: _____ | Oil Tanks: _____ | Dehydrator Units: _____ |
| Multi-Well Pits: _____ | Pigging Station: _____ | Flare: _____ | Fuel Tanks: _____ |

Location

Signs/Marker:

| Type | Satisfactory/Action Required | Comment | Corrective Action | CA Date |
|-------------------------|---------------------------------|---|--|-------------------|
| TANK LABELS/PLACARDS | ACTION REQUIRED | Produced water 50 BBL vault and 300 BBL tank have no NFPA labels. Separator and treater not labeled. | Install sign to comply with rule 210. | 06/16/2014 |
| BATTERY | SATISFACTORY | | | |
| WELLHEAD | SATISFACTORY | | | |

Emergency Contact Number (S/A/V): SATISFACTORY

Corrective Date: _____

Comment: _____

Corrective Action: _____

| Spills: | | | | |
|----------------|---------|-----------|---|------------|
| Type | Area | Volume | Corrective action | CA Date |
| Crude Oil | Treater | <= 5 bbls | See attached photos. Stained soils inside berms and outside of horizontal heater treater on gravel. Inside separator house on ground. | 06/16/2014 |

Multiple Spills and Releases?

| Equipment: | | | | | |
|---------------------------|---|------------------------------|----------------------------|-------------------|---------|
| Type | # | Satisfactory/Action Required | Comment | Corrective Action | CA Date |
| Horizontal Heater Treater | 1 | SATISFACTORY | Berms 39.61582, -104.32365 | | |
| Ancillary equipment | 1 | SATISFACTORY | Solar telemetry | | |
| Vertical Separator | 1 | SATISFACTORY | Same berms as HHT. | | |
| Bird Protectors | 1 | SATISFACTORY | | | |

Facilities: New Tank Tank ID: _____

| Contents | # | Capacity | Type | SE GPS |
|--------------------|--------------|----------|-----------|-----------------------|
| CRUDE OIL | 3 | 300 BBLS | STEEL AST | 39.615910,-104.323670 |
| S/A/V: | SATISFACTORY | | Comment: | |
| Corrective Action: | | | | Corrective Date: |

Paint

| | |
|-----------|------------|
| Condition | Inadequate |
|-----------|------------|

Other (Content) _____

Other (Capacity) _____

Other (Type) _____

Berms

| Type | Capacity | Permeability (Wall) | Permeability (Base) | Maintenance |
|-------------------|----------|---------------------|---------------------|-----------------|
| Earth | Adequate | Walls Sufficent | Base Sufficient | Adequate |
| Corrective Action | | | | Corrective Date |
| Comment | | | | |

| Venting: | |
|-----------------|---------|
| Yes/No | Comment |
| | |

| Flaring: | | | | |
|-----------------|------------------------------|---------|-------------------|---------|
| Type | Satisfactory/Action Required | Comment | Corrective Action | CA Date |
| | | | | |

Predrill

Location ID: 204467

Site Preparation:

Lease Road Adeq.: _____ Pads: _____ Soil Stockpile: _____

S/AV: _____

Corrective Action: _____ Date: _____ CDP Num.: _____

Form 2A COAs:

S/AV: _____ **Comment:** _____

CA: _____ **Date:** _____

Wildlife BMPs:

S/AV: _____ **Comment:** _____

CA: _____ **Date:** _____

Stormwater:

Comment: _____

Staking:

On Site Inspection (305):

Surface Owner Contact Information:

Name: _____ Address: _____

Phone Number: _____ Cell Phone: _____

Operator Rep. Contact Information:

Landman Name: _____ Phone Number: _____

Date Onsite Request Received: _____ Date of Rule 306 Consultation: _____

Request LGD Attendance: _____

LGD Contact Information:

Name: _____ Phone Number: _____ Agreed to Attend: _____

Summary of Landowner Issues:

Summary of Operator Response to Landowner Issues:

Onsite Inspection Memorandum Summarizing Discussions at Inspection as Attachment:

Facility

Facility ID: 150142 Type: UIC API Number: - Status: AC Insp. Status: AC

Facility ID: 204467 Type: WELL API Number: 005-06552 Status: IJ Insp. Status: IJ

Underground Injection Control

UIC Violation: _____

Maximum Injection Pressure: _____

UIC Routine

Inj./Tube: Pressure or inches of Hg _____
(e.g. 30 psig or -30" Hg)

Previous Test Pressure _____

MPP _____

Inj Zone: JSND

TC: Pressure or inches of Hg _____

Previous Test Pressure _____

Last MIT: 07/19/2013

Brhd: Pressure or inches of Hg _____

Previous Test Pressure _____

AnnMTRReq: _____

Comment: _____

Method of Injection: _____

Test Type: 5 Year _____

Tbg psi: _____

Csg psi: _____

BH psi: _____

Insp. Status: Pass

Comment: Initial 440 psi, 5 min 439 psi, 10 min 439 psi, 15 min 439 psi. Gravity fed.

Environmental

Spills/Releases:

Type of Spill: _____ Description: _____ Estimated Spill Volume: _____

Comment: _____

Corrective Action: _____ Date: _____

Reportable: _____

GPS: Lat _____

Long _____

Proximity to Surface Water: _____

Depth to Ground Water: _____

Water Well:

DWR Receipt Num: _____ Owner Name: _____ GPS : _____

Lat

Long

Field Parameters:

Sample Location: _____

Emission Control Burner (ECB): _____

Comment: _____

Pilot: _____ Wildlife Protection Devices (fired vessels): _____

Reclamation - Storm Water - Pit

Interim Reclamation:

Date Interim Reclamation Started: _____ Date Interim Reclamation Completed: _____

Land Use: _____

Comment: _____

1003a. Debris removed? _____ CM _____

CA _____ CA Date _____

Waste Material Onsite? _____ CM _____

CA _____ CA Date _____

Unused or unneeded equipment onsite? _____ CM _____

CA _____ CA Date _____

Pit, cellars, rat holes and other bores closed? _____ CM _____

CA _____ CA Date _____
 Guy line anchors removed? _____ CM _____
 CA _____ CA Date _____
 Guy line anchors marked? _____ CM _____
 CA _____ CA Date _____

1003b. Area no longer in use? _____ Production areas stabilized ? _____
 1003c. Compacted areas have been cross ripped? _____
 1003d. Drilling pit closed? _____ Subsidence over on drill pit? _____
 Cuttings management: _____
 1003e. Areas no longer needed for drilling or subsequent operations for have been re-vegetated to 80% of pre-existing? _____
 Production areas have been stabilized? _____ Segregated soils have been replaced? _____

RESTORATION AND REVEGETATION

Cropland

Top soil replaced _____ Recontoured _____ Perennial forage re-established _____

Non-Cropland

Top soil replaced _____ Recontoured _____ 80% Revegetation _____

1003 f. Weeds Noxious weeds? _____

Comment:

Overall Interim Reclamation _____

Final Reclamation/ Abandoned Location:

Date Final Reclamation Started: _____ Date Final Reclamation Completed: _____

Final Land Use: _____

Reminder: _____

Comment:

Well plugged _____ Pit mouse/rat holes, cellars backfilled _____

Debris removed _____ No disturbance /Location never built _____

Access Roads Regraded _____ Contoured _____ Culverts removed _____

Gravel removed _____

Location and associated production facilities reclaimed _____ Locations, facilities, roads, recontoured _____

Compaction alleviation _____ Dust and erosion control _____

Non cropland: Revegetated 80% _____ Cropland: perennial forage _____

Weeds present _____ Subsidence _____

Comment:

Corrective Action: Date _____

Overall Final Reclamation _____ Well Release on Active Location Multi-Well Location

Storm Water:

| Loc Erosion BMPs | BMP Maintenance | Lease Road Erosion BMPs | Lease BMP Maintenance | Chemical BMPs | Chemical BMP Maintenance | Comment |
|------------------|-----------------|-------------------------|-----------------------|---------------|--------------------------|---------|
| Gravel | Pass | Gravel | Pass | | | |

Inspector Name: Sherman, Susan

| | | | | | | |
|--|------|------------------------|------|--|--|--|
| Compaction | Pass | Compaction | Pass | | | |
| S/A/V: SATISFACTOR | | Corrective Date: _____ | | | | |
| Y | | | | | | |
| Comment: _____ | | | | | | |
| CA: _____ | | | | | | |
| Pits: <input type="checkbox"/> NO SURFACE INDICATION OF PIT | | | | | | |

Attached Documents

You can go to COGCC Images (<https://cogcc.state.co.us/weblink/>) and search by document number:

| Document Num | Description | URL |
|--------------|--------------------------------------|---|
| 673703742 | MIT Form 21 State 1 16 06/02/2014 | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3355453 |
| 673703743 | KPK State 1 16 well sign | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3355454 |
| 673703744 | KPK State 1 16 wellhead | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3355455 |
| 673703745 | KPK State 1 16 Bat sign | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3355456 |
| 673703746 | KPK State 1 16 Bat CO tanks | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3355457 |
| 673703747 | KPK State 1 16 Bat treater_separator | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3355458 |
| 673703748 | KPK State 1 16 Bat sign2 | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3355459 |
| 673703749 | KPK State 1 16 Bat PW tank | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3355460 |
| 673703750 | KPK State 1 16 Bat PW vault | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3355461 |
| 673703751 | KPK State 1 16 Bat PW pit | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3355462 |