

**FORM
INSP**

Rev
X/20

**State of Colorado
Energy and Carbon Management Commission**

1120 Lincoln Street, Suite 801, Denver, Colorado 80203
Phone: (303) 894-2100 Fax: (303) 894-2109



Inspection Date:

05/27/2026

Submitted Date:

05/28/2026

Document Number:

717100548

FIELD INSPECTION FORM

Loc ID _____ Inspector Name: Rollins, Grace On-Site Inspection 2A Doc Num: _____

Status Summary:

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

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

Findings:

23 Number of Comments
17 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
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Inspected Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status
239997	WELL	PR		GW	123-07785	PETE MONTOYA B 1	PR
317803	LOCATION	AC			-	PETE MONTOYA B-62N67W 35SWNW	AC
478288	TANK BATTERY	AC	10/14/2020		-	Pete Montoya B	AC
493337	SPILL OR RELEASE	AC			-	Pete Montoya B Sales Line	AC

General Comment:

ECMC Field Inspection Report Summary

This is an environmental inspection to determine progress on Spill ID 493337. Tank Battery Facility ID 478288, Location ID 317803, and Well API # 05-123-07785 were also included in the scope of this inspection. Any corrective actions from previous inspections, NOAVs and/or conditions of approval from previous forms that have not been fully addressed are still applicable, including those on Warning Letter No. 404647629. There were no operator or contract environmental personnel on location at the time of this field inspection. Photos attached to document site conditions.

Spill Name: Pete Montoya B Sales Line Spill

Spill ID: 493337

Reported Date of Discovery: 3/2/2026

Remediation Project No. 45017

Pete Montoya B tank battery (Facility ID 478288)

PETE MONTOYA B-62N67W35SWNW location (Location ID 317803)

PETE MONTOYA B #1 (API # 05-123-07785)

Date of Inspection: 05/27/2026

Weather: Cloudy, 68°F

Current spill status:

- An excavation remains open at the spill location. Hydrocarbon stained soil remains in situ.
- Additional soil has been excavated from an area south of the main excavation. Hydrocarbon stained soil remains in situ at the surface.
- No work appears to have been performed on this excavation since previous Field Inspection Report (FIR) Document No. 718300128 (3/25/2026).
- Debris has collected within the excavation and partially obscures visibility of the base.
- A petroleum hydrocarbon odor was observed at the spill location.
- Multiple flowlines are exposed in the excavation. Evidence of previous maintenance or repairs to exposed flowlines is visible including: cut and uncapped lines, slip lined material visible through corroded steel, additional area of corrosion, and HDPE coupling at failed steel line.
- Orange construction fencing has been installed but does not encompass the perimeter of the excavation. Fencing around the open excavation is not adequate for site conditions.
- In accordance with ECMC safety procedures, ECMC Inspectors did not enter the excavations.
- The excavation has steep (near vertical) sidewalls that at the time of inspection had not been sloped or benched and did not appear stable.
- Hydrocarbon stained soil remains stockpiled on location with no erosion control BMPs. Pieces of torn liner were observed throughout the stockpile; no liner was observed beneath the stockpile.

Current tank battery and location status:

- The cracked 50-bbl partially buried polyethylene produced water tank documented by previous FIRs has been replaced with a fiberglass tank, presumed to be a produced water vessel.
- No labels or placards are visible at the fiberglass tank.
- Stained soil is visible at a riser next to the vertical separator.
- Stained soil is visible at the crude oil AST loadout.
- Stained soil is visible at a valve on the southeast side of the crude oil AST.
- Stained soil is no longer visible beneath where crack was previously observed on the 50-bbl partially buried polyethylene produced water tank.
- Pitting and peeling paint was observed on the 300-bbl steel crude oil AST.
- Soil partially covers the eastern side of the 300-bbl steel crude oil AST.
- A clicking sound was audible near the gas sales line piping.
- The crude oil AST containment berm has been reworked. The berm material is unconsolidated.
- Signage at the tank battery has fallen, but was previously observed to be faded and difficult to read.
- Portions of 3-strand barbed wire fencing along the southern portion of the location have been removed.
- Weeds/debris were observed throughout the location.
- Animal prints (dog paw prints) are visible on location.

Current well status:

- The well was producing at the time of the inspection (pumping unit observed moving).
- Stained soil is visible at the wellhead.
- Weeds are visible at the well.
- Signage at the well is faded and difficult to read.

See attached corrective actions.

Location			
Overall Good: <input type="checkbox"/>			
Signs/Marker:			
Type			
Comment:	Signage at the tank battery has fallen, but was previously observed to be faded and difficult to read (FIR Document No. 718300128). Signage at the well is faded and difficult to read.		
Corrective Action:	Install or repair sign to comply with Rule 605. CA due date per FIR Document No. 718300128.		Date: <u>05/19/2026</u>
Emergency Contact Number:			
Comment:	<input type="text"/>		
Corrective Action:	<input type="text"/>		Date: _____
Good Housekeeping:			
Type	WEEDS		
Comment:	Weeds and debris remain visible throughout the location.		
Corrective Action:	Comply with Rule 606. CA due date per FIR Document No. 718300128.		Date: <u>04/03/2026</u>
Overall Good: <input type="checkbox"/>			
Spills:			
Type	Area	Volume	
	WELLHEAD		
Comment:	Stained soil is visible at the wellhead.		
Corrective Action:	Comply with ECMC Rules. Operator shall immediately control and contain spills/releases and investigate, clean up and document impacts per Rule 912.a. Note: for any spills that do not meet the reporting requirements of Rule 912.b.; Operator shall provide documentation of the cleanup efforts (photo documentation and waste disposal manifests) to the Director per Rule 912.a.(5) - Operator may submit documentation via FIRR. Additionally, Operator shall properly handle, transport and dispose of E&P waste in accordance with 905 Series Rules.		Date: <u>06/27/2026</u>
	Truck Loadout		
Comment:	Stained soil is visible at the crude oil AST loadout.		
Corrective Action:	Comply with ECMC Rules. Operator shall immediately control and contain spills/releases and investigate, clean up and document impacts per Rule 912.a. Note: for any spills that do not meet the reporting requirements of Rule 912.b.; Operator shall provide documentation of the cleanup efforts (photo documentation and waste disposal manifests) to the Director per Rule 912.a.(5) - Operator may submit documentation via FIRR. Additionally, Operator shall properly handle, transport and dispose of E&P waste in accordance with 905 Series Rules.		Date: <u>06/27/2026</u>
	Valve		
Comment:	Stained soil is visible at a valve on the southeast side of the crude oil AST.		
Corrective Action:	Comply with ECMC Rules. Operator shall immediately control and contain spills/releases and investigate, clean up and document impacts per Rule 912.a. Note: for any spills that do not meet the reporting requirements of Rule 912.b.; Operator shall provide documentation of the cleanup efforts (photo documentation and waste disposal manifests) to the Director per Rule 912.a.(5) - Operator may submit documentation via FIRR. Additionally, Operator shall properly handle, transport and dispose of E&P waste in accordance with 905 Series Rules.		Date: <u>06/27/2026</u>
	Tank		
Comment:	Stained soil is no longer visible beneath where crack was previously observed on the 50-bbl partially buried polyethylene produced water tank.		

Corrective Action:	Per Warning Letter No. 404647629, documentation of the cleanup efforts (photo documentation and waste disposal manifests) was required via Form 19 if reportable under 912.b., or via Form 4 in accordance with Rule 912.a.(5). Neither a Form 19 nor a Form 4 to provide this documentation has been received to date (as of 5/28/2026). CA due date per Warning Letter No. 404647629.	Date:	05/08/2026
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In Containment:	No
Comment:	<input type="text"/>
<input type="checkbox"/> Multiple Spills and Releases?	

Fencing/:			
Type			
Comment:	Orange construction fencing installed around the open excavation does not encompass the entire perimeter of the excavation and is not appropriate for site conditions (does not restrict access of surface owner's pets).		
Corrective Action:	Operator shall immediately install, repair and maintain best management practices 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. CA due date per FIR Document No. 718300128.	Date:	03/20/2026

Equipment:			corrective date
Type: Flow Line	#		
Comment:	Multiple flowlines are exposed in the excavation. Evidence of previous maintenance or repairs to exposed flowlines is visible including: cut and uncapped lines, slip lined material visible through corroded steel, additional area of corrosion, and HDPE coupling at failed steel line. This matter is being referred to the Engineering Unit.		
Corrective Action:		Date:	
Type: Gas Meter Run	#		
Comment:	A clicking sound was audible near the gas sales line piping. Oily residue was previously observed at multiple connection/fittings on gas sales line piping and stained soil was observed below. On 3/17/2026, ECMC observed oil actively dripping down piping and onto ground below at the gas sales line (FIR Document No. 718300128).		
Corrective Action:	Securely fasten all valves, pipes, fittings, and Production Facilities to ensure good mechanical condition, inspect at regular intervals and maintain in good mechanical condition per Rule 608.e. Operator shall properly handle, transport and dispose of E&P waste in accordance with 905 Series Rules. CA due date per FIR Document No. 718300128.	Date:	04/04/2026

Tanks and Berms:					
Contents	#	Capacity	Type	Tank ID	SE GPS
PRODUCED WATER			FIBERGLASS AST		
Comment:	A fiberglass tank presumed to be a produced water vessel is visible on location. No labels or placards are visible at the fiberglass tank.				
Corrective Action:	Install label or placard to comply with Rule 605.h.				Date:
					07/27/2026

Paint					
Condition	<input type="text"/>				
Other (Content)	<input type="text"/>				
Other (Capacity)	<input type="text"/>				
Other (Type)	<input type="text"/>				

Berms					
Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance	

Comment:							
Corrective Action:				Date:			
Contents	#	Capacity	Type	Tank ID	SE GPS		
PRODUCED WATER							
Comment:		The cracked 50-bbl partially buried polyethylene produced water tank documented by previous FIRs has been removed. A fiberglass tank has been installed, presumed to be a produced water vessel.					
Corrective Action:		In accordance with Rule 913.c., Operators will prepare and obtain the Director's approval of a Form 27 prior to conducting buried or partially buried vessel closure. An Initial Form 27 proposing a site investigation as required by Rule 913.c. has not been received to date (as of 5/28/2026).				Date: 05/28/2026	
		Operator shall immediately submit a Form 27. Operator shall conduct the investigation in accordance with Rule 911.a.(4) guidance.					

Paint

Condition							
Other (Content)							
Other (Capacity)							
Other (Type)							

Berms

Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance			
Comment:							
Corrective Action:		Date:					

Contents	#	Capacity	Type	Tank ID	SE GPS		
PRODUCED WATER		<50 BBLs	PBV PLASTIC				
Comment:		The cracked 50-bbl partially buried polyethylene produced water tank documented by previous FIRs has been replaced with a fiberglass tank, presumed to be a produced water vessel.					
Corrective Action:		Per Warning Letter No. 404647629, documentation of maintenance and repairs regarding this tank was required to be submitted as an attachment to the Form 19 for Spill ID 493337. This documentation has not been received to date (as of 5/28/2026). CA due date per Warning Letter No. 404647629.				Date: 05/08/2026	

Paint

Condition							
Other (Content)							
Other (Capacity)							
Other (Type)							

Berms

Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance			
Comment:							
Corrective Action:		Date:					

Contents	#	Capacity	Type	Tank ID	SE GPS		
CRUDE OIL		300 BBLs	STEEL AST				

Comment:	Soil partially covers the eastern side of the 300-bbl steel crude oil AST.	
Corrective Action:	Maintain crude oil AST per Rule 603.k.	Date: 06/04/2026

Paint

Condition	
Other (Content)	
Other (Capacity)	
Other (Type)	

Berms

Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance
Earth				Inadequate
Comment:	The crude oil AST containment berm has been reworked. The berm material is unconsolidated.			
Corrective Action:	Repair or install berms or other secondary containment devices per Rule 603.o.			Date: 06/27/2026

Contents	#	Capacity	Type	Tank ID	SE GPS
CRUDE OIL		300 BBLs	STEEL AST		
Comment:	300-bbl steel crude oil AST has peeling paint and is pitted/rusted.				
Corrective Action:	Inspect, maintain and repair tanks to comply with Rule 609.b. CA due date per FIR Document No. 718300128.				Date: 04/19/2026

Paint

Condition	Inadequate
Other (Content)	
Other (Capacity)	
Other (Type)	

Berms

Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance
Comment:				
Corrective Action:				Date:

Venting:

Yes/No	
Comment:	
Corrective Action:	Date:

Flaring:

Type	
Comment:	
Corrective Action:	Date:

Inspected Facilities

Facility ID: 239997 Type: WELL API Number: 123-07785 Status: PR Insp. Status: PR

Facility ID: 317803 Type: LOCATION API Number: - Status: AC Insp. Status: AC

Facility ID: 478288 Type: TANK API Number: - Status: AC Insp. Status: AC

Facility ID: 493337 Type: SPILL OR API Number: - Status: AC Insp. Status: AC

Environmental

Spills/Releases:

Type of Spill: _____ Estimated Spill Volume: _____

Comment: An excavation remains open at the spill location. Additional soil has been excavated from an area south of the main excavation. Hydrocarbon stained soil remains in situ. No work appears to have been performed on this excavation since previous Field Inspection Report (FIR) Document No. 718300128 (3/25/2026). The excavation has steep (near vertical) sidewalls that at the time of inspection had not been sloped or benched and did not appear stable. No work appears to have been performed on this excavation since previous FIR Document No. 718300128. A petroleum hydrocarbon odor was observed at the spill location.

Corrective Action: In accordance with 912.a.(2) Operator will investigate, cleanup, and document impacts resulting from Spill and Releases as soon as the impacts are discovered. Operator shall IMMEDIATELY resume cleanup activities at this location.

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			
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Comment: Impacted soil remains in situ and stockpiled on location without adequate BMPs or signage despite the COA on Form 19 — Initial Report Document No. 404562700 (approved on 3/4/2026) which states: “Due to the sensitive nature of this location, on-location storage of E&P waste, including in stockpiles, is not acceptable. Operator shall implement, continuously monitor and maintain best management practices 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.”

Corrective Action: Per the COA on Form 19 Document No. 404566026: “Operator shall immediately remove E&P waste stored on location in accordance with Rule 913.b.(5)B.i. and Rule 905. Operator shall provide documentation (waste manifests and photo documentation) that E&P waste stored on location has been removed within 48 hours (by 3/20/2026).”

Date: 03/20/2026

Spill/Remediation:

Comment: Spill ID 493337 was created to report and address initial spill response and remediation activities at the Pete Montoya B Sales Line Spill. The most recent Form 19 was submitted on 03/11/2026. Remediation Project No. 45017 was created to address the ongoing remediation of Spill ID 493337.

Corrective Action: Pursuant to Rule 912.b.(6) Operator is required to submit a Form 19 Supplemental Report for the associated spill within 90 days of the spill date 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 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. A Form 19– Supplemental Report which requests closure of Spill ID 493337 is due by 5/31/2026.

Date: _____

Emission Control Burner (ECB): _____

Comment: _____

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

Attached Documents

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

Document Num	Description	URL
404675875	INSPECTION SUBMITTED	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=7561898
717100550	ECMC Photo Log - Pete Montoya B Sales Line - 5.27.2026	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=7561895