

FORM  
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## 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:

10/26/2016

Submitted Date:

10/31/2016

Document Number:

674602918

### FIELD INSPECTION FORM

Loc ID 321398	Inspector Name: Maclaren, Joe	On-Site Inspection <input type="checkbox"/>	2A Doc Num: _____	<b>Status Summary:</b> <input type="checkbox"/> THIS IS A FOLLOW UP INSPECTION <input type="checkbox"/> FOLLOW UP INSPECTION REQUIRED <input type="checkbox"/> NO FOLLOW UP INSPECTION REQUIRED
<b>Operator Information:</b> OGCC Operator Number: <u>10575</u> Name of Operator: <u>8 NORTH LLC</u> Address: <u>370 17TH STREET SUITE 5300</u> City: <u>DENVER</u> State: <u>CO</u> Zip: <u>80202</u>				<b>Findings:</b> <u>5</u> Number of Comments <u>0</u> Number of Corrective Actions <input type="checkbox"/> Corrective Action Response Requested

<b>Contact Information:</b>			
Contact Name	Phone	Email	Comment
Carlisle, Josh		jcarlisle@extractionog.com	
Axelson, John		john.axelson@state.co.us	
Canfield, Chris		chris.canfield@state.co.us	
,		COGCCInspections@extracti onog.com	
Hazard, Ellice		ellice.hazard@state.co.us	
Schlagenhauf, Mark		mark.schlagenhauf@state.co. us	

<b>Inspected Facilities:</b>							
Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status
206857	WELL	PR	06/08/1993	GW	013-06352	BECKY MB 36-11	EG

**General Comment:**  
 COGCC Integrity Inspection performed on October 26th, 2016 in response to initial form 19 spill report Doc #401132528 filed on 10/26/2016 that outlines: During flowline pressure testing a leak was discovered. Excavation activities commenced and hydrocarbon impacted soil was encountered. Groundwater was encountered at approximately 5 feet below ground surface. The details of observations made during this field inspection are available in the flowline section of this report. Photo's have been uploaded and can be accessed via link(s) at the end of this report.

Inspected Facilities			
Facility ID: <u>206857</u>	Type: <u>WELL</u>	API Number: <u>013-06352</u>	Status: <u>PR</u> Insp. Status: <u>EG</u>
Flowline			
#1	Type: Well Site	1 of Lines	
<b>Flowline Description</b>			
Flowline Type: <u>Well Site</u>	Size: <u>2"</u>	Material: <u>Carbon Steel</u>	
Variance: <u>No</u>	Age: <u>20+ Yrs</u>	Contents: <u>Crude Oil</u>	
<b>Integrity Summary</b>			
Failures: <u>External Corrosion</u>	Spills: <u>Yes</u>	Repairs Made: <u>Yes</u>	
Coatings: <u>No</u>	H2S: <u>No</u>	Cathodic Protection: <u>No</u>	
<b>Pressure Testing</b>			
Witnessed: <u>No</u>	Test Result: <u>Fail</u>	Charted: <u>Yes</u>	
<b>COGCC Rules (check all that apply)</b>			
<input type="checkbox"/> 1101. Installation and Reclamation <input type="checkbox"/> 1102. Operations, Maintenance, and Repair <input type="checkbox"/> 1103. Abandonment			
<b>Comment:</b> <span style="color: blue;">An external corrosion pit/ hole was observed on the non-coated wellsite flowline near the inlet to the horizontal separator. Approximately 80 linear feet of flowline in the area of the separator/ production tanks has been removed and is in the process of being replaced (using new 2" Sch 80 FBE CS Pipe). The remaining buried flowline runs approximately 845 feet from the crude oil tank north/ uphill to the wellhead. This remaining section of flowline was pressure tested; this test failed indicating additional corrosion hole(s) also exist in this section of flowline; The failure point(s) are in the process of being located. Flowline lacking integrity is scheduled to be replaced - it is unclear at this time if the entire length of flowline will be replaced. See additional comments below.</span>			
<b>Corrective Action:</b>			<b>Date:</b>

COGCC Comments		
Comment	User	Date
Document and retain records of root cause(s) of failure evaluation and preventative measures taken to prevent the problem from reoccurring (on supplemental form 19), description of all flowline repairs/ replacement(s) completed and perform flowline pressure testing (retain chart/ data) prior to returning flowline to service (Pressure testing to be witnessed).	maclarej	10/31/2016
Contact the COGCC Integrity Inspector regarding the scheduling of pressure testing once the flowline repairs have been completed.	maclarej	10/28/2016
Ensure any remaining portion of the flowline not replaced has adequate integrity; Remove buried hammer unions as discovered; Determine the lateral extent of both internal/ external corrosion along this flowline. Pressure test all flowline segments not being replaced; Remove and replace existing/ damaged flowline as deemed necessary to prevent future spills.	maclarej	10/28/2016

**Attached Documents**

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

Document Num	Description	URL
674602918	INSPECTION APPROVED	<a href="http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3994367">http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3994367</a>
674602923	External corrosion hole on flowline	<a href="http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3988591">http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3988591</a>
674602925	Existing flowline in trench	<a href="http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3988592">http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3988592</a>
674602926	Project site/ Replacement flowline being constructed	<a href="http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3988593">http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3988593</a>