

State of Colorado
Energy & Carbon Management Commission

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Document Number:
403539822

Date Issued:
09/25/2023

NOTICE OF ALLEGED VIOLATION - ISSUED

Per Rule 523, 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 525, 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: <u>46290</u>	Contact Name and Telephone:
Name of Operator: <u>KP KAUFFMAN COMPANY INC</u>	Name: <u>ROSS WATZMAN</u>
Address: <u>1700 LINCOLN ST STE 4550</u>	Phone: <u>(303) 825-4822</u> Fax: <u>()</u>
City: <u>DENVER</u> State: <u>CO</u> Zip: <u>80203</u>	Email: <u>rwatzman@kpk.com</u>

Well Location, or Facility Information (if applicable):

API Number: 05-123-09700-00 Facility or Location ID: _____
Name: MOSER Number: 1-A
QtrQtr: NENE Sec: 26 Twp: 1N Range: 67W Meridian: 6
County: WELD

ALLEGED VIOLATION

Rule: 207.

Rule Description: Reports

Initial Discovery Date: 09/21/2023 Was this violation self-reported by the operator? No

Date of Violation: 11/01/2022 Approximate Time of Violation: _____

Was this a discrete violation of obvious duration? Unknown

Description of Alleged Violation:

Pursuant to Rule 207., any report required for KP Kauffman Company, Inc. ("Operator") under ECMC Rules or requested by ECMC staff will be timely filed, accurate, complete, and comply with the requirements set forth in ECMC Rules or any requirement set by ECMC staff.

ECMC staff performed an audit on September 21, 2023, of Operator's records and determined Operator reported the Moser 1-A well (API no. 05-123-09700) produced seven days in October of 2022.

ECMC staff conducted inspections of Operator's Moser 1-A well on April 22, 2022 (document no. 702700134) and August 9, 2022 (document no. 697601842), and photo documentation showed the pumpjack and the production flow line have been removed from the well, and due to the excavation that began on November 8, 2021, according to Operator's Initial Form 19, Spill/Release Report (document no., 402865061), there is no access to the wellhead.

Operator failed to file accurate reports for the Moser 1-A well (API no. 05-123-09700) in October of 2022, violating Rule 207.

Abatement or Corrective Action Required to be Performed by Operator: _____ Corrective Action Due Date: 10/25/2023

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

Operator will update the production records for the Moser 1-A well (API no. 05-123-09700) for the month of October of 2022.

Rule: 608.e.

Rule Description: Mechanical Conditions

Initial Discovery Date: 08/25/2023

Was this violation self-reported by the operator? No

Date of Violation: 08/25/2023

Approximate Time of Violation:

Was this a discrete violation of obvious duration? Unknown

Description of Alleged Violation:

Pursuant to Rule 608.e., KP Kauffman Company, Inc. ("Operator") will keep all Production Facilities, valves, pipes, fittings, and vessels securely fastened or sealed, inspected at regular intervals, and maintained in good mechanical condition.

ECMC staff conducted an inspection of the KP Kauffman Company, Inc. ("Operator") Moser 1-A well (API no. 05-123-09700, "Well"), on August 25, 2023 (document no. 697601842) and September 14, 2023 (document no. 403530599), and, using a Forward Looking Infrared ("FLIR") camera, observed gas venting from the wellhead tubing.

Operator failed to keep all Production Facilities, valves, pipes, fittings, and vessels securely fastened or sealed, inspected at regular intervals, and maintained in good mechanical condition, violating Rule 608.e.

Abatement or Corrective Action Required to be Performed by Operator:

Corrective Action Due Date: 09/25/2023

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

Operator shall immediately cease venting from the Well.

Rule: 903.

Rule Description: Venting or Flaring Natural Gas

Initial Discovery Date: 08/25/2023

Was this violation self-reported by the operator? No

Date of Violation: 08/25/2023

Approximate Time of Violation:

Was this a discrete violation of obvious duration? Unknown

Description of Alleged Violation:

Pursuant to Rule 903, Venting and Flaring of natural gas is prohibited and represents a waste of an important energy resource and poses safety and environmental risks.

ECMC staff conducted an inspection of the KP Kauffman Company, Inc. ("Operator") Moser 1-A well (API no. 05-123-09700, "Well"), on August 25, 2023 (document no. 697601842) and September 14, 2023 (document no. 403530599), and, using a Forward Looking Infrared ("FLIR") camera, observed gas venting from the wellhead tubing.

Operator vented gas from the Well, violating Rule 903.

Abatement or Corrective Action Required to be Performed by Operator:

Corrective Action Due Date: 09/25/2023

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

Operator shall immediately cease venting from the Well.

PENALTY

Penalties for violations alleged in this NOAV will be calculated pursuant to Rule 525, with daily penalties accruing pursuant to Section 34-60-121(1), C.R.S.

ANSWER

Pursuant to Rule 523.c.(2), the operator must file an Answer to this NOAV within 28 days of its receipt, or a default judgment may be entered. Answers are filed by email to dnr_ecmc_enforcement@state.co.us.

NOAV ISSUED

NOAV Issue Date: <u>09/25/2023</u>	
COGCC Representative Signature: 	
COGCC Representative: <u>Trent Lindley</u>	Title: <u>NOAV Specialist</u>
Email: <u>trent.lindley@state.co.us</u>	Phone Num: <u>(303) 894-2100x5143</u>

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>
403539841	NOAV CERTIFIED MAIL RECEIPT

Total Attach: 1 Files