

**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: 10459

Name of Operator: EXTRACTION OIL & GAS INC

Address: 370 17TH STREET SUITE 5300

City: 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 Comments

1 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
Ford, Blake		bford@extractionog.com	
		COGCCInspections@extracti onog.com	
Schlagenhauf, Mark		mark.schlagenhauf@state.co. us	
Allison, Rick		rick.allison@state.co.us	

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: 446538 Type: TANK API Number: - Status: AC Insp. Status: EG

Flowline

#1	Type: Dump Line	of Lines
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Flowline Description

Flowline Type: Dump Line Size: 2" Material: Carbon Steel
 Variance: No Age: 1-5 Yrs Contents: Produced Water

Integrity Summary

Failures: Spills: Yes Repairs Made:
 Coatings: Yes External H2S: No Cathodic Protection:

Pressure Testing

Witnessed: Test Result: Charted:

COGCC Rules(check all that apply)

☐ 1101. Installation and Reclamation ☒ 1102. Operations, Maintenance, and Repair ☐ 1103. Abandonment

Comment: 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).

Corrective Action: Provide information outlined below in writing (via email) to COGCC Engineering Integrity Group for review (pertaining to compliance of COGCC series 1100 flowline regulations):

Date: 07/23/2019

- 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

COGCC Comments

Comment	User	Date
Hiner 36 wells on location were spud in 2014.	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

COGCC rule 1102.d. Installation (partial rule description)

maclarej

05/23/2019

(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.

Attached Documents

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

Document Num	Description	URL
402053564	INSPECTION SUBMITTED	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=4830449
690101236	Photo Log	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=4830442