

**FORM
INSP**Rev
X/20**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:

12/13/2023

Submitted Date:

12/14/2023

Document Number:

705000552**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: 1700 LINCOLN ST STE 4550City: DENVER State: CO Zip: 80203**Status Summary:**

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

Findings:2 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 |
|--------------------|-------|-------------------------------|---------|
| Schlagenhauf, Mark | | mark.schlagenhauf@state.co.us | |
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| Brown, Kari | | kari.oakman@state.co.us | |
| Peterson, John | | jpeterson@kpk.com | |

Inspected Facilities:

| Facility ID | Type | Status | Status Date | Well Class | API Num | Facility Name | Insp Status |
|-------------|---------------------|--------|-------------|------------|-----------|--------------------------------|-------------|
| 241436 | WELL | PR | | GW | 123-09225 | PACE-CONNELLY 3 | SI |
| 318509 | LOCATION | AC | | | - | PACE-CONNELLY-62N68W 27NWSE | EG |
| 485681 | SPILL OR RELEASE | AC | 12/12/2023 | | - | Pace-Connelly #3 | EG |

General Comment:

ECMC Engineering Integrity Inspection performed on December 13th, 2023 in response to initial form 19 spill report Doc #403616248 received on 12/07/2023 that outlines: KPK's pumper arrived on site on 12/5/23 at 10:26 am and observed oil-stained surficial soil around the flowline from the active wellhead. KPK immediately shut in the well, vacuumed the line using a vac truck, and called in an 811 emergency locate. The cause of the spill was determined to be a small corrosion hole on the 3-inch steel pipe at the elbow just below the ground surface (see attached picture). As of 12/6/23 at 8am, the pipe has been replaced and all of the oil and impacted soil has been excavated and transported to the landfill for disposal.

Additional actions required are outlined in the flowline section of report. Photos uploaded.

Inspected Facilities

Facility ID: 241436 Type: WELL API Number: 123-09225 Status: PR Insp. Status: SI

Flowline

| #1 | Type: Non-Well Site | of Lines |
|----|---------------------|----------|
|----|---------------------|----------|

Flowline Description

Flowline Type: Non-Well Site Size: 2" Material: Carbon Steel
 Variance: Age: 20+ Yrs Contents: Multiphase

Integrity Summary

Failures: External Corrosion Spills: Yes Repairs Made: Yes
 Coatings: Yes External H2S: 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: ECMC Integrity Inspector on site on 12/13/2023; no KPK personnel were on location at time of inspection. An open excavation (measuring approx 10' x 15') was observed adjacent to the Pace-Connely #3 wellhead @ 40.107775, -104.982239. (1) 2" OD CS OLF flowline was observed exposed in the excavation. The pipe failure was not observed; flowline repair work appears to be completed. The flowline riser and 90 elbow have been wrapped in black tape. The well was shut in at the time of inspection; flowline (OLF) is pressurized to inlet at HHS (pressure guage at 42 psi) Excavation/ remediation work in progress.

Corrective Action: Document information requested below in the CA section of ECMC supplemental form 19 spill report to include the following (compliance of COGCC series 1100 flowline rules):
1) Outline root cause of failure resulting in spill (additional details/ specifics)
(1104.k. Integrity Failure Investigation/Operator Determination)
2) Measures taken to prevent a recurrence of failure
(1102.I Corrosion Control/ 1104. Integrity Management)
3) Description of flowline repair work completed (1102.j. Repair)
4) Confirm integrity of flowline repairs/ reconections (via pressure testing/ upload chart with test date) prior to returning flowline(s) to service (1102.j.4 and 1102.O)
*use form 27 to document information if form 19 is closed

Date: 12/29/2023

Facility ID: 318509 Type: LOCATION API Number: - Status: AC Insp. Status: EG

Facility ID: 485681 Type: SPILL OR API Number: - Status: AC Insp. Status: EG

Attached Documents

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

| Document Num | Description | URL |
|--------------|--|---|
| 403625775 | INSPECTION SUBMITTED | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6357166 |
| 705000553 | Signage at well; fenced excavation and flowline | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6357105 |
| 705000554 | Flowline riser at WH; pipe repair (external tape) | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6357106 |
| 705000555 | Flowline riser at HHS; SI (pressure guage @42 psi) | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6357107 |