

State of Colorado
Oil and Gas Conservation Commission

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Date Issued:
04/12/2019
Date Resolved:

NOTICE OF ALLEGED VIOLATION - ISSUED

Per Rule 522, the Director has reasonable cause to believe that a violation of the Act, or of any Commission rule, order, or permit has occurred, the Director will require the operator to remedy the violation and may commence an enforcement action seeking penalties by issuing a Notice of Alleged Violation (NOAV). Per Rule 523, an operator who violates the Act, or a Commission rule, order, or permit may be subject to a penalty imposed by Commission order.

OPERATOR INFORMATION

OGCC Operator Number: 46290
Name of Operator: KP KAUFFMAN COMPANY INC
Address: 1675 BROADWAY, STE 2800
City: DENVER State: CO Zip: 80202

Contact Name and Telephone:

Name: SUSANA LARA-MESA
Phone: (303) 825-4822 Fax: ()
Email: slaramesa@kpk.com

Well Location, or Facility Information (if applicable):

API Number: 05-123-08144-00 Facility or Location ID:
Name: MORGAN 'A' Number: 2
QtrQtr: NESW Sec: 34 Twp: 2N Range: 68W Meridian: 6
County: WELD

ALLEGED VIOLATION

Rule: 210.b

Rule Description: Signs & Markers- Wells & Batteries

Initial Discovery Date: Was this violation self-reported by the operator? No
Date of Violation: Approximate Time of Violation:
Was this a discrete violation of obvious duration? No

Description of Alleged Violation:

Pursuant to Rule 210.b., within 60 days after the completion of a well or the installation of a battery, KP Kauffman Company Inc ("Operator") shall install permanent signage at the wellhead and/or battery. This signage shall provide, among other required information, the name of Operator, a phone number at which Operator can be reached at all times, and a phone number for local emergency services (911 where available).

During an inspection of Operator's Morgan 'A' #2 (API 05-123-08144, "Well") on February 22, 2019, COGCC Staff observed that the signage on site did not include any of the following required information: the name of Operator, a phone number at which Operator can be reached at all times, a phone number for local emergency services. COGCC Staff required Operator to take corrective action to modify the signage to include the required information by March 29, 2019.
(Field Inspection Report No. 674301660).

During the follow up inspection on April 4, 2019, COGCC Staff observed that the signage had not been modified to include Operator's name or emergency contact information.
(Field Inspection Report No. 674301900).

Operator failed to install permanent signage with Operator's name and emergency contact information at the Well, violating Rule 210.b.

Abatement or Corrective Action Required to be Performed by Operator:

Corrective Action Due Date: 05/13/2019

Proper and timely abatement does not preclude the assessment of penalties and an Order Finding Violation.

Operator shall install signage at the Well including the name of Operator, a phone number at which Operator can be reached at all times, a phone number for local emergency services (911 where available), and all other information required by Rule 210.b.

By the corrective action due date, Operator shall submit an eForm 4 Sundry Notice which provides photograph evidence of the updated signage. Operator shall include an explanation of how Operator will ensure the required signage at the Well location will be kept up to date, and how Operator will ensure that the posted phone number will reach Operator at all times.

Rule: 605.c

Rule Description: O&G Facilities - Special Equipment

Initial Discovery Date: _____

Was this violation self-reported by the operator? No

Date of Violation: _____

Approximate Time of Violation: _____

Was this a discrete violation of obvious duration? No

Description of Alleged Violation:

Pursuant to Rule 605.c.(3), when so determined by the Director, KP Kauffman Company Inc ("Operator") shall adequately fence all pumps, pits, and producing facilities to prevent access by unauthorized persons when the producing site or equipment is easily accessible to the public and poses a physical or health hazard.

COGCC received a complaint from a resident nearby to Operator's Morgan 'A' #2 (API 05-123-08144, "Well") on February 22, 2019, which stated that "the pumpjack needs to be fenced in to prevent possible damage to the equipment and most importantly to prevent injury to the public... I witnessed children playing near the equipment...[Operator should] see to it the [Well] location is properly fenced to prevent a possible accident involving a child." (Form 18 No. 200446986, "Complaint")

In response to the Complaint, COGCC Staff conducted an inspection of the Well location on February 22, 2019, and observed that the fencing on location consisted of pipe fencing partially covering the pump jack weights and that there was no fencing around the wellhead or electrical equipment. COGCC Staff required Operator to take corrective action to comply with Rule 605.c.(3) by March 29, 2019.

(Field Inspection Report No. 674301660).

During the follow up inspection on April 4, 2019, COGCC Staff observed that the corrective action had not been performed: equipment at wellhead, pumping unit, and prime mover were unsecured, and sit in the middle of a developed neighborhood. (Field Inspection Report No. 674301900, including attached photographs showing proximity of unsecured equipment to residences).

The Well facility and equipment is easily accessible to the public and poses a physical or health hazard, and Operator failed to adequately fence the Well facility to prevent access by unauthorized persons, violating Rule 605.c.(3).

Abatement or Corrective Action Required to be Performed by Operator:

Corrective Action Due Date: 04/19/2019

Proper and timely abatement does not preclude the assessment of penalties and an Order Finding Violation.

Operator shall immediately install fencing adequate to prevent access by unauthorized persons to all facilities and equipment at the Well location.

By the corrective action due date, Operator shall submit an eForm 4 Sundry Notice which provides documentation of steps taken to prevent unauthorized access, and includes photograph evidence that the facilities and equipment at the Well location are adequately fenced.

PENALTY

Penalties for violations alleged in this NOAV will be calculated pursuant to Rule 523, with daily penalties accruing pursuant to Section 34-60-121(1), C.R.S.

ANSWER

Pursuant to Rule 522.d.(2), the operator must file an Answer to this NOAV within 28 days of its receipt, or a default judgement may be entered. Hard copy answers are filed with the Commission Secretary at the Commission's Denver office and should also be emailed to dnr_cogccenforcement@state.co.us.

NOAV ISSUED

NOAV Issue Date: 04/12/2019

COGCC Representative Signature: _____

COGCC Representative: Kira Gillette

Title: NOAV Specialist

Email: kira.gillette@state.co.us

Phone Num: (303) EMAIL

CORRECTIVE ACTION COMPLETED

Rule: 210.b

Rule Description: Signs & Markers- Wells & Batteries

Corrective Action Start Date: _____

Corrective Action Complete Date: _____

Has corrective action for this violation been performed as required? _____

Description of Actual Corrective Action Performed by Operator

Rule: 605.c

Rule Description: O&G Facilities - Special Equipment

Corrective Action Start Date: _____

Corrective Action Complete Date: _____

Has corrective action for this violation been performed as required? _____

Description of Actual Corrective Action Performed by Operator

FINAL RESOLUTION

Cause #: _____ Order #: _____ Docket #: _____

Enforcement Action: _____

Final Resolution Date: _____

Final Resolution Comments:

ATTACHMENT LIST

View Attachments in Imaged Documents on COGCC website (<http://ogccweblink.state.co.us/>) - Search by Document Number.

<u>Document Number</u>	<u>Description</u>
402006641	NOAV CERTIFIED MAIL RECEIPT
402006642	NOAV COVER LETTER
402006644	NOAV ISSUED

Total Attach: 3 Files