

**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:

05/22/2019

Submitted Date:

05/23/2019

Document Number:

690101235**FIELD INSPECTION FORM**Loc ID _____ Inspector Name: _____ On-Site Inspection ☐
Maclaren, Joe 2A Doc Num: _____**Operator Information:**OGCC Operator Number: 10459Name of Operator: EXTRACTION OIL & GAS INCAddress: 370 17TH STREET SUITE 5300City: DENVER State: CO Zip: 80202**Status Summary:**

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

Findings:5 Number of Comments1 Number of Corrective Actions☒ Corrective Action Response Requested**ANY CORRECTIVE ACTION(S) FROM
PREVIOUS INSPECTIONS THAT HAVE NOT
BEEN ADDRESSED ARE STILL APPLICABLE****Contact Information:**

Contact Name	Phone	Email	Comment
		COGCCInspections@extractionog.com	
Schlagenhauf, Mark		mark.schlagenhauf@state.co.us	
Allison, Rick		rick.allison@state.co.us	
Ford, Blake		bford@extractionog.com	

Inspected Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status
446538	TANK BATTERY	AC	07/08/2016		-	Hiner 36 Pad	EG

General Comment:

Engineering Integrity inspection performed on May 22nd, 2019 in response to initial form 19 spill report Doc #402047844 received by COGCC on 05/17/2019 that outlines: Yesterday afternoon a dump line between the battery and separator set failed, resulting in a subsurface release of more than 1 bbl of produced water. Delineation of the impacts will be investigated with monitoring wells.

Details of Actions Required identified during this field inspection are located in the flowline section of this report. Photos uploaded.

Inspected Facilities			
Facility ID: <u>446538</u>	Type: <u>TANK</u>	API Number: <u>-</u>	Status: <u>AC</u> Insp. Status: <u>EG</u>
Flowline			
#1	Type: <u>Dump Line</u>	of Lines	
<u>Flowline Description</u> <div style="display: flex; justify-content: space-between;"> <div>Flowline Type: <u>Dump Line</u></div> <div>Size: <u>2"</u></div> <div>Material: <u>Carbon Steel</u></div> </div> <div style="display: flex; justify-content: space-between;"> <div>Variance: <u>No</u></div> <div>Age: <u>1-5 Yrs</u></div> <div>Contents: <u>Produced Water</u></div> </div>			
<u>Integrity Summary</u> <div style="display: flex; justify-content: space-between;"> <div>Failures:</div> <div>Spills: <u>Yes</u></div> <div>Repairs Made:</div> </div> <div style="display: flex; justify-content: space-between;"> <div>Coatings: <u>Yes External</u></div> <div>H2S: <u>No</u></div> <div>Cathodic Protection:</div> </div>			
<u>Pressure Testing</u> <div style="display: flex; justify-content: space-between;"> <div>Witnessed:</div> <div>Test Result:</div> <div>Charted:</div> </div>			
<u>COGCC Rules (check all that apply)</u> <div style="display: flex; justify-content: space-between; align-items: flex-start;"> <div style="width: 30%;"> <input type="checkbox"/> 1101. Installation and Reclamation </div> <div style="width: 30%;"> <input checked="" type="checkbox"/> 1102. Operations, Maintenance, and Repair </div> <div style="width: 30%;"> <input type="checkbox"/> 1103. Abandonment </div> </div>			
<div style="display: flex;"> <div style="width: 15%; padding-right: 10px;"> <u>Comment:</u> </div> <div style="width: 65%; border: 1px solid black; padding: 5px;"> <p>COGCC Inspector observed an open excavation (hydro) approximately 15' west of the NW corner of the Hiner 36 tank battery. (3) 2" carbon steel flowlines were observed exposed in the excavation, along with electrical conduit/ wiring in service at the facility. An active drip/ leak was observed on the eastern most flowline exposed in the trench (at 6 o'clock position). The PW spill reported to COGCC on 5/17/19 (spill Id #464520) is assumed to be associated with the flowline(s) seen in the trench; however no Extraction or contract personnel were on site at the time of this field inspection (to provide details). In addition, several large rocks (approx 10" or > diameter) were observed wedged between and under the flowlines exposed in the trench. The cause of failure is unknown at this time; it is unclear if improper bedding/ backfill procedures contributed to the failure (see comments).</p> </div> <div style="width: 20%; padding-left: 10px;"> Date: <u>07/23/2019</u> </div> </div>			
<div style="display: flex;"> <div style="width: 15%; padding-right: 10px;"> <u>Corrective Action:</u> </div> <div style="width: 65%; border: 1px solid black; padding: 5px;"> <p>Provide information outlined below in writing (via email) to COGCC Engineering Integrity Group for review (pertaining to compliance of COGCC series 1100 flowline regulations):</p> <ol style="list-style-type: none"> 1) Outline all well(s) serviced by the failed PW dump flowline 2) Root cause of PW dump flowline failure resulting in the release (results of failure analysis completed by operator) 3) Description of preventative measures that will be taken to avoid reoccurrence (in accordance with rule 906 d.2) 4) Description of the flowline repairs and/ or replacement work completed (indicate design changes/ bedding materials used) 5) Copy of pressure testing data for all (3) flowlines exposed in the excavation (post repair(s)/ prior to return to service) 6) Complete/ add information requested above to the Corrective Actions section of COGCC Supplemental Form 19 </div> </div>			

COGCC Comments		
Comment	User	Date
COGCC rule 1102.d. Installation (partial rule description) (12) A flowline or crude oil transfer line trench must be backfilled in a manner that provides firm support under the pipe and prevents damage to the pipe and pipe coating from equipment or from the backfill material. Sufficient backfill material must be placed in the pipe springline to provide long-term support for the pipe. Backfill material that will be within two feet of the pipe must be free of rocks greater than two inches in diameter and foreign debris. Backfilling material must be compacted as appropriate during placement in a manner that provides support for the pipe and reduces the potential for damage to the pipe and pipe joints.	maclarej	05/23/2019
Spill response, excavation and remediation efforts are currently in progress. Standing water observed in the lower portion of the trench.	maclarej	05/23/2019

[Hiner 36 wells on location were spud in 2014.](#)

maclarej

05/23/2019

Attached Documents

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

Document Num	Description	URL
690101236	Photo Log	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=4830442