

**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:

09/28/2020

Submitted Date:

09/30/2020

Document Number:

690102100**FIELD INSPECTION FORM**Loc ID _____ Inspector Name: _____ On-Site Inspection ☐
Maclaren, Joe 2A Doc Num: _____**Operator Information:**OGCC Operator Number: 46290Name of Operator: KP KAUFFMAN COMPANY INCAddress: 1675 BROADWAY, STE 2800City: DENVER State: CO Zip: 80202**Status Summary:**

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

Findings:4 Number of Comments2 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
Oakman, Kari		kari.oakman@state.co.us	
Axelson, John		john.axelson@state.co.us	
Leonard, Mike		mike.leonard@state.co.us	
Graber, Nikki		nikki.graber@state.co.us	
Schlagenhauf, Mark		mark.schlagenhauf@state.co.us	
		cogcc@kpk.com	
Knop, Max		mknop@kpk.com	

Inspected Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status
478086	SPILL OR RELEASE	AC	09/22/2020		-	UPRR 43 PAN AM G Consolidation #2	EG

General Comment:

Engineering Integrity Inspection conducted in response to initial form 19 spill report Doc #402493419 received by COGCC on 09/20/2020 that outlines: Landowner notified KPK at 2:15 pm on 9/19/2020, via the emergency contact line that an active flowline release was observed. KPK shut-in and depressurized flowline system within 2-hours of notification. Equipment was brought in same day to remove standing liquids and contain flowline release at ground surface level.

Corrective Actions identified during this field inspection are outlined in the flowline section of report. Photo log uploaded.

Inspected Facilities

Facility ID: 478086 Type: SPILL OR API Number: - Status: AC Insp. Status: EG

Flowline

#1	Type: Non-Well Site	1 of Lines
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Flowline Description

Flowline Type: Non-Well Site Size: 6" Material: Poly
 Variance: No Age: 20+ Yrs Contents: Multiphase

Integrity Summary

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

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 Eng Integrity Inspector on site multiple dates; details of observations made are outlined below:

9/23/20 (on site with COGCC EPS staff Nikki Grabber and Kari Oakman)
 (2) bellhole style excavations were observed opened to expose the UPRR 43 PAN AM G flowline. The first excavation is located north of/ adjacent to WCR 4 at approx 40.014968, -104.905802. COGCC personnel heard and observed a gas release from a hole in the off location flowline at this excavation. Liquid hydrocarbons were also present beneath the line. The second excavation is located south of and adjacent to WCR 4 at approx 40.014724, -104.905796 and also exposed the same flowline; no integrity issues or impacts were observed at this excavation. COGCC Inspector called the operator and informed Max Knopp of the gas release identified. KPK personnel arrived and mobilized a vac truck and depressurize the line to temporarily resolve the gas leak issue. The flowline was depressurized by 3:45 pm. An OGI camera was utilized to confirm that the gas leak was no longer active. COGCC Inspector left location at 4:00pm.

9/24/20
 COGCC Inspector used an RMLD and FLIR camera to check for gas leaks from the flowline at the north and south excavations; No gas leaks were present at the time of inspection (12:30 PM)

9/25/20
 COGCC Inspector arrived on site at 11:00 am and observed KPK field crew preparing to install temporary valves on the pressurized flowline cut ends in both the north and south excavations; valve installations were completed later the same day at 4:00pm. No active gas/ fluid leaks present.

9/28/20
 COGCC Inspector arrived on site at 9:30 am and observed 4" ball valves, closed and bullplugged, on the pressurized flowline cut ends in both the north and south excavations; valves had been installed via CS welding and poly (HDPE) fusion welding (9/25). No active gas or fluid leaks were found. KPK field personnel were in the process of poly fusion welding 6" OD HDPE pipe joints and stringing out a replacement/ repair section of flowline to be installed in/ through a casing pipe under WCR 4. Later that afternoon, the repair section of pipe (approx 120' in length) was pulled through the casing under WCR 4 (south to north); the field crew were making preparations to tie in/ connect to the replacement section of flowline at both the north and south excavations. (valves remained closed; COGCC Inspector left location at 4:00 pm).

Corrective Action:	<p>Provide written description of information requested below to COGCC Eng Integrity Group and update CA section of supplemental form 19 spill report to include information pertaining to compliance of COGCC series 1100 flowline regulations:</p> <p>1) Root cause of flowline failure resulting in this release (final determination); measures taken to prevent a recurrence.</p> <p>2) Detailed written description of flowline repair, replacement and abandonment work completed (at spill ID #478086) supporting compliance of rule 1102.j. Repair (repair procedures and repairs shall be in accordance with ASME "Repair of Pressure Equipment and Piping" ASME PCC-2-2018)</p> <p>3) Contact COGCC Inspector with schedule of post repair pressure testing. Test shall be witnessed by COGCC Integrity Inspector. Perform OLF flowline pressure testing to verify integrity of repairs/ reconnections completed prior to returning UPRR 43 PAN AM G consolidation flowline to service (rule 1102.j.4 and 1102.O). Upload pressure testing chart to COGCC Form 19 subsequent.</p> <p>4) Provide documentation to show any/ all historical/ out of service flowlines exposed in the excavation(s) were abandoned or removed per COGCC rule 1105 (ends sealed per 1105.e.4).</p>	Date: <u>10/15/2020</u>
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#2	Type:	of Lines
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Flowline Description

Flowline Type:	Size:	Material:
Variance:	Age:	Contents:

Integrity Summary

Failures:	Spills:	Repairs Made:
Coatings:	H2S:	Cathodic Protection:

Pressure Testing

Witnessed:	Test Result:	Charted:
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COGCC Rules(check all that apply)

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

Comment: Isolation valves on the UPRR 43 PAN AM G consolidation off location flowline do not properly seal; resulting in the reported Grade 1 gas leak (COGCC doc #402496504). Isolation valves (below grade/ valve cans) are located on either side (to the NW/ SE) of spill ID #478086.

Corrective Action: Comply with the following rule prior to returning the UPRR 43 PAN AM G Consolidation off location flowline to service.

Date: 10/15/2020

1103.a. Isolation valve repair and maintenance. (2) Operator must repair or replace isolation valves that are not fully operable.

COGCC Comments

Comment	User	Date
<p>Grade 1 Gas Leak and Near Miss notifications were made to COGCC via Form 22 accident report Doc #402496504 filed by KP Kauffman on 09/23/2020 outlining the following:</p> <p>An uncontrolled release of gas was discovered by the COGCC during the inspection of Spill/Release Point ID 478086 on September 23, 2020, around 2:00 p.m. COGCC contacted KPK regarding the observed gas release. Upon inspection of the gas release location, it was determined that an isolation valve, which was closed in response to Spill/Release Point ID 478086, was not properly functioning, causing the release of gas from the flowline failure location. While onsite with COGCC, KPK was instructed to submit a near miss report as a result of a roustabout crew performing field activities roughly 75 ft. south of the gas release location. An accident report is being submitted to fulfill the issued near miss reporting requirement. KPK brought in a vac truck to depressurize the line and to temporarily resolve the gas leak issue. The flowline was depressurized by 3:45 pm. An OGI camera was utilized to confirm that the gas leak was no longer active following the depressurization of the flowline. It is expected that pressure will continue to build along the isolated section of flowline due to the faulty isolation valve. As such, a vac truck will be used on a daily basis to depressurize the line until the isolation valve issue can be resolved.</p> <p>CONDITIONS OF APPROVAL (outlined by COGCC Staff);</p> <p>1) Prior to October 24, 2020 provide a Subsequent Form 22 with an explanation as to why crews were preparing to work on a pressurized flowline without depressurizing the flowline before commencing work. Provide documentation of policies, procedures, practices and training implemented to prevent similar, future occurrences.</p> <p>2) KPK will within three business days submit documentation as to the scope of work that was planned by the roustabout crew.</p> <p>3) KPK will monitor line continuously until proper repairs have been made to ensure releases have been addressed.</p> <p>4) KPK's report states that the isolation valve is still faulty, causing the line to re-pressurize in an ongoing basis. Operator will take immediate action to eliminate pressure upstream of the faulty valve. Operator will report to COGCC Flowline Integrity Inspector Joe MacLaren within 24 hours how this was achieved. (*Note: This was completed and communicated by KPK/ Max Knopp via phone on 9/25/20 at 4:25 pm).</p>	maclarej	09/29/2020

Attached Documents

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

Document Num	Description	URL
690102103	Photo Log	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=5260048