

State of Colorado
Energy & Carbon Management Commission

1120 Lincoln Street, Suite 801, Denver, Colorado 80203
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Document Number:

403681008

Date Issued:

02/08/2024

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: 46290

Name of Operator: KP KAUFFMAN COMPANY INC

Address: 1700 LINCOLN ST STE 4550

City: DENVER State: CO Zip: 80203

Contact Name and Telephone:

Name: ROSS WATZMAN

Phone: (303) 825-4822 Fax: ()

Email: rwatzman@kpk.com

Well Location, or Facility Information (if applicable):

API Number: 05-001-09504-00

Facility or Location ID:

Name: SACK

Number: 8-11

QtrQtr: SENE Sec: 11

Twp: 1S

Range: 68W

Meridian: 6

County: ADAMS

ALLEGED VIOLATION

Rule: 902.

Rule Description: Pollution

Initial Discovery Date: 02/16/2023

Was this violation self-reported by the operator? No

Date of Violation: 05/31/2022

Approximate Time of Violation:

Was this a discrete violation of obvious duration? Unknown

Description of Alleged Violation:

Pursuant to Rule 902.a., KP Kauffman Company, Inc. ("Operator") will prevent Pollution. Pursuant to Rule 902.b., Operator will prevent adverse environmental impacts on any air, water, soil, or biological resource resulting from Oil and Gas Operations and will protect and minimize adverse impacts to public health, safety, welfare, the environment, and wildlife resources. Pursuant to Rule 902.c., Operator will prevent the unauthorized discharge or disposal of oil, condensate, gas, E&P Waste, Chemical substances, trash, discarded equipment, and other oil field waste.

On February 16, 2023, Operator submitted an Initial with Supplemental Form 19, Spill/Release Report (document no. 403322873) for the release (Spill/Release Point ID: 483923) of unknown amounts of produced water and oil discovered during abandonment of the Sack 8-11 Wellhead (API 05-001-09504). Operator has operated this well since April 1, 2016. In this Form 19, Operator reported that soil has been impacted as a result of this release with 640 cubic yards of soil excavated at the time of reporting.

Operator failed to prevent pollution and adverse environmental impacts on air, water, soil, or biological resources resulting from Oil and Gas Operations and failed to protect and minimize adverse impacts to public health, safety, welfare, the environment, and wildlife resources, and prevent the unauthorized discharge of oil, violating Rule 902.

Abatement or Corrective Action Required to be Performed by Operator:

Corrective Action Due Date: 02/08/2024

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

ECMC Staff approved Operator's Supplemental Form 27 (document no. 403516865) on September 29, 2023, and no further action is required for Remediation ID: 23274. The surface area disturbed by the remediation activity shall be reclaimed in accordance with the 1000 Series Reclamation Rules.

Rule: 912.b.

Rule Description: Reporting Spills or Releases of E&P Waste, Gas, or Produced Fluids

Initial Discovery Date: 02/16/2023

Was this violation self-reported by the operator? No

Date of Violation: 08/29/2022

Approximate Time of Violation:

Was this a discrete violation of obvious duration? Unknown

Description of Alleged Violation:

Pursuant to Rule 912.b.(6), no later than 90 days after a Spill or Release is discovered, KP Kauffman Company, Inc. ("Operator") will have submitted, and obtained the Director's approval of either: A. A Form 19 – Supplemental requesting closure pursuant to Rule 913.h and supported by adequate documentation to demonstrate that the Spill or Release has been fully cleaned up and complies with Table 915-1; or B. A Form 27 if any of the criteria listed in Rules 912.b.(6).B.i–iii apply. If Remediation will continue under an approved Form 27, the Operator will also submit a Form 19 – Supplemental which requests closure of the Spill or Release and includes the Remediation project number assigned by the Director.

On February 16, 2023, Operator submitted an Initial with Supplemental Form 19, Spill/Release Report (document no. 403322873) for the release (Spill/Release Point ID: 483923) of unknown amounts of produced water and oil discovered during abandonment of the Sack 8-11 Wellhead (API 05-001-09504). Operator has operated this well since April 1, 2016. In this Form 19, Operator reported the spill date of discovery as May 31, 2022.

On June 15, 2023, Operator submitted a Supplemental Form 19 Spill/Release Report (document no. 403424339) requesting closure of the release and remediation activities to continue under Remediation ID: 23274, 380 days after the spill discovery date.

Operator failed to submit a Form 19 - Supplemental Spill/Release Report requesting closure no later than 90 days after the discovery of a Spill or Release, violating Rule 912.b.(6).

Abatement or Corrective Action Required to be Performed by Operator:

Corrective Action Due Date: 02/08/2024

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

ECMC Staff approved Operator's Supplemental Form 27 (document no. 403516865) on September 29, 2023, and no further action is required for Remediation ID: 23274. The surface area disturbed by the remediation activity shall be reclaimed in accordance with the 1000 Series Reclamation Rules.

PENALTY

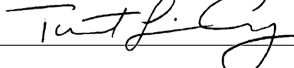
Penalties for violations alleged in this NOAV will be calculated pursuant to Rule 525, with daily penalties accruing pursuant to Section 34-60-121(1), C.R.S.

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: 02/08/2024

COGCC Representative Signature: 

COGCC Representative: Trent Lindley

Title: NOAV Specialist

Email: trent.lindley@state.co.us

Phone Num: (720) 765-0031

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>
403681022	NOAV CERTIFIED MAIL RECEIPT

Total Attach: 1 Files