

**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:

04/22/2024

Submitted Date:

05/06/2024

Document Number:

710100208

FIELD INSPECTION FORMLoc ID _____ Inspector Name: _____ On-Site Inspection ☐
Anderson, Laurel 2A Doc Num: _____**Operator Information:**

ECMC Operator Number: 46290

Name of Operator: KP KAUFFMAN COMPANY INC

Address: 1700 LINCOLN ST STE 4550

City: DENVER State: CO Zip: 80203

Status Summary:

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

Findings:

13 Number of Comments

9 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 |
|---------------------|----------------|--------------------------------|---|
| Watzman, Ross | (303) 825-4822 | rwatzman@kpk.com | all inspections. |
| Ahmadian, Alexander | | alexander.ahmadian@state.co.us | |
| Kirschner, Steven | | steven.kirschner@state.co.us | |
| Graber, Nikki | | nikki.graber@state.co.us | |
| Brown, Kari | | kari.oakman@state.co.us | |
| Kauffman, KPK | | cogcc@kpk.com | All Inspections |
| Peterson, John | 303-550-8872 | jpeter@kpk.com | Director EHS & Compliance |
| Ferrin, Jeremy | | jeremy.ferrin@state.co.us | |
| MacLaren, Joe | | joe.maclaren@state.co.us | |

Inspected Facilities:

| Facility ID | Type | Status | Status Date | Well Class | API Num | Facility Name | Insp Status |
|-------------|---------------------|--------|-------------|------------|-----------|--------------------------|-------------|
| 240691 | WELL | PR | | GW | 123-08479 | JOHNSON 1 | PR |
| 318137 | LOCATION | AC | | | - | JOHNSON-62N68W 26SWSE | EI |
| 446467 | LOCATION | AC | | | - | JOHNSON | EI |
| 485936 | SPILL OR RELEASE | AC | | | - | Johnson 1 Flowline | EI |

General Comment:

Combined Environmental inspections conducted April 3rd and 22nd, 2024, by ECMC Environmental Protection Specialist, Laurel Anderson to document remediation progress at the Johnson 1 Flowline Spill (Spill ID #485936) and following facilities:

Location ID No: 446467 (Johnson)

Location ID No: 318137 (JOHNSON-62N68W26SWSE)

Facility ID No: 446598 (Johnson Tank Battery)

Johnson 1 Well API: 05-123-08479

Immediate corrective action is required.

Reported Spill Date of Discovery: 1/23/2024

Any corrective actions from previous inspections that have not been addressed are still applicable. Any comments/conditions of approval from previously denied/approved forms that have not been addressed are still applicable.

No Operator or contract personnel were on location at the time of either inspection. No identifiable changes were made between the 4/3/2024 and 4/22/2024 inspections. Photos attached to document site conditions.

Excavation extent is:

Within a 100 year floodplain

Within the Town of Frederick

<10' from a walking path

<25' from Godding Hollow stream

<20' from wetland

<400' from an occupied structure

-Another excavation has been opened adjacent to the the wellhead - paraffin and a sheen were observed on the water within the open excavation. Piping exposed in the open excavation is not capped. Fencing around the wellhead excavation has been installed; however, the fencing has not been installed properly and is not adequate.

-Animal prints were observed in mud throughout the location and adjacent to the open excavations

-Orange construction fencing surrounding the flowline spill open excavation and contaminated soil stockpile have fallen

-Contaminated soil stockpile BMPs are inadequate and impacted soils have spread and been tracked outside of containment and the work area

-Water, free product and visibly impacted soil were observed within the open excavation along the flowline

-Trash, debris and weeds were observed throughout the location and within the open excavation

-Wattles on location are degraded and are starting to fall apart

-Wellhead signage is faded and illegible

-A white crust is visible throughout the location

-A white crust has formed along a portion of Godding Hollow stream

LocationOverall Good: ☐**Signs/Marker:**

| | | | |
|--------------------|--|-------|------------|
| Type | WELLHEAD | | |
| Comment: | Ongoing issue: Wellhead signage faded and not legible. | | |
| Corrective Action: | Per CA on Field Inspection Report Document # 710100146: "Install sign to comply with Rule 605.d. and 605.g.". Compliance with Rules 605.d. and 605.g. was required by February 19th, 2024. ECMC observed the Operator out of compliance on February 29th, March 1st, April 3rd and 22nd, 2024. CA due backdated to FIR Doc #710100146 when issue was first observed. | Date: | 02/19/2024 |

Emergency Contact Number:

Comment:

Corrective Action:

Date: _____

Good Housekeeping:

| | | | |
|--------------------|---|-------|------------|
| Type | TRASH | | |
| Comment: | Ongoing issue: Trash and debris onsite. | | |
| Corrective Action: | Per CA on Field Inspection Report Document # 710100146: Comply with Rule 606.". Compliance with Rules 606. was required by February 12th, 2024. ECMC observed the Operator out of compliance on February 29th, March 1st, April 3rd and 22nd, 2024. CA due backdated to FIR Doc #710100146 when issue was first observed. | Date: | 02/12/2024 |
| Type | WEEDS | | |
| Comment: | Ongoing issue: Weeds present throughout entire location. | | |
| Corrective Action: | Per CA on FIR Doc #710100146: "Comply with Rules 606.c. and 1003.f.". Compliance with Rules 606.c. and 1003.f. was required by February 19th, 2024. ECMC observed the Operator out of compliance on February 29th, March 1st, April 3rd and 22nd, 2024. CA due backdated to FIR Doc #710100146 when issue was first observed. | Date: | 02/19/2024 |

Overall Good: ☐**Spills:**

| | | | | |
|--------------------|--|--------|--|------------------|
| Type | Area | Volume | | |
| Comment: | Paraffin and a sheen were observed on groundwater within the open excavation at the Johnson 1 wellhead. | | | |
| Corrective Action: | Persuant to Rule 912.b. Operator shall submit a Form 19, Spill/Release Report – Initial within 24 hours of discovery spill or release of E&P waste or produced fluids. Additionally, per Rule 912.b.(2) Operator shall investigate, clean up, and document impacts resulting from Spills and Releases as soon as the impacts are discovered. | | | Date: 05/07/2024 |

In Containment: No

Comment:

☐ Multiple Spills and Releases?**Fencing/:**

| | | | |
|----------|---|--|--|
| Type | OTHER | | |
| Comment: | Fencing installed around the entire spill area (excavation and soil stockpile) is downed. Warning signage has come loose and is no longer attached to orange construction fencing. Fencing around the open excavation at the wellhead has been installed improperly and is inadequate. | | |

| | | | |
|--------------------|--|-------|------------|
| Corrective Action: | Per CA on FIR Document #710100146: "Operator shall continuously monitor and maintain [BMPs] to protect the environment, public health, safety and welfare and the environment as required by Rule 913.b.(5)B.i and ECMC Guidance 913.b.(5)B i-v which requires fencing used be appropriate to site conditions, ie: nearby residences, depth of excavation, presence of ground or surface water, livestock, wind, etc. when sites are not attended." Compliance was required on 2/5/24. ECMC observed the Operator out of compliance on 2/12/24, and gave the Operator 1 week (2/19/24) to correct the issue. ECMC observed the Operator out of compliance again on 2/29, 3/1, 4/3 & 4/22, 2024. CA due date back dated to CA due date on FIR Doc #697602258. | Date: | 02/19/2024 |
|--------------------|--|-------|------------|

| | | | |
|--------------------|---|-------|-----------------|
| Equipment: | | | corrective date |
| Type: Flow Line | # | | |
| Comment: | During field inspection an uncapped flowline was observed exposed in the open excavation at the Johnson 1 wellhead. | | |
| Corrective Action: | Comply with ECMC Rule 1105 Abandonment; Repair all active flowlines intended for return to service; or Historically abandoned/ out of service flowlines exposed in the excavation must be abandoned per ECMC Rule 1105 (ends sealed per 1105.e.4). Provide confirmation documentation of completion (photos) to ECMC Integrity Inspector and Engineer. 24 hrs to OOSLAT (5/7/24). | Date: | 05/07/2024 |

| | | | |
|--------------------|--|-------|--|
| Venting: | | | |
| Yes/No | | | |
| Comment: | | | |
| Corrective Action: | | Date: | |

| | | | |
|--------------------|--|-------|--|
| Flaring: | | | |
| Type | | | |
| Comment: | | | |
| Corrective Action: | | Date: | |

| Inspected Facilities | | | | |
|--|----------------|-----------------------|------------|------------------|
| Facility ID: 240691 | Type: WELL | API Number: 123-08479 | Status: PR | Insp. Status: PR |
| The subreport 'InspWellFlowline' could not be found at the specified location \\10.14.12 | | | | |
| Facility ID: 318137 | Type: LOCATION | API Number: - | Status: AC | Insp. Status: EI |
| The subreport 'InspWellFlowline' could not be found at the specified location \\10.14.12 | | | | |
| Facility ID: 446467 | Type: LOCATION | API Number: - | Status: AC | Insp. Status: EI |
| The subreport 'InspWellFlowline' could not be found at the specified location \\10.14.12 | | | | |
| Facility ID: 485936 | Type: SPILL OR | API Number: - | Status: AC | Insp. Status: EI |
| The subreport 'InspWellFlowline' could not be found at the specified location \\10.14.12 | | | | |

Environmental**Spills/Releases:**

Type of Spill: _____

Estimated Spill Volume: _____

Comment: Spill excavation extent is: ~25' from Godding Hollow stream ~20' from wetland.

Corrective Action: Per CA on Field Inspection Report Document # 710100146: "Per Rule 912.b.(10) at the same time the Operator submits a Form 19i Operators are required to provide written and/or verbal notification to CPW if the Spill or Release occurred within 300 feet of surface Waters of the State. Operator has not indicated CPW has been notified. Operator shall notify CPW immediately and provide the correspondence on the subsequent Supplemental Form 19."The spill date of discovery was 1/23/2024. Compliance with Rule Rule 912.b.(10) was required by February 5, 2024. ECMC has not received documentation of consultation with CPW to date.

Date: _____

Reportable: YES

GPS: Lat _____

Long _____

Proximity to Surface Water: _____

Depth to Ground Water: _____

Water Well Complaint:

Lat _____ Long _____

DWR Receipt Num: _____ Owner Name: _____ GPS : _____

Field Parameters:

Sample Location: _____ Comment: _____

Waste Management:

| Type | Management | Condition | GPS (Lat) | (Long) |
|-------------------|--|------------|-----------|-------------------------|
| Oily Soil | Piles | Inadequate | | |
| Comment | Oily waste remains stockpiled on location. Majority of oily waste removed by 1/30/2024 PM. The stockpile liner and some oily soil remain on location. The liner and perimeter berm surrounding the stockpile has been driven over and oily waste has spilled and spread outside of the lined area and further spread/tracked outside the fenced area by vehicles and snowmelt. A second soil stockpile of unknown origin was previously observed east of the spill area with no BMPs. | | | |
| Corrective Action | Per CA on FIR Doc #710100146: "Operator shall properly dispose of oily waste in accordance with Rule 905.e and attach all waste manifests, gate tickets/receipts to the next Supplemental Form 19 per Rule 905.b.(3). Additionally, Operator shall manage waste in compliance with Rule 913.b.(5)B and ECMC Guidance 913.b.(5)B i-v. Operator shall provide photo documentation of stockpile liner integrity via Form 19 or Form 27 prior to removal. Operator shall collect soil samples from the areas where impacted soil has spilled outside containment Full Table 915-1 Contaminants of Concern." Compliance with Rule 905.e. and Rule 913.b.(5).B.i.-v. was required on February 5, 2024. ECMC observed the Operator out of compliance on February 12th, 2024 and gave the Operator 4 days to correct the issue (FIR Doc #697602258). ECMC observed the Operator remained out of compliance on February 29th, April 3rd and 22nd, 2024. CA due date back dated to CA due date on FIR Doc #697602258. | | | Date: <u>02/05/2024</u> |

Spill/Remediation:

Comment: _____

Corrective Action: _____ Date: _____

Emission Control Burner (ECB): _____

Comment: _____

Pilot: _____ Wildlife Protection Devices (fired vessels): _____

Reclamation - Storm Water - Pit

Storm Water:

| Loc Erosion BMPs | BMP Maintenance | Lease Road Erosion BMPs | Lease BMP Maintenance | Chemical BMPs | Chemical BMP Maintenance | Comment |
|------------------|-----------------|-------------------------|-----------------------|---------------|--------------------------|---------|
| | | | | | | |

Comment: Inadequate BMPs in place to control stormwater run-on and runoff. BMPs installed are inadequate. An oily sheen was observed in the snowmelt outside of the excavation. Impacts have spread beyond the fenced work area via runoff and trackout.

Corrective Action: Per CA on Field Inspection Report Document # 710100146: "Operators will properly store, handle and manage all E&P waste to prevent contamination of stormwater, surface water, groundwater and soil. Manage surface water and stormwater around spill site in manner that prevents impacts to those matrices. Install BMPs in accordance with 1002.f.(2) to prevent runoff and runoff and completely contain impacts."

Compliance with Rule 1002.f.(2) and continuous monitoring and maintenance of BMPs was required by February 6th, 2024. ECMC observed the Operator out of compliance on February 12th and 29th, March 1st, April 3rd and 22nd, 2024. CA due date backdated to FIR Doc #710100146 when the issue was first observed.

Date: 02/06/2024

Pits: ☐ NO SURFACE INDICATION OF PIT

Attached Documents

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

| Document Num | Description | URL |
|--------------|--------------------------------------|---|
| 403780212 | INSPECTION SUBMITTED | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6536939 |
| 710100209 | April 3rd, 2024 Photo Documentation | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6536931 |
| 710100210 | April 22nd, 2024 Photo Documentation | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6536932 |