

**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:

12/20/2023

Submitted Date:

12/22/2023

Document Number:

705000566**FIELD INSPECTION FORM**Loc ID 330765 Inspector Name: Maclaren, Joe On-Site Inspection ☐ 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:3 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	
Peterson, John		jpeterson@kpk.com	
		cogcc@kpk.com	
Graber, Nikki		nikki.graber@state.co.us	

Inspected Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status
251785	WELL	PR	01/01/2023	OW	123-19589	HSR-LOST CREEK STATE 1-32	SI
330765	LOCATION	AC			-	HSR-LOST CREEK STATE-63N62W 32NENE	EG

General Comment:

ECMC Engineering Integrity Inspection performed on December 20th, 2023 in response to initial form 19 spill report Doc #403622774 received on 12/14/2023 that outlines: KPK was pressure testing the flowline for Lost Creek State 1-32 and identified oil breaching the ground surface. The wells were shut in, and KPK is currently excavating the impacted soil and repairing the leak in the flowline. The impacted soils are being placed on a plastic liner. External corrosion of the steel flowline is the root cause of the spill.

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

Inspected Facilities

Facility ID: 251785 Type: WELL API Number: 123-19589 Status: PR Insp. Status: SI

Flowline

#1	Type: Non-Well Site	of Lines
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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 12/20/2023; KPK personnel were working on location at time of inspection. An open excavation (measuring approx 20' x 35') was observed @ 40.187928, -104.342822. (1) 2" OD CS OLF flowline was observed exposed in the excavation. The pipe failure was not observed; per communications on site the flowline repair work has been completed. A pinhole was identified on the pipe; the compromised section of pipe has been replaced (approx 2 feet/ welded). The well was shut in at the time of inspection (at HHS/ No OOSLAT); wellhead gauge reading 0 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/ reconnections (via pressure testing/ upload chart with test date) prior to returning flowline(s) to service (1102.j.4 and 1102.O)
 5) Ensure flowline(s) are isolated and depressurized; wells and isolation valves are SI/ OOSLAT to prevent unintentional release per 1102.j.7 (prior to and during time of repair).
 *use form 27 to document information if form 19 is closed

Date: 01/08/2024

Facility ID: 330765 Type: LOCATION API Number: - Status: AC Insp. Status: EG

COGCC Comments

Comment	User	Date
As outlined in the CA section of COGCC Supplemental form 19 Doc #403632073 received on 12/21/2023: The root cause of the spill is external corrosion on the 3" steel pipe flowline (6 o'clock position). The corroded section of pipe was cut out and replaced with a similar steel pipe that was welded in place. See attached photo.	maclarej	12/22/2023

Attached Documents

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

Document Num	Description	URL
705000567	Signage at well (SI)	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6370119
705000569	Fenced excavation; flowline exposed	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6370120

705000570	Flowline; repair completed (cutout section)	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6370122