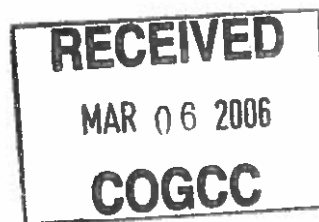




01727378

March 3, 2006

Mr. Randall Ferguson
COGCC
1120 Lincoln ST. Ste. 801
Denver, CO 80203-2136



RE: Pressure test on gathering line located northeast of HWY 85 & WCR 18.5

Mr. Ferguson,

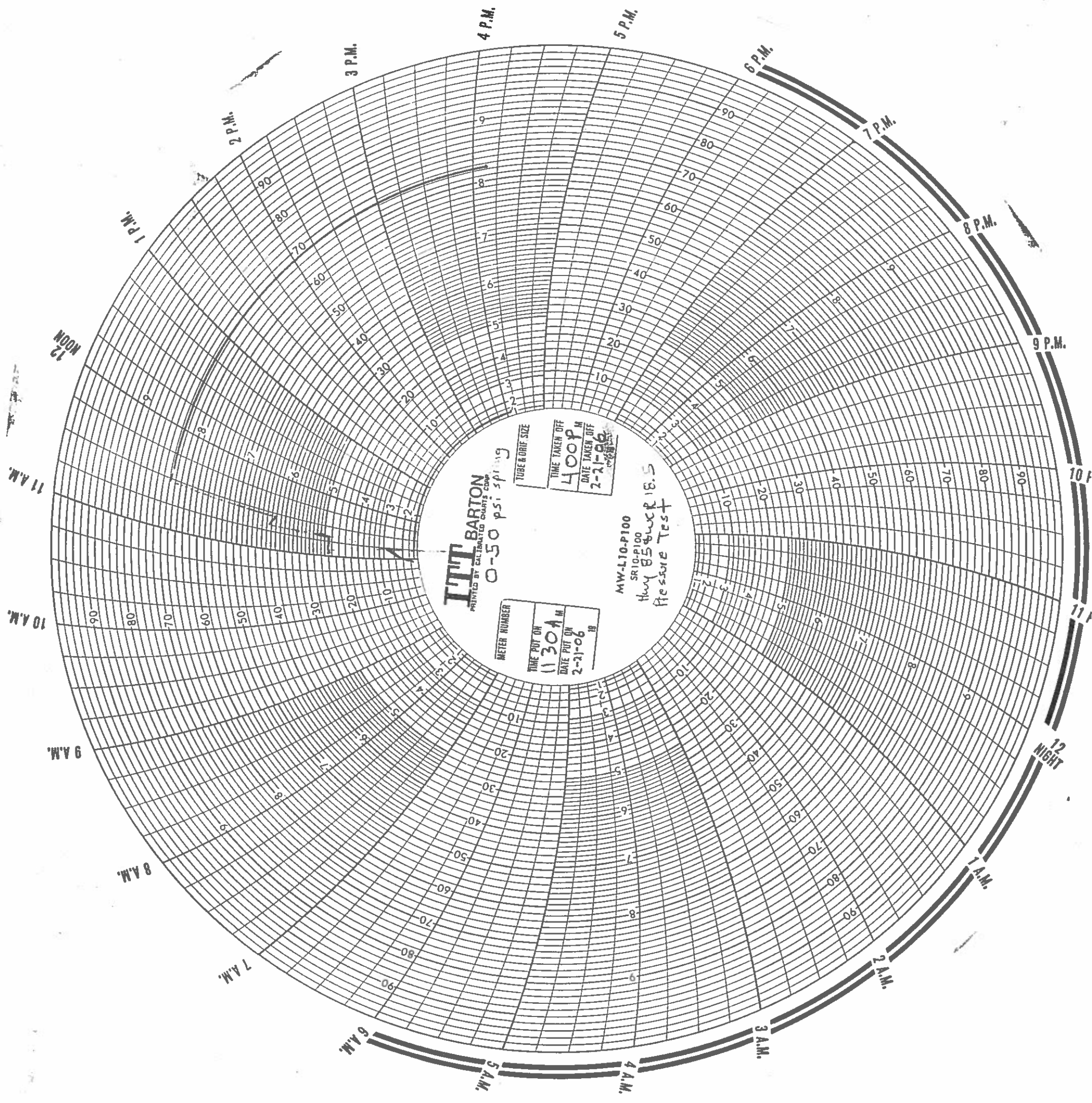
Please find attached a report from CORDILLERAN regarding the excavations of the gathering line owned by Duke Energy Field Services located northeast of HWY 85 & WCR 18.5

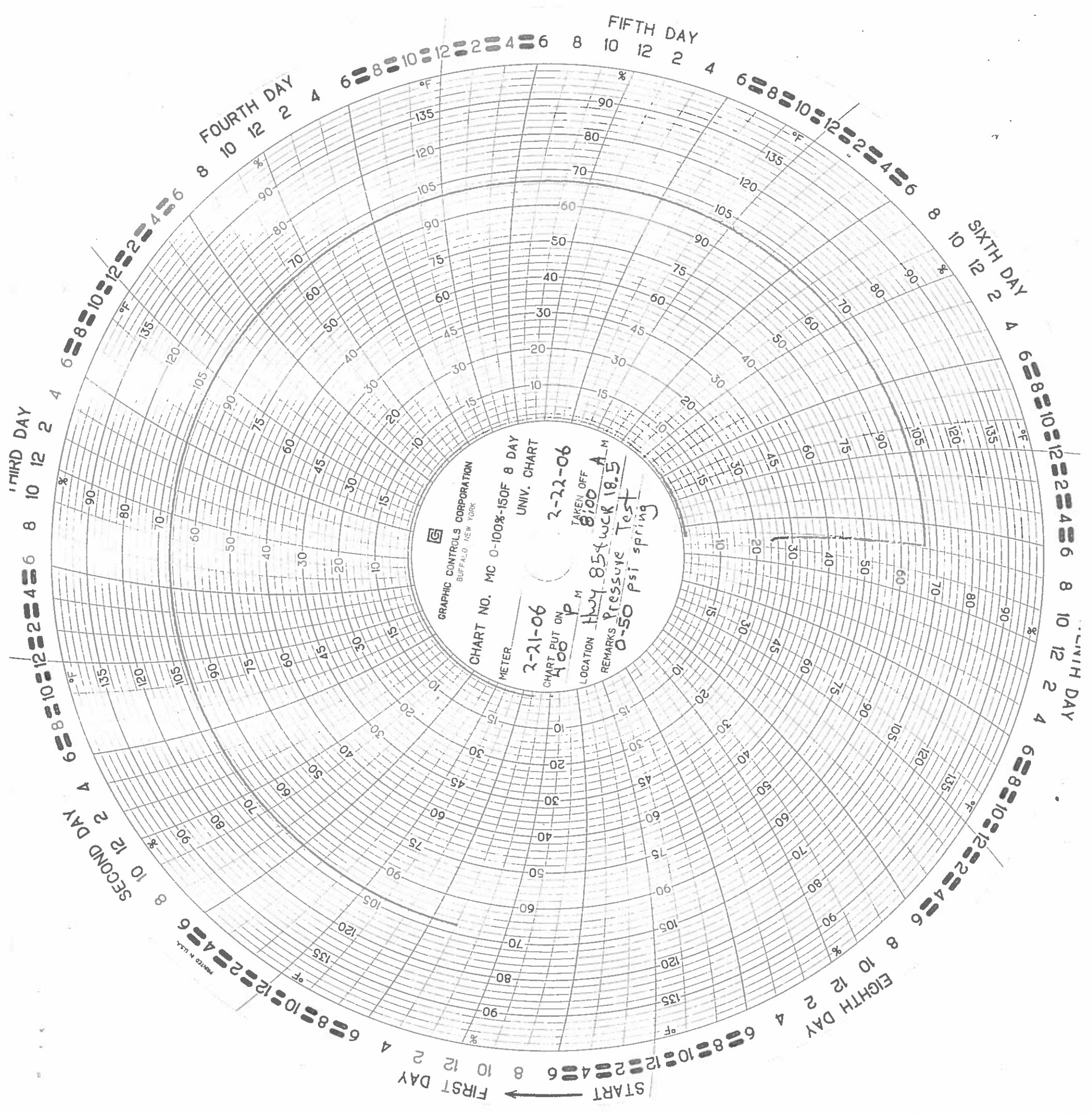
Charts from the gathering line pressure test are also attached. The first chart runs from 11:30 a.m. to 4:00 p.m. on 2-21-06, and the second chart runs from 4:00 p.m. 2-21-06 to 8:00 a.m. 2-22-06. A zero to fifty psi recorder was utilized for the test. Tracking at 67% this would equal about 33psi. Historical average line pressure for this line would have been approximately 20 psi.

Should you have questions or concerns, please do not hesitate to call me @ 970-378-6372.

Respectfully,

Paul D. Park
D.E.F.S.







CORDILLERAN

February 15, 2006

~~Mr. Daniel Dick~~
~~Environmental Specialist~~
~~Duke Energy Field Services~~
~~370 17th Street, Suite 900~~
~~Denver, Colorado 80202~~

Randall Ferguson
COGCC

5550 Marshall Street
Arvada, Colorado 80002
P 303.237.2072
F 303.237.2659



FEB 17 2006

Duke Energy
Environmental Health & Safety

**RE: Subsurface Assessment at a Property on Weld County Road 18 ½, Ft. Lupton, Colorado.
Cordilleran Project Number ED06070**

Dear Mr. Dick:

Duke Energy Field Services, LP (DEFS) operates a network of natural gas liquid gathering lines in Weld County, Colorado. On January 30, 2006, Mr. Paul Parks of DEFS was notified by a landowner that one of the test borings advanced on her property for an assessment she completed to evaluate the potential for a gravel mining operation had encountered hydrocarbon-impacted soil at a depth of 19 feet below ground surface (bgs). Several production companies, including DEFS, have assets on the landowners' property which is located along the north side of Weld County Road 18 ½ (north of Ft. Lupton) in Section 20, Township 2 North, Range 67 West of the 6th Principal Meridian. The location of the property is shown on Figure 1 General Site Location Map. The only DEFS asset on the parcel is an of an out-of-service three-inch diameter steel gathering line that crosses the central portion of the subject property from north to south.

In response to the landowners' report of hydrocarbon impacts to soil, DEFS retained Cordilleran Compliance Services, Inc. (Cordilleran) to evaluate and document the assessment activities completed at the site and collect soil samples to determine if the abandoned DEFS gathering line was the source of the hydrocarbons reported in the test boring at 19 feet bgs. A brief description of the assessment, soil sampling, and laboratory results for the soil samples is provided below.

Assessment Activities

On January 31, 2006, DEFS personnel, Elkhorn Construction (an excavation contractor), and Cordilleran visited the site to advance test pits along a buried gathering line that crossed the subject property near the boring that had reportedly encountered hydrocarbon-impacted soil.

Prior to the excavation activities, Elkhorn Construction had contacted One-Call to have all buried utilities in the vicinity of the excavation activities marked. The DEFS locators had marked the location/alignment of the DEFS gathering line with yellow flags. The markings indicated that the DEFS line had two 90 degree elbows in the line that were located within 75 feet of the test boring that had reportedly encountered hydrocarbon-impacted soil. After discussing the safety issues associated with the assessment project with their subcontractor, DEFS directed Elkhorn to

Cordilleran Compliance Services, Inc.

Grand Junction, CO • Arvada, CO • Laramie, WY • Casper, WY • Lander, WY • Sheridan, WY
Environmental Consulting Scientists and Engineers

uncover the two elbows to determine if they might be the source of the reported hydrocarbon impacts.

Elkhorn used a backhoe and hand labor to uncover the line at the first (east) elbow. The gathering line was encountered at a depth of approximately five feet bgs. No staining, hydrocarbon odors or other evidence of a release was noted in the vicinity of the elbow. Cordilleran collected a soil sample directly under the line at the elbow (TP-1@5ft). Photographs of the excavation (test pit 1) and line/elbow are included in Attachment 1.

After determining that the first elbow had not leaked, DEFS directed Elkhorn to also uncover the second 90 degree elbow, which was located approximately 50 feet west of test pit 1. Once again, the DEFS gathering line and elbow were found at a depth of approximately five feet bgs and once again no staining or odors were noted in the soil underlying the elbow or line. While excavating the second elbow, Elkhorn found an unmarked 3-inch diameter fiberglass line directly over the elbow in the DEFS line. A photograph of the elbow and fiberglass line is included in Attachment 1. DEFS does not own the 3-inch fiberglass line and none of the personnel involved with the assessment activities could confirm who owns it. Cordilleran collected a soil sample directly under the elbow (TP-2@5ft). The approximate location of the abandoned DEFS line and the sampling locations are shown on Figure 2.

The total depth of the two test pits was approximately 5.5 feet bgs which was just below the bottom of the abandoned line. The soil encountered in the test pits generally consisted of well drained sandy silt with gravel. Neither of the test pits encountered groundwater. The land owner reported that the test boring that encountered hydrocarbon-impacted soil also encountered groundwater at approximately 19 feet bgs. The groundwater underlying the site is expected to flow to the northwest towards the South Platte River.

Both soil samples were sealed in clean jars, labeled, packed in a cooler with ice, and shipped to Environmental Science Corporation (ESC) under chain of custody by overnight courier. The requested analyses included total petroleum hydrocarbons (TPH) gasoline range organics (GRO) and TPH diesel range organics (DRO) by EPA method 8015M, and benzene, toluene, ethylbenzene and xylenes (BTEX) by EPA method 8260. The laboratory results for the soil samples are summarized below.

In addition to finding the 3-inch diameter fiberglass line mentioned above, the end of a heavy gauge electrical wire was found sticking out of the ground approximately 50 feet south of the east-west jog in the DEFS gathering line that was formed by the two 90 degree elbows. The presence and size of the electrical wire would suggest that some sort of equipment (electrical engines or pumps) may have previously been located in the area.

Laboratory Results

The laboratory results for the soil samples collected directly under the elbows in the out-of-service DEFS gathering line indicated that TPH-GRO and all BTEX compounds were less than their respective detection limits in both soil samples. The laboratory reported TPH-DRO at a concentration of 18 milligrams per Kilogram in the sample from TP-1 @ 5ft and at below detection limits (BDL) in the sample from TP-2@5ft. The laboratory results are summarized in Table 1. A copy of the laboratory report is included in Attachment 2.

The assessment results, including the excavation and visual inspection of the DEFS gathering line, soil sampling activities, and laboratory results for the soil samples, suggest that the DEFS gathering line is not the source of the hydrocarbon-impacts reportedly encountered at a depth of 19 feet bgs in the soil boring advanced by the land owner. As mentioned above, during the assessment a 3-inch diameter fiberglass line and a heavy gauge electrical wire, neither of which were owned by DEFS, were found in the vicinity of the boring that encountered hydrocarbon impacted soil. The presence of these items at the site suggests that other production equipment (not owned by DEFS) was formerly located in the area. If you have any questions, please call us at (303) 237-2072.

Sincerely,

Cordilleran Compliance Services



David C. Cloutier
Senior Project Manager

cc Paul Park DEFS
Randall Ferguson COGCC

Attachments

Table 1
Duke Energy Field Services
Laboratory Results for Soil Samples Collected
Under the Gathering Line at Weld County Road 18 ½ near Ft. Lupton, Colorado

Sample ID	TPH-GRO (mg/Kg)	TPH-DRO (mg/Kg)	Benzene (mg/Kg)	Toluene (mg/Kg)	Ethylbenzene (mg/Kg)	Xylenes (mg/Kg)
TP-1-5ft	BDL	18	BDL	BDL	BDL	BDL
TP-2-5ft	BDL	BDL	BDL	BDL	BDL	BDL

Notes:

TPH-GRO = total petroleum hydrocarbons – gasoline range organics by EPA modified Method 8015M

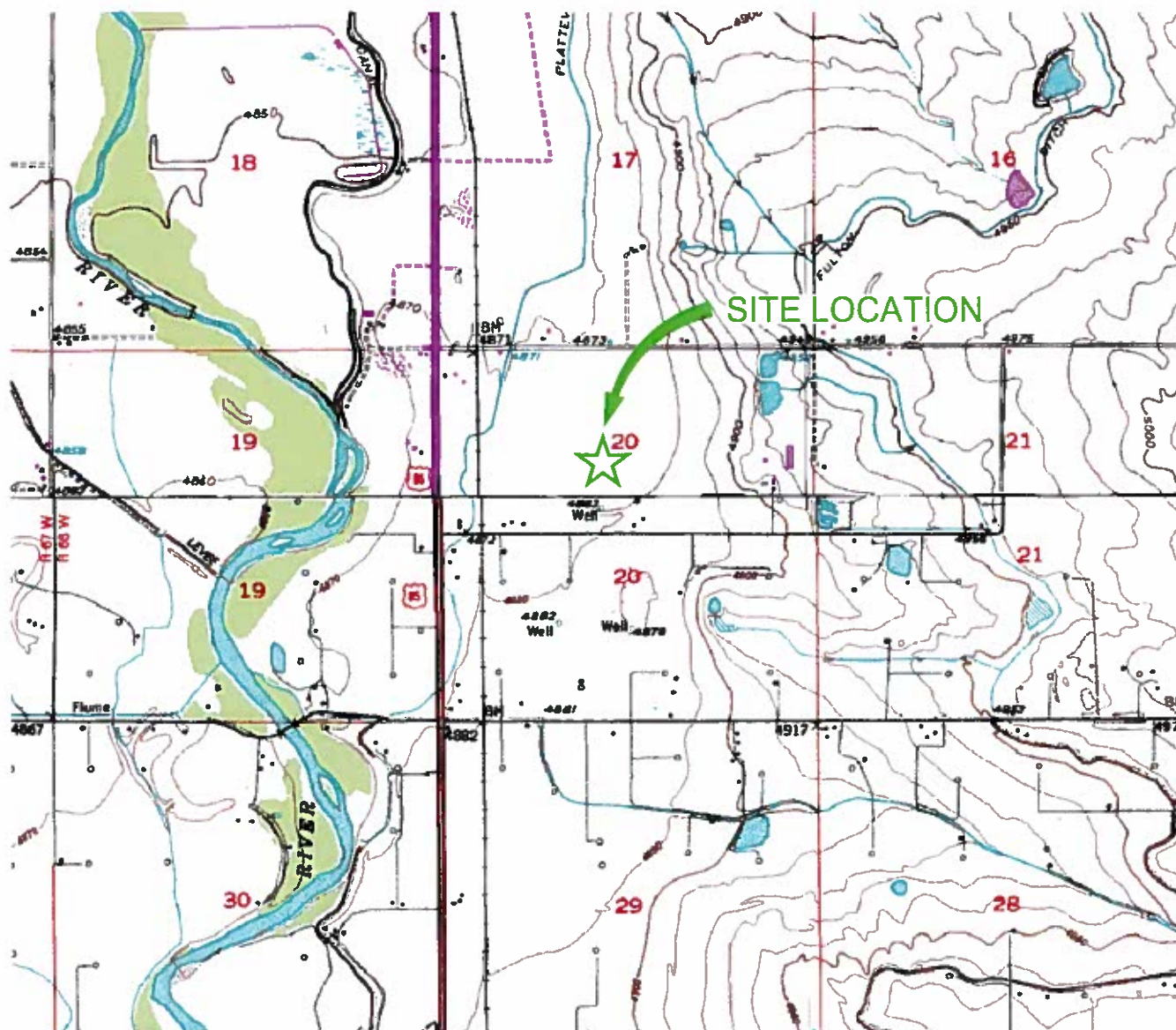
TPH-DRO = total petroleum hydrocarbons – diesel range organics by EPA modified Method 8015M

Benzene, toluene, ethylbenzene, xylenes analysis by EPA Method 8260

mg/Kg = milligrams per Kilogram

BDL = Below Detection Limits

M:\clients\CORDILLERAN\DUKE ENERGY\FT-Lupton-DEFS-WCR18.5\FG-1 GENERAL SITE LOCATION.dwg



SOURCE: USGS FORT LUPTON AND PLATEVILLE 7.5 MINUTE QUADRANGLES



QUADRANGLE LOCATION

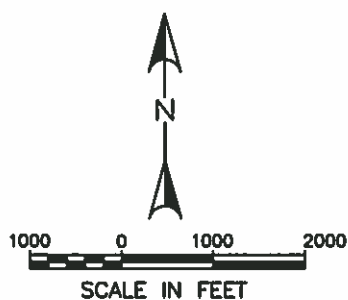
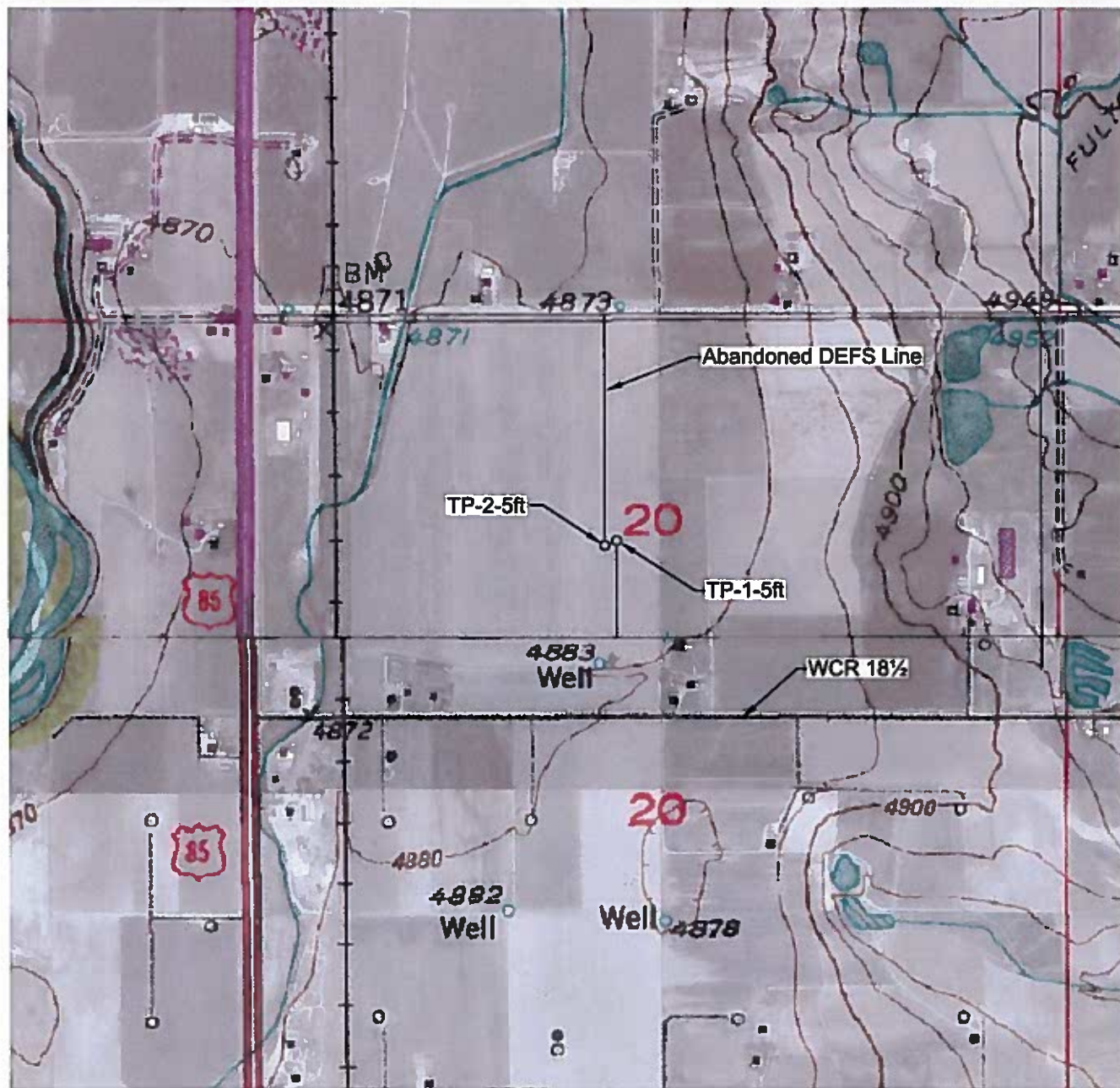


FIGURE 1
GENERAL SITE LOCATION MAP
DEFS WCR 18½
DUKE ENERGY
FT. LUPTON, COLORADO

REVISION DATE:	2/15/06
REVISION NUMBER:	001
DRAWN BY:	JOW
APPROVED BY:	DC
PROJECT #	ED06070
SCALE:	AS SHOWN



M:\clients\CORDILLERAN\DUKE ENERGY\FT-Lupton-DEFS-WCR18.5\FG-2-Sample-Location-Map.dwg



SOURCE: USGS FORT LUPTON AND PLATEVILLE 7.5 MINUTE QUADRANGLES



QUADRANGLE LOCATION

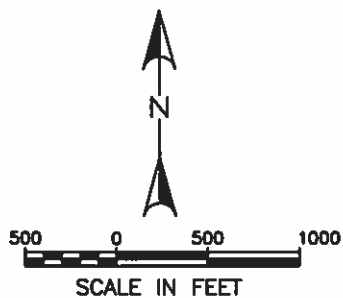


FIGURE 2
SAMPLE LOCATION MAP
DEFS WCR 18 1/2
DUKE ENERGY
FT. LUPTON, COLORADO

REVISION DATE:	2/15/06
REVISION NUMBER:	00
DRAWN BY:	JOW
APPROVED BY:	DC
PROJECT #	ED06070
SCALE:	AS SHOWN



Attachment 1

Site Photographs



Photo 1 – Looking northwest at test pit 1 (right), test pit 2 (left), and the test boring (right background by orange stake) that encountered hydrocarbon-impacted soil at 19 feet bgs.



Photo 2 – Looking into test pit 1 at 90 degree elbow where DEFS line changes from 3-inch to 4-inch. No staining or odors observed under line or connections.



Photo 3 – Looking into test pit 1 at intact DEFS line. No staining or odors were noted.



Photo 4 – Looking into test pit 1 at 3-inch DEFS line (bottom) under 2-inch flow line (top).



Photo 5 – Looking into test pit 2 at the 90 degree elbow on the DEFS line under a 3-inch fiberglass line that is not owned by DEFS. No staining or odor was noted under the DEFS line.



Photo 6 – Looking northwest at backhoe filling test pit 2 with excavated soil after completing assessment.

Attachment 2
Laboratory Report



ENVIRONMENTAL SCIENCE CORP.

12065 Lebanon Rd.
Mt. Juliet, TN 37122
(615) 758-5858
1-800-767-5859
Fax (615) 758-5859

Tax I.D. 62-0814289

Est. 1970

REPORT OF ANALYSIS

Mr. David Cloutier
Duke Energy Cordillera Compliance
5550 Marshall St.
Arvada, CO 80002

February 08, 2006

Date Received : February 01, 2006
Description : DEFS - WCR 18.5
Sample ID : TP-1 5 FT
Collected By :
Collection Date : 01/31/06 10:15

ESC Sample # : L231859-01

Site ID : FORT LUPTON

Project # :

Parameter	Result	Det. Limit	Units	Method	Date	Dil.
TPH (GC/FID) Low Fraction	BDL	0.50	mg/kg	GRO	02/02/06	5
Surrogate Recovery (70-130) a,a,a-Trifluorotoluene	97.		% Rec.	GRO	02/02/06	5
Benzene	BDL	0.0050	mg/kg	8260B	02/04/06	5
Toluene	BDL	0.025	mg/kg	8260B	02/04/06	5
Ethylbenzene	BDL	0.0050	mg/kg	8260B	02/04/06	5
Total Xylenes	BDL	0.015	mg/kg	8260B	02/04/06	5
Surrogate Recovery						
Toluene-d8	91.		% Rec.	8260B	02/04/06	5
Dibromofluoromethane	90.		% Rec.	8260B	02/04/06	5
4-Bromofluorobenzene	110		% Rec.	8260B	02/04/06	5
TPH (GC/FID) High Fraction	18.	4.0	mg/kg	3546/DRO	02/06/06	1
Surrogate Recovery (50-150) o-Terphenyl	89.		% Rec.	3546/DRO	02/06/06	1

Cb

Cheli Boucher, ESC Representative

BDL - Below Detection Limit

Det. Limit - Practical Quantitation Limit (PQL)

Laboratory Certification Numbers:

AIHA - 100789, AL - 40660, CA - I-2327, CT- PH-0197, FL - E87487, GA - 923, IN - C-TN-01
KY - 90010, KYUST - 0016, NC - ENV375, DW21704, ND - R-140, SC - 84004, TN - 2006, VA - 00109, WV - 233
AZ - 0612, MN - 047-999-395, NY - 11742, NJ - B1002, WI - 998093910

Note:

The reported analytical results relate only to the sample submitted.

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Reported: 02/07/06 13:40 Revised: 02/08/06 10:34



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1-800-767-5859
Fax (615) 758-5859

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REPORT OF ANALYSIS

Mr. David Cloutier
Duke Energy Cordilleran Compliance
5550 Marshall St.
Arvada, CO 80002

February 08, 2006

Date Received : February 01, 2006
Description : DEFS-WCR 18.5
Sample ID : TP-2 5 FT
Collected By :
Collection Date : 01/31/06 10:20

ESC Sample # : L231859-02

Site ID : FORT LUPTON

Project # :

Parameter	Result	Det. Limit	Units	Method	Date	Dil.
TPH (GC/FID) Low Fraction	BDL	0.50	mg/kg	GRO	02/02/06	5
Surrogate Recovery (70-130)						
a,a,a-Trifluorotoluene	97.		% Rec.	GRO	02/02/06	5
Benzene	BDL	0.0050	mg/kg	8260B	02/04/06	5
Toluene	BDL	0.025	mg/kg	8260B	02/04/06	5
Ethylbenzene	BDL	0.0050	mg/kg	8260B	02/04/06	5
Total Xylenes	BDL	0.015	mg/kg	8260B	02/04/06	5
Surrogate Recovery						
Toluene-d8	90.		% Rec.	8260B	02/04/06	5
Dibromofluoromethane	94.		% Rec.	8260B	02/04/06	5
4-Bromofluorobenzene	100		% Rec.	8260B	02/04/06	5
TPH (GC/FID) High Fraction	BDL	4.0	mg/kg	3546/DRO	02/06/06	1
Surrogate Recovery (50-150)						
o-Terphenyl	81.		% Rec.	3546/DRO	02/06/06	1

Cb

Cheli Boucher, ESC Representative

BDL - Below Detection Limit

Det. Limit - Practical Quantitation Limit (PQL)

Laboratory Certification Numbers:

AIHA - 100789, AL - 40660, CA - I-2327, CT- PH-0197, FL - E87487, GA - 923, IN - C-TN-01
KY - 90010, KYUST - 0016, NC - ENV375, DW21704, ND - R-140, SC - 84004, TN - 2006, VA - 00109, WV - 233
AZ - 0612, MN - 047-999-395, NY - 11742, NJ - 81002, WI - 998093910

Note:

The reported analytical results relate only to the sample submitted.

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Reported: 02/07/06 13:40 Revised: 02/08/06 10:34



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Duke Energy Cordilleran Compliance
Mr. David Cloutier
5550 Marshall St.

Quality Assurance Report Level II

Arvada, CO 80002

L231859

February 08, 2006

Analyte	Result	Laboratory Blank		Date Analyzed	Batch
		Units			
TPH (GC/FID) Low Fraction	< .1	mg/kg		02/02/06 11:15	WG237072
Benzene	< .001	mg/kg		02/04/06 16:29	WG237418
Ethylbenzene	< .001	mg/kg		02/04/06 16:29	WG237418
Toluene	< .005	mg/kg		02/04/06 16:29	WG237418
Total Xylenes	< .003	mg/kg		02/04/06 16:29	WG237418
TPH (GC/FID) High Fraction	< 4	ppm		02/06/06 01:11	WG237431

Analyte	Units	Laboratory Control Sample		% Rec	Limit	Batch
		Known Val	Result			
TPH (GC/FID) Low Fraction	mg/kg	2.2	2.18	99.0	67-135	WG237072
Benzene	mg/kg	.02	0.0191	96.0	65-123	WG237418
Ethylbenzene	mg/kg	.02	0.0186	93.0	69-124	WG237418
Toluene	mg/kg	.02	0.0197	98.0	69-120	WG237418
Total Xylenes	mg/kg	.06	0.0572	95.0	69-126	WG237418
TPH (GC/FID) High Fraction	ppm	60	42.2	70.0	50-150	WG237431

Analyte	Units	Laboratory Control Sample Duplicate				Limit	% Rec	Batch
		LCSD Res	Ref Res	RPD				
TPH (GC/FID) Low Fraction	mg/kg	2.14	2.18	2.03	20	97		WG237072
Benzene	mg/kg	0.0195	0.0191	2.22	13	98		WG237418
Ethylbenzene	mg/kg	0.0188	0.0186	0.986	15	94		WG237418
Toluene	mg/kg	0.0200	0.0197	1.81	13	100		WG237418
Total Xylenes	mg/kg	0.0578	0.0572	1.00	14	96		WG237418
TPH (GC/FID) High Fraction	ppm	44.4	42.2	5.23	20	74		WG237431

Analyte	Units	Matrix Spike			% Rec	Limit	Ref Samp	Batch
		MS Res	Ref Res	TV				
TPH (GC/FID) Low Fraction	mg/kg	7.70	0.00	2.2	70.0	55-109	L231900-15	WG237072
TPH (GC/FID) High Fraction	ppm	15000	15000	60	0.0	50-150	L231816-04	WG237431

Analyte	Units	Matrix Spike Duplicate			Limit	% Rec	Ref Samp	Batch
		MSD Res	Ref Res	RPD				
TPH (GC/FID) Low Fraction	mg/kg	7.43	7.70	3.60	20	68.0	L231900-15	WG23707
TPH (GC/FID) High Fraction	ppm	13300	15000	11.7	20	0.00	L231816-04	WG23743

Batch number / Run number / Sample number cross reference

WG237072: R263942: L231859-01 02
WG237431: R264093: L231859-01 02
WG237418: R264122: L231859-01 02

* * Calculations are performed prior to rounding of reported values .



ENVIRONMENTAL
SCIENCE CORP.

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Est. 1970

Duke Energy Cordillera Compliance
Mr. David Cloutier
5550 Marshall St.

Quality Assurance Report
Level II

Arvada, CO 80002

L231859

February 08, 2006

The data package includes a summary of the analytic results of the quality control samples required by the SW-846 or CWA methods. The quality control samples include a method blank, a laboratory control sample, and the matrix spike/matrix spike duplicate analysis. If a target parameter is outside the method limits, every sample that is effected is flagged with the appropriate qualifier in Appendix B of the analytic report.

Method Blank - an aliquot of reagent water carried through the entire analytic process. The method blank results indicate if any possible contamination exposure during the sample handling, digestion or extraction process, and analysis. Concentrations of target analytes above the reporting limit in the method blank are qualified with the "B" qualifier.

Laboratory Control Sample - is a sample of known concentration that is carried through the digestion/extraction and analysis process. The percent recovery, expressed as a percentage of the theoretical concentration, has statistical control limits indicating that the analytic process is "in control". If a target analyte is outside the control limits for the laboratory control sample or any other control sample, the parameter is flagged with a "J4" qualifier for all effected samples.

Matrix Spike and Matrix Spike Duplicate - is two aliquots of an environmental sample that is spiked with known concentrations of target analytes. The percent recovery of the target analytes also has statistical control limits. If any recoveries that are outside the method control limits, the sample that was selected for matrix spike/matrix spike duplicate analysis is flagged with either a "J5" or a "J6". The relative percent difference (%RPD) between the matrix spike and the matrix spike duplicate recoveries is all calculated. If the RPD is above the method limit, the effected samples are flagged with a "J3" qualifier.

Cordilleran Compliance Services, Inc.

5550 Marshall St.
Arvada, CO 80002

Report to: David Chetier

Email: davechetier@cordcomp.com

Project Description: IEFS-WCR 18.5

Phone: (303) 237-2072

FAX: (303) 237-2659

Collected by (print): Site/Facility ID#:

Collected by (signature): Rush? (Lab MUST Be Notified)

Packed on Ice: N Y

Sample ID

Comp/Grab

Matrix

Depth

Date

Time

No. of Cntrs

Date Results Needed

Same Day

Next Day

Two Day

Email? No Yes

FAX? No Yes

Remarks/Contaminant

Sample # (lab only)

TP-1 G 5'

G

5'

12/10/06

10:15

1 X

X

X

X

X

X

X

Analysis/Container/Preservative

Prepared by:



SCIENCE CORP.

12065 Lebanon Road

Mt. Juliet, TN 37122

Phone (800) 767-5859

FAX (615) 758-5859

CoCode: CORCOMC (lab use only)

Template/Protocol: 7/2006/2488412

Cooler#: 91412

Shipped Via: DedEx Ground

Remarks/Contaminant

Sample # (lab only)

4231859-01

OK

Matrix: SS - Soil GW - Groundwater WW - Wastewater DW - Drinking Water OT - Other

pH _____ Temp _____
Flow _____ Other _____

8015 M G R O + D R O
BTEX by ~~88260~~ 88260

8560 3548 7859

Relinquished by: (Signature) [Signature] Date: 1/24/06 Time: _____

Received by: (Signature) _____

Samples returned via: ☒ FedEx ☐ Courier ☐ UPS

Temp: 3-8°C Bottles Received: 2-402

Date: 2-1-06 Time: 09:00

Condition: _____

(lab use only)

OK

Relinquished by: (Signature) _____

Date: _____

Time: _____

Received by: (Signature) _____

Samples returned via: ☐ FedEx ☐ Courier ☐ UPS

Temp: _____ Bottles Received: _____

Date: _____ Time: _____

Condition: _____

NCP: