

**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:

07/22/2024

Submitted Date:

07/25/2024

Document Number:

710100217

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

1 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 |
|---------------------|--------------|--------------------------------|---------------------------|
| Ahmadian, Alexander | | alexander.ahmadian@state.co.us | |
| Peterson, John | 303-550-8872 | jpeterson@kpk.com | Director EHS & Compliance |
| Watzman, Ross | 303-825-4822 | rwatzman@kpk.com | |
| Kauffman, KPK | | cogcc@kpk.com | All Inspections |
| Graber, Nikki | | nikki.graber@state.co.us | |
| Morgan, Kelly | 303-692-3634 | kelly.morgan@state.co.us | Enforcement Unit Manager |
| Kirschner, Steven | | steven.kirschner@state.co.us | |
| Ferrin, Jeremy | | jeremy.ferrin@state.co.us | |
| Brown, Kari | | kari.oakman@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 | EI |
| 318137 | LOCATION | AC | | | - | JOHNSON-62N68W 26SWSE | EI |
| 446467 | LOCATION | AC | | | - | JOHNSON | EI |
| 475954 | OFF- LOCATION FLOWLINE | AC | 01/12/2021 | | - | Wellhead Line | EI |
| 475955 | OFF- LOCATION FLOWLINE | AC | 01/12/2021 | | - | Wellhead Line | EI |
| 485936 | SPILL OR RELEASE | CL | | | - | Johnson 1 Flowline | EI |

General Comment:

Combined Environmental inspections conducted July 22nd and 23rd, 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 was required. The Operator has been contacted.

Reported Flowline 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.

Photos attached to document site conditions.

Spill ID #485936 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

- Recent heavy precipitation resulted in heavy runoff throughout the location into the open excavation and stockpiled E&P waste. Stormwater appears to have travelled along a low area on location into a culvert to the north that drains into Godding Hollow stream.
- Excavation adjacent to the wellhead where paraffin and a sheen were previously observed on the water within the open excavation has been backfilled. ECMC has not approved backfill nor received a Form 19 or any other information for these impacts to date (as of 7/25/2024).
- Animal prints were observed in mud throughout the location and adjacent to the open excavations/in stockpiled E&P waste
- Orange construction fencing surrounding the flowline spill open excavation and contaminated soil stockpile has fallen and is inadequate
- Contaminated soil stockpile BMPs are inadequate and impacted soils have spread and been tracked outside of containment and the work area and further spread by recent runoff
- Trash, debris and weeds were observed throughout the location
- Previously installed wattles are not properly installed, are stained, saturated, torn and disintegrating - Wattles need replaced.
- A white/gray staining is visible in many areas throughout the location
- Fencing had failed in the same location as previously observed failures

On 7/22/2024 ECMC EPS Laurel Anderson and ECMC DJ Basin Environmental Supervisor Nikki Graber performed an Environmental Inspection of the location and collected water samples from the open excavation, water collected at the surface adjacent to the E&P waste stockpile and water collected at the surface outside wattles adjacent to the E&P waste stockpile. The samples were packed in laboratory provided containers using standard environmental practices and immediately placed on ice. Samples were submitted to Pace Analytical under standard chain of custody for analysis of BTEX, naphthalene, 1,2,4-trimethylbenzene, 1,3,5-trimethylbenzene. The excavation water sample was also submitted for laboratory analysis of TDS, chloride and sulfate.
The field notes and chain of custody for the ECMC samples are attached to this Inspection Report. Results are pending.

On 7/23/2024 ECMC EPS Laurel Anderson and ECMC DJ Basin Environmental Supervisor Nikki Graber returned to the location to witness hydrovacuuming and sampling activities. ECMC EPS, Laurel Anderson arrived at 8:10 am. No crews were on location. Hydrovac crews were reportedly on location at 7:30 and departed prior to ECMC EPS arrival. Operator personnel arrived on location at approximately 8:30 to sample. Additional Operator personnel arrived at approximately 8:40 followed by ECMC Environmental Supervisor Nikki Graber at approximately 8:45. Hydrovac crews returned to continue removing water from the excavation soon after.

LocationOverall Good: ☐

Emergency Contact Number:

Comment:

Corrective Action:

Date: _____

Good Housekeeping:

| | | | |
|--------------------|--|-------|--|
| Type | TRASH | | |
| Comment: | Ongoing issue: Trash, debris/unused equipment onsite. Compliance with Rule 606. was required by February 12th, 2024. ECMC observed the Operator out of compliance on February 29th, March 1st, April 3rd and 22nd, and July 22nd and 23rd, 2024. Refer to previous inspections for Corrective Action. | | |
| Corrective Action: | | Date: | |
| Type | WEEDS | | |
| Comment: | Ongoing issue: Weeds present throughout entire location. 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, May 22nd and 30th, and July 22nd and 23rd, 2024. Refer to previous inspections for Corrective Action. | | |
| Corrective Action: | | Date: | |

Overall Good: ☐**Spills:**

| | | | | |
|--------------------|--|--------|--|------------------|
| Type | Area | Volume | | |
| Comment: | Paraffin and a sheen were previously observed on groundwater within the open excavation at the Johnson 1 wellhead. Excavation has been backfilled. No Form 19 or additional information has been received to date (7/25/2024). CA Due date back dated to when Form 19 was first required (See FIR Doc #710100208). | | | |
| 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: | Ongoing issue: Fencing installed around the entire spill area (excavation and soil stockpile) was partially downed during 7/22/24 inspection. 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, 5/22, 5/30 and 7/22, 2024. Refer to previous inspections for Corrective Action. | | |
| Corrective Action: | | Date: | |

Equipment:

| | | | |
|-----------------|--|--|-----------------|
| Type: Flow Line | # | | corrective date |
| Comment: | Operator personnel indicated additional repairs are required on the flowline. Operator shall notify Mark Schlagenhauf (mark.schlagenhauf@state.co.us), Greg Deranleau (greg.deranleau@state.co.us), and Nikki Graber (nikki.graber@state.co.us) when repairs are complete. | | |

| | | | |
|--------------------|--|-------|--|
| Corrective Action: | | Date: | |
|--------------------|--|-------|--|

Venting:

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

Flaring:

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

| | | | |
|--|--|--|--|
| | | | |
|--|--|--|--|

Environmental**Spills/Releases:**

Type of Spill: _____

Estimated Spill Volume: _____

Comment: Operator shall contact CDPHE WQCD to inquire about the need for a construction stormwater permit. A construction stormwater permit is required for land disturbance >1 acre. Additionally, the spill excavation extent is <25' from Godding Hollow stream and <20' from a mapped wetland. The spill date of discovery was 1/23/2024. Compliance with Rule 912.b.(10) was required by February 5, 2024. ECMC has not received documentation of consultation with CPW to date.

Corrective Action: _____

Date: _____

Reportable: _____

GPS: Lat _____

Long _____

Proximity to Surface Water: _____

Depth to Ground Water: _____

Water Well Complaint:

DWR Receipt Num: _____

Owner Name: _____

GPS : _____

Lat

Long

Field Parameters:

Sample Location: _____

Comment: _____

Waste Management:

| Type | Management | Condition | GPS (Lat) | (Long) |
|------|------------|-----------|-----------|--------|
|------|------------|-----------|-----------|--------|

Oily Soil

Piles

Inadequate

Comment: Oily waste remains stockpiled on location. The stockpile liner and 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 runoff. 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, May 22nd and 30th, and July 22nd and 23rd, 2024. Refer to previous inspections for Corrective Action information.

Corrective Action

Date: _____

Spill/Remediation:

Comment: Stained soil has been observed outside of the excavation. E&P Waste remains stockpiled on location with inadequate BMPs. Recent heavy precipitation resulted in runoff throughout the location. The open excavation appears to have overflowed. Stockpiled E&P waste has been exposed to runoff and appears to have discharged to the north along a surface depression leading to a culvert that drains into Godding Hollow stream. In accordance with 913.d.(1) Operator will investigate impacts to soil, Groundwater, and surface water as soon as the impacts are discovered.

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. Impacts have spread beyond the fenced work area via runoff and trackout. Recent heavy precipitation resulted in further runoff throughout the location. The open excavation appears to have overflowed. Stockpiled E&P waste has been exposed to runoff and appears to have discharged to the north along a surface depression leading to a culvert that drains into Godding Hollow stream. 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 2/12, 2/29, 3/1,4/3, 4/22, 5/22, 5/30, 7/22 and 7/23, 2024. See previous inspections for Corrective Action details.

Corrective Action:

Date:

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 |
|--------------|-------------------------------|---|
| 403866198 | INSPECTION SUBMITTED | https://ecmc.state.co.us/weblink/DownloadDocumentPDF.aspx?DocumentId=6639277 |
| 710100218 | 2024_0722_Field Notes | https://ecmc.state.co.us/weblink/DownloadDocumentPDF.aspx?DocumentId=6639273 |
| 710100219 | 2024_0722_Chain of Custody | https://ecmc.state.co.us/weblink/DownloadDocumentPDF.aspx?DocumentId=6639274 |
| 710100220 | 2024_0722_Photo Documentation | https://ecmc.state.co.us/weblink/DownloadDocumentPDF.aspx?DocumentId=6639275 |
| 710100221 | 2024_0723_Photo Documentation | https://ecmc.state.co.us/weblink/DownloadDocumentPDF.aspx?DocumentId=6639276 |