

**FORM
INSP**

Rev
X/15

**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:

07/10/2017

Submitted Date:

07/12/2017

Document Number:

690100002

FIELD INSPECTION FORM

Loc ID 306663 Inspector Name: Maclaren, Joe On-Site Inspection 2A Doc Num: _____

Status Summary:

- THIS IS A FOLLOW UP INSPECTION
- FOLLOW UP INSPECTION REQUIRED
- NO FOLLOW UP INSPECTION REQUIRED

Operator Information:

OGCC Operator Number: 69175
Name of Operator: PDC ENERGY INC
Address: 1775 SHERMAN STREET - STE 3000
City: DENVER State: CO Zip: 80203

Findings:

- 5 Number of Comments
- 0 Number of Corrective Actions
- Corrective Action Response Requested

Contact Information:

Contact Name	Phone	Email	Comment
Schlagenhauf, Mark		mark.schlagenhauf@state.co.us	
,		cogccinspection@pdce.com	
Allison, Rick		rick.allison@state.co.us	
Hazard, Ellice		ellice.hazard@state.co.us	

Inspected Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status
290412	WELL	PR	01/29/2010	OW	123-25085	HANKINS 43-20U	EG

General Comment:

Engineering Integrity Inspection performed on July 10th, 2017 in response to initial form 19 spill report Doc #401328679 received by COGCC on 06/30/2017 that outlines: PDC determined a reportable spill on the Hankins 43-20U due to compromised production equipment. Upon discovery the well was immediately shut-in. Current recovery efforts are mitigating impacts. Details of observations made during this field inspection are available in the flowline section of this report. Photo's uploaded and can be accessed via link(s) at the end of this report.

Inspected Facilities			
Facility ID: <u>290412</u>	Type: <u>WELL</u>	API Number: <u>123-25085</u>	Status: <u>PR</u> Insp. Status: <u>EG</u>
Flowline			
#1	Type: Well Site	1 of Lines	
<u>Flowline Description</u>			
Flowline Type: <u>Well Site</u>	Size: <u>2"</u>	Material: <u>Carbon Steel</u>	
Variance: <u>No</u>	Age: <u>20+ Yrs</u>	Contents: <u>Multiphase</u>	
<u>Integrity Summary</u>			
Failures:	Spills: <u>Yes</u>	Repairs Made:	
Coatings:	H2S: <u>No</u>	Cathodic Protection: <u>No</u>	
<u>Pressure Testing</u>			
Witnessed:	Test Result:	Charted:	
<u>COGCC Rules (check all that apply)</u>			
<input type="checkbox"/> 1101. Installation and Reclamation <input checked="" type="checkbox"/> 1102. Operations, Maintenance, and Repair <input type="checkbox"/> 1103. Abandonment			
<u>Comment:</u>	The well site flowline (between wellhead and separator) failed approximately 400' southwest of the wellhead resulting in a release. The facility/ battery is located approximately 2000' southwest of the wellhead. The spill occurred in a low lying area adjacent to a drainage. The root cause of failure is unknown at this time. The flowline is exposed in an open excavation partially filled with water; an oil sheen visible on surface of the water. It is unclear if repairs have been completed as indicated on the supplemental form 19 spill report doc #401333622 submitted on 07/07/2017.		
	Note: Add *details of root cause of failure evaluation, *measures taken to prevent the problem from reoccurring and *description of all flowline repairs/ replacements completed on supplemental form 19; note the results of post repair flowline pressure testing (performed in order to verify integrity of repairs completed and retain chart & data) on the supplemental form 19.		
<u>Corrective Action:</u>			Date:

COGCC Comments		
Comment	User	Date
COGCC Inspector met with PDC Lease Operator Kevin Rudisill on location during this field inspection.	maclarej	07/12/2017
Note: The waters of the state box was not checked on the Initial or Supplemental form 19 spill report(s). This release appears to have impacted waters of the state. Contact COGCC EPS regarding waters of the state impact determination, actions required and updating the form 19(s) as appropriate.	maclarej	07/12/2017
As outlined on supplemental form 19 spill report doc #401333622 submitted on 07/07/17: The compromised section of the flowline was replaced and routine pressure testing will continue. *More details are needed on supplemental form 19 as outlined in the flowline section of this report.	maclarej	07/12/2017

Attached Documents

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

Document Num	Description	URL
401339123	INSPECTION SUBMITTED	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=4195656
690100008	Well sign, wellhead and location of spill looking SW	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=4195648
690100009	View to SW of excavation/ repair site near drainage	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=4195649

690100010	View to NE of exposed flowline and excavation	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=4195650
690100011	Flowline exposed, groundwater with "oil sheen"	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=4195651