

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



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Inspection Date:
02/03/2015

Document Number:
673709571

Overall Inspection:

ACTION REQUIRED

FIELD INSPECTION FORM

Location Identifier	Facility ID	Loc ID	Inspector Name:	On-Site Inspection	2A Doc Num:
	<u>204623</u>	<u>320712</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
Lara-Mesa, Susana	(303) 825-4822	slaramesa@kpk.com	
Teter, Roy	(303) 825-4822	rteter@kpk.Com	
Kuhn, Denny	(303) 825-4822	dkuhn@kpk.com	
Chesson, Bob	(303) 894-2100 X5112	robert.chesson@state.co.us	COGCC EPS
Helgeland, Gary		gary.helgeland@state.co.us	COGCC Reclamation Specialist

Compliance Summary:

QtrQtr: NESE Sec: 16 Twp: 4S Range: 57W

Insp. Date	Doc Num	Insp. Type	Insp Status	Satisfactory /Action Required	PA P/F/I	Pas/Fail (P/F)	Violation (Y/N)
06/01/2012	663400370	PR	PR	ACTION REQUIRED			No
09/18/2007	200124284	PR	PR	ACTION REQUIRED			Yes
12/01/2000	896470	PR	PR	ACTION REQUIRED		Fail	Yes
05/24/1995	500134635	ID	TA				Yes

Inspector Comment:

Related Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status
109591	PIT		09/23/1999		-	DOROUGH STATE 1	<input type="checkbox"/>
109593	PIT		09/23/1999		-	DOROUGH STATE 1	<input type="checkbox"/>
204623	WELL	PR	03/14/2005	OW	005-06708	DOROUGH-STATE 1	PR <input checked="" type="checkbox"/>

Equipment:

Location Inventory

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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

Lease Road:

Type	Satisfactory/Action Required	comment	Corrective Action	Date
Access	ACTION REQUIRED	Erosion rills on E side of road to well and near gate at battery.	Install stormwater BMPS to prevent site degradation.	04/01/2015

Signs/Marker:

Type	Satisfactory/Action Required	Comment	Corrective Action	CA Date
CONTAINERS	SATISFACTORY			
BATTERY	SATISFACTORY	Two signs (see attached photo).		
TANK LABELS/PLACARDS	ACTION REQUIRED	Propane tank, produced water tank, and FWKO not labeled.	Install sign to comply with rule 210.	03/06/2015
WELLHEAD	ACTION REQUIRED	No sign, listed on 2012 inspection per 6/1/2012 inspection.	Install sign to comply with rule 210.	03/06/2015

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

Corrective Date: _____

Comment: _____

Corrective Action: _____

Good Housekeeping:

Type	Satisfactory/Action Required	Comment	Corrective Action	CA Date
WEEDS	ACTION REQUIRED	Well location and most of the battery location weeds are mowed. Weeds are around pits including black weeds on plastic (see attached photo). Noted on 6/1/2012 inspection as action required.	Control weeds. Remove weeds on plastic.	04/01/2015

Spills:

Type	Area	Volume	Corrective action	CA Date
Other	WELLHEAD	<= 5 bbls	Chemical injector at wellhead leaking onto ground (see attached photo). Noted on 6/1/2012 inspection as action required.	02/13/2015

Multiple Spills and Releases?

Fencing/:				
Type	Satisfactory/Action Required	Comment	Corrective Action	CA Date
WELLHEAD	SATISFACTORY	steel panels		
TANK BATTERY	SATISFACTORY	Tanks have barbed wire on crop side. Pits have barbed wire around them that is currently open in spots.		
PUMP JACK	SATISFACTORY	steel mesh		

Equipment:					
Type	#	Satisfactory/Action Required	Comment	Corrective Action	CA Date
FWKO	1	ACTION REQUIRED	No label	See Signs section for CA.	03/06/2015
Pump Jack	1	SATISFACTORY			
Ancillary equipment	3	SATISFACTORY	REA poles, transformer, chemical container at well, propane tank at treater		
Vertical Heated Separator	1	SATISFACTORY	shed, earth berms 39.69693, -103.76371		
Bird Protectors	1	SATISFACTORY	VHT		
Prime Mover	1	SATISFACTORY	electric		

Facilities: New Tank Tank ID: _____

Contents	#	Capacity	Type	SE GPS
PRODUCED WATER	1	300 BBLS	STEEL AST	39.697500,-103.763470
S/A/V:	ACTION REQUIRED	Comment:		
Corrective Action:				Corrective Date: 03/06/2015

Paint

Condition

Other (Content) _____

Other (Capacity) not labeled _____

Other (Type) _____

Berms

Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance
Earth	Inadequate	Walls Insufficient	Base Sufficient	Inadequate
Corrective Action	Maintain berms on S side.			Corrective Date 02/13/2015
Comment				

Facilities: New Tank Tank ID: _____

Contents	#	Capacity	Type	SE GPS
CRUDE OIL	2	300 BBLS	STEEL AST	39.696870,-103.764110
S/A/V:	SATISFACTORY	Comment:		
Corrective Action:				Corrective Date:

Inspector Name: Sherman, Susan

Paint				
Condition	Inadequate			
Other (Content)	_____			
Other (Capacity)	_____			
Other (Type)	_____			
Berms				
Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance
Earth	Adequate	Walls Sufficient	Base Sufficient	Inadequate
Corrective Action	Maintain berm on N side.			Corrective Date 02/13/2015
Comment	Break in tank berm on N side (see attached photo).			

Venting:		
Yes/No	Comment	

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

Predrill

Location ID: 204623

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: 204623 Type: WELL API Number: 005-06708 Status: PR Insp. Status: PR

Producing Well

Comment: **PR. Nov 2014 reported to COGCC database.**

Environmental

Spills/Releases:

Type of Spill: WATER Description: pit breach Estimated Spill Volume: _____

Comment: **GPS at pit containment breach: 39.69678, -103.76294. GPS at point S in pasture where surface flow stopped (in cottonwood grove): 39.69116, -103.76054. Inspector Sherman followed flowing water from pit to group of trees ~1/2 mile S. Approximate flow was 1 cfs and frozen water was observed in the flow path for ~20'. Ambient temperature at time of inspection was ~62 degrees F. Spill report (400786178) filed 2/5/2015 by KPK.**

Inspector Name: Sherman, Susan

Corrective Action: Referred to Bob Chesson-COGCC EPS. Date: 02/05/2015

Reportable: _____ GPS: Lat _____ Long _____
Proximity to Surface Water: _____ Depth to Ground Water: _____

Water Well: _____ Lat _____ Long _____
DWR Receipt Num: _____ Owner Name: _____ GPS : _____

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: crop

- 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? Pass 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

Inspector Name: Sherman, Susan

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
Compaction	Fail	Compaction	Fail	MHSP	Fail	

S/A/V: **ACTION REQUIRED** Corrective Date: **03/02/2015**

Comment: **See Access Road section for CA. Erosion on W and SW sides of well location next to crop field (see attached photo).. Chemical container at well requires secondary containment (see attached photo).**

CA: **Install stormwater BMPs to prevent site degradation and offsite sediment transport.**

Pits: NO SURFACE INDICATION OF PIT

Inspector Name: Sherman, Susan

Pit Type: Produced Water Lined: NO Pit ID: _____ Lat: 39.696800 Long: -103.762630

Lining:

Liner Type: _____ Liner Condition: _____

Comment: _____

Fencing:

Fencing Type: Livestock Fencing Condition: _____

Comment: Fence is down at gates and near breach in pit containment on S side near CR 14.

Netting:

Netting Type: _____ Netting Condition: _____

Comment: _____

Anchor Trench Present: _____ Oil Accumulation: YES 2+ feet Freeboard: _____

Pit (S/AV): ACTION Comment: Inspector Sherman called Rob Young/COGCC EPS at 1:56 pm; Susi LaraMesa/KPK at 1:58 pm, Mike Leonard/COGCC QAP at 2:00 pm, and Craig Quint/COGCC East FIU Supervisor at 2:28 pm to notify of produced water pit overtopping containment and flowing S under CR 14 into pasture. KPK to send 2 vacuum trucks to lower water level in pit and remove free product. Albert Teter/Pumper arrived at 3:00 pm and shut in well. He said that trucks were dispatched to location. Animal holes in pit containment (see attached photos).

Corrective Action: Lower water level in produced water pit to attain 2' freeboard. Remove any free product from produced water pit. Submit Form 19 to COGCC EPS (completed on 2/5/2015). See document number 400786178 for additional initial remediation completed. Maintain pit containment. Notify landowner.

Date: 02/09/2015

COGCC Comments

Comment	User	Date
<u>See 6/1/2012 inspection.</u>	<u>ShermaSe</u>	<u>02/07/2015</u>

Attached Documents

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

Document Num	Description	URL
<u>673709578</u>	<u>KPK Dorough State 1 well</u>	<u>http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3545995</u>
<u>673709579</u>	<u>KPK Dorough State 1 battery</u>	<u>http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3545996</u>

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.)