

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



Inspection Date:
05/12/2016
Document Number:
674602481
Overall Inspection:
ACTION REQUIRED

FIELD INSPECTION FORM

| | | | | | |
|---------------------|---------------|---------------|----------------------|--------------------------|-------------|
| Location Identifier | Facility ID | Loc ID | Inspector Name: | On-Site Inspection | 2A Doc Num: |
| | <u>242122</u> | <u>318765</u> | <u>Maclaren, Joe</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 |
|--------------------|-------|-------------------------------|-----------------|
| Canfield, Chris | | chris.canfield@state.co.us | |
| Lara-Mesa, Susana | | cogcc@kpk.com | All Inspections |
| Hazard, Ellice | | ellice.hazard@state.co.us | |
| Axelson, John | | john.axelson@state.co.us | |
| Schlagenhauf, Mark | | mark.schlagenhauf@state.co.us | |

Compliance Summary:

QtrQtr: NWSW Sec: 10 Twp: 1N Range: 68W

| Insp. Date | Doc Num | Insp. Type | Insp Status | Satisfactory /Action Required | PA P/F/I | Pas/Fail (P/F) | Violation (Y/N) |
|------------|-----------|------------|-------------|-------------------------------|----------|----------------|-----------------|
| 09/22/2015 | 668703633 | PR | PR | SATISFACTORY | I | | No |
| 08/23/2013 | 668701065 | PR | PR | SATISFACTORY | P | | No |
| 07/13/2009 | 200223167 | PR | PR | ACTION REQUIRED | | | Yes |
| 07/05/2002 | 200028351 | PR | PR | SATISFACTORY | | Pass | No |
| 05/06/1999 | 500164920 | PR | PR | | | Pass | No |
| 02/05/1996 | 500164919 | PR | PR | | | Pass | No |

Inspector Comment:

On May 12, 2016 COGCC Integrity Inspector Joe Maclaren met with KPK Field Supervisor Jeff Peterson and conducted an engineering field inspection at both the well location and the flowline construction area located S-SW of the intersection of Weld County Road 7 and WCR 12. Approximately 2700 linear feet (per KPK) of flowline running adjacent to the West side of Weld County Road 7 is in process of being removed and replaced. During this field inspection free Crude Oil product was observed in and around the bottom of the flowline excavation SW of the intersection of WCR 12 and WCR 7; Notification of the release was provided to Susana Lara-Mesa of K.P. Kauffman Company (via Phone) and to COGCC EPS staff. Details of this field inspection and the Actions Required identified are located in the Spills, Equipment and Flowline sections of this report. Photo's have been uploaded and can be accessed via the link at the end of this report.

Related Facilities:

| Facility ID | Type | Status | Status Date | Well Class | API Num | Facility Name | Insp Status | |
|-------------|------|--------|-------------|------------|-----------|---------------------|-------------|-------------------------------------|
| 242122 | WELL | PR | 03/21/1981 | OW | 123-09913 | UPRR 43 PAN AM I 27 | EG | <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

Lease Road:

| Type | Satisfactory/Action Required | comment | Corrective Action | Date |
|------|------------------------------|---------|-------------------|------|
| | | | | |

Signs/Marker:

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

Emergency Contact Number (S/AR): _____ Corrective Date: _____

Comment: _____

Corrective Action: _____

Good Housekeeping:

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

Spills:

| Type | Area | Volume | Corrective action | CA Date |
|-----------|-----------|----------|---|------------|
| Crude Oil | Flow Line | | Crude Oil spill observed in flowline excavation at the Southwest corner of the intersection of Weld County Rd 12 and County Road 7; Contact COGCC EPS staff and file COGCC Form 19 Spill Report documentation; Remove free fluids; Control and contain spills/releases and clean up per Rule 906.a. | 05/14/2016 |
| Lube Oil | WELLHEAD | <= 1 bbl | Lube oil release observed from (123-09913) prime mover; Accumulations at wellhead and under pump jack; Remove free fluids; Control and contain spills/releases and clean up. | 05/14/2016 |

Multiple Spills and Releases?

Fencing/:

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

Equipment:

| | | | |
|-------------------|--|-------------------------------|------------------------|
| Type: Prime Mover | # 1 | Satisfactory/Action Required: | ACTION REQUIRED |
| Comment | Lube oil release observed from prime mover (pump jack engine/ motor); Accumulations around wellhead and under pump jack. | | |
| Corrective Action | Repair equipment, clean up and prevent future releases. | | Date: 5/20/2016 |
| Type: Flow Line | # 1 | Satisfactory/Action Required: | ACTION REQUIRED |

| | | |
|-------------------|---|-----------------|
| Comment | Flowline leak identified by KPK personnel; Flowline repair in progress along WC Rd 7 and 100' SW of intersection of WC Rd 7 and WC Rd 12; Approximately 2700 linear feet of 2" carbon steel flowline is being replaced with 4" SDR 11 PE 4710 (poly) flowline (per KPK); New poly flowline is being pulled through a casing pipe running N-S along West side Weld County Rd 7 (as the old pipe is being removed). | |
| Corrective Action | Outline root cause of flowline failure on Supplemental Form 19; Conduct flowline pressure testing prior to returning this well to production (Confirm Satisfactory Test); Note: As discussed via phone on 5/12/16 with KPK representative Susana Lara-Mesa, please contact COGCC Integrity Inspector with reasonable notification (Cell# 970-382-1680) in order to witness post repair flowline pressure testing. | Date: 5/20/2016 |

Venting:

| | |
|---------|--|
| Yes/No | |
| Comment | |

Flaring:

| Type | | Satisfactory/Action Required |
|--------------------|--|------------------------------|
| Comment: | | |
| Corrective Action: | | Correct Action Date: |

Predrill

Location ID: 242122

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

S/AR: _____

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

Form 2A COAs:

S/AR: _____ Comment: _____

CA: _____ Date: _____

Wildlife BMPs:

S/AR: _____ Comment: _____

CA: _____ Date: _____

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: 242122 Type: WELL API Number: 123-09913 Status: PR Insp. Status: EG

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. Waste and Debris removed? _____

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 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:

Inspector Name: Maclaren, Joe

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 |
|------------------|-----------------|-------------------------|-----------------------|---------------|--------------------------|---------|
| | | | | | | |

S/A/V: _____ Corrective Date: _____

Comment: _____

CA: _____

Pits: 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 |
|--------------|------------------------|---|
| 674602485 | KPK Inspection Photo's | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3855528 |