

**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
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Inspection Date:

09/29/2014

Document Number:

668302722

Overall Inspection:

ACTION REQUIRED**FIELD INSPECTION FORM**

Location Identifier	Facility ID	Loc ID	Inspector Name:	On-Site Inspection	2A Doc Num:
	318520	318520	JOHNSON, RANDELL	<input type="checkbox"/>	

Operator Information:OGCC Operator Number: 46290Name of Operator: K P KAUFFMAN COMPANY INCAddress: 1675 BROADWAY, STE 2800City: DENVER State: CO Zip: 80202

- ☐ 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
Kuhn, Denny		dkuhn@kpk.com	All Inspections
Kulmann, Dave		dave.kulmann@state.co.us	
Ash, Margaret		margaret.ash@state.co.us	
Lara-Mesa, Susana	303-825-4822	slaramesa@kpk.com	All Inspections
Teter, Roy		rteter@kpk.com	All Inspections
Precup, Jim		james.precup@state.co.us	

Compliance Summary:QtrQtr: NWNW Sec: 1 Twp: 1N Range: 67W

Insp. Date	Doc Num	Insp. Type	Insp Status	Satisfactory /Action Required	PA P/F/I	Pas/Fail (P/F)	Violation (Y/N)
08/29/2014	668302283			SATISFACTORY	I		No
08/25/2014	668302253			ACTION REQUIRED	I		No
08/18/2014	668302211			SATISFACTORY	I		No
08/15/2014	668302196			SATISFACTORY	I		No
08/11/2014	668302162			SATISFACTORY	I		No
08/06/2014	668302159			SATISFACTORY	I		No
07/10/2014	668301872			SATISFACTORY	P		No
06/30/2014	668301844			SATISFACTORY	P		No

Inspector Comment:**Related Facilities:**

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status	
241464	WELL	PR	03/01/2012	OW	123-09253	RUBY B CARLSON UNIT D 1	AO	<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 Motors: _____	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	SATISFACTORY			
WELLHEAD	SATISFACTORY			
BATTERY	SATISFACTORY			

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

Corrective Date: _____

Comment: _____

Corrective Action: _____

Spills:

Type	Area	Volume	Corrective action	CA Date
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☐ Multiple Spills and Releases?**Fencing/:**

Type	Satisfactory/Action Required	Comment	Corrective Action	CA Date
LOCATION	SATISFACTORY	Chain-link fencing w/privacy slats		
OTHER	SATISFACTORY	Wooden fencing around gasoline powered liquid transfer pump		

Equipment:

Type	#	Satisfactory/Action Required	Comment	Corrective Action	CA Date
Horizontal Heated Separator	1	ACTION REQUIRED	Separator does not have fail-safe equipment to shut main fuel valve when pilot light goes out.	Install fail-safe equipment to ensure main fuel valve is closed in the event that the pilot light goes out.	10/29/2014
Other	1	SATISFACTORY	Gasoline powered liquid transfer pump		
Gas Meter Run	1	SATISFACTORY			
Emission Control Device	5	SATISFACTORY			
Compressor	1	SATISFACTORY	Pipeline compressor		

Facilities:		<input type="checkbox"/> New Tank	Tank ID: _____	
Contents	#	Capacity	Type	SE GPS
PRODUCED WATER	1	300 BBLS	STEEL AST	40.081200,-104.848330
S/A/V:	SATISFACTORY		Comment:	
Corrective Action:				Corrective Date:

Paint

Condition	Adequate
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Other (Content) _____

Other (Capacity) _____

Other (Type) _____

Berms

Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance
Earth	Adequate	Walls Sufficient	Base Sufficient	Adequate

Corrective Action	Corrective Date
Comment	

Facilities:		<input type="checkbox"/> New Tank	Tank ID: _____	
Contents	#	Capacity	Type	SE GPS
CRUDE OIL	2	300 BBLS	STEEL AST	40.081200,-104.848330
S/A/V:	SATISFACTORY		Comment:	
Corrective Action:				Corrective Date:

Paint

Condition	Adequate
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Other (Content) _____

Other (Capacity) _____

Other (Type) _____

Berms

Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance
Earth	Adequate	Walls Sufficient	Base Sufficient	Adequate

Corrective Action	Corrective Date
Comment	

Venting:		
Yes/No	Comment	
NO		

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

Predrill

Location ID: 318520

Site Preparation:

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

S/A/V: _____

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

Form 2A COAs:**S/A/V:** _____ **Comment:** _____**CA:** _____ **Date:** _____**Wildlife BMPs:****S/A/V:** _____ **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: 241464 Type: WELL API Number: 123-09253 Status: PR Insp. Status: AO

Complaint

Comment: This inspection was performed in response to a complaint. See Complaint Report #200413104 for details.

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: _____			
Complaint:			
Tracking Num	Category	Assigned To	Description
200372468	LEAKING WELL	Hickey, Mike	Wednesday afternoon Nov 21 before the Thanksgiving holiday I received a voice message about a produced water leak. I returned the call and also left a VM. I immediately proceeded to the location. I found a produced water tank that was dripping. I called the operator. The field person was on vacation, but took my call. We made an appointment to meet on Monday morning.
			Incident Date
			01/02/2013
Emission Control Burner (ECB): Y _____			
Comment: _____			
Pilot: ON _____ Wildlife Protection Devices (fired vessels): YES _____			

Reclamation - Storm Water - Pit**Interim Reclamation:**

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

Land Use: _____

Comment: _____

1003a. Debris removed? Pass CM _____

CA _____ CA Date _____

Waste Material Onsite? Pass CM _____

CA _____ CA Date _____

Unused or unneeded equipment onsite? Pass CM _____

CA _____ CA Date _____

Pit, cellars, rat holes and other bores closed? Pass 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? In _____ Production areas stabilized ? Pass _____

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? In _____

Inspector Name: JOHNSON, RANDELL

Production areas have been stabilized? Pass

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 In Process

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
Compaction	Pass	Compaction	Pass			
Other	Pass	Other	Pass			Vegetation
Gravel	Pass	Gravel	Pass			

S/A/V: SATISFACTOR _____

Corrective Date: _____

Y

Comment: _____

CA: _____

Pits: ☒ NO SURFACE INDICATION OF PIT

COGCC Comments

Comment	User	Date
<p>Complainant emailed the Director of COGCC about a separator that backfired on this centralized tank battery site located across the road from his property on 09/27/14.</p> <p>An on-site inspection was performed in response to this complaint on 09/29/14 at which time a company representative from K P Kauffman, the operator of the battery site, met with the inspector to explain what had happened.</p> <p>According to the company representative operating the site, the pilot light on the separator had apparently gone out. When the thermostat called for the main burner to cycle open, the interior of the combustion chamber started filling with gas. When a sufficient amount of gas had accumulated, the burning creosote on the inside walls of the chamber ignited the gas causing a backfire.</p> <p>Creosote is a flammable byproduct produced from burning gas. As the gas is burned, it produces particles that cling to the walls of the combustion chamber, cool and then harden into creosote. This creosote will remain burning as an ember after the main burner cycles off. When the main burner cycles back on as the thermostat calls for, if the pilot light is not lit, unburned gas will accumulate in the chamber and eventually be ignited by these burning creosote embers. This gas will then flash inside the chamber causing a backfire in much the same manner that unburned fuel will flash inside a hot muffler on a car and backfire.</p> <p>The company representative was informed by the inspector that a thermocouple device, like the ones on a gas water heater or a gas furnace, needs to be installed to ensure that the main burner is deactivated and the main fuel valve shut in the event that the pilot light goes out. This will prevent the reoccurrence of such an incident.</p> <p>See attached photos on last page of document.</p>	johnsonr	09/29/2014

Attached Documents

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

Document Num	Description	URL
668302723	K P Kauffman-Ruby B. Carlson Unit D-6 (318520) (1)	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3446071
668302724	K P Kauffman-Ruby B. Carlson Unit D-6 (318520) (2)	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3446072
668302725	K P Kauffman-Ruby B. Carlson Unit D-6 (318520) (3)	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3446073
668302726	K P Kauffman-Ruby B. Carlson Unit D-6 (318520) (4)	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3446074
668302727	K P Kauffman-Ruby B. Carlson Unit D-6 (318520) (5)	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3446075
668302728	K P Kauffman-Ruby B. Carlson Unit D-6 (318520) (6)	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3446076
668302729	K P Kauffman-Ruby B. Carlson Unit D-6 (318520) (7)	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3446077
668302730	Complainant's House in Relation to Separator	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3446078
668302731	Distance from Complainant's House to Separator	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3446079

ACTION REQUIRED

ANY ACTION REQUIRED items listed on this report indicate that the oil and gas facility or the oil and gas operations listed on the report may be in violation of the rules and regulations of the Colorado Oil and Conservation Commission (“COGCC”) and corrective action is required.

There is reasonable cause to believe that a violation of the Oil and Gas Conservation Act, or of any rule, regulation, or order of the Commission, or of any permit issued by the Commission, has occurred. The Operator’s compliance with this Inspection Report is required to resolve these alleged violations. This document requires the Operator to timely respond to the COGCC and to comply with directives as listed by the **Corrective Action Deadline Date**. Failure to do so will result in the issuance of a Notice of Alleged Violation and initiation of enforcement proceedings in which COGCC will seek monetary penalties for the alleged violations pursuant to § 34-60-121, C.R.S. and Rule 523, COGCC Rules of Practice and Procedure, 2 CCR 404-1. (Please note that the COGCC's penalty authority was recently increased to a maximum of \$15,000 per day and penalties are no longer capped at a maximum of \$10,000 per violation.)