

**FORM  
INSP**Rev  
X/15**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:

01/04/2017

Submitted Date:

01/09/2017

Document Number:

674603079**FIELD INSPECTION FORM**
 Loc ID 318679 Inspector Name: Maclaren, Joe On-Site Inspection ☐ 2A Doc Num:           
**Operator Information:**OGCC Operator Number: 68710Name of Operator: PETERSON ENERGY OPERATING INCAddress: 2154 W EISENHOWER BLVDCity: LOVELAND State: CO Zip: 80537**Status Summary:**

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

**Findings:**6 Number of Comments0 Number of Corrective Actions☐ Corrective Action Response Requested**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 |
|-------------|------|--------|-------------|------------|-----------|---------------|-------------|
| 241889      | WELL | PR     | 02/01/2011  | OW         | 123-09680 | MFM FARMS 1   | EG          |

**General Comment:**

COGCC Integrity Inspection (flowline) performed on January 4th, 2017 in response to draft form 19 spill report Doc #401157409 that outlines: During an annual flowline test, the line failed to hold pressure. Well immediately SI. Began potholing to find leak in line, and found very small leak near separator, fixed fiberglass. Tested line and noticed the entire line was seeping through weave in fiberglass, entire line was excavated and one leak was found and estimated between 0 and 1 bbls. Contaminated soil was removed and hauled off to disposal. Walls and floor of the contamination site were sampled and sent to lab. Old flowline was flushed and abandoned and a new flowline was installed and tested. Location returned to previous condition and well returned to production. 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: 241889 Type: WELL API Number: 123-09680 Status: PR Insp. Status: EG

**Flowline**

|    |                 |            |
|----|-----------------|------------|
| #1 | Type: Well Site | 1 of Lines |
|----|-----------------|------------|

Flowline Description

Flowline Type: Well Site Size: 3" Material:  
 Variance: Age: 20+ Yrs Contents: Multiphase

Integrity Summary

Failures: Other Spills: Repairs Made: Yes  
 Coatings: H2S: Cathodic Protection:

Pressure Testing

Witnessed: Test Result: Charted:

COGCC Rules (check all that apply)

☐ 1101. Installation and Reclamation ☐ 1102. Operations, Maintenance, and Repair ☐ 1103. Abandonment

Comment: New well site flowline installed between wellhead and separator. The flowline runs approximately 650' East then turns North and runs 1300' to the inlet of the horizontal separator. Tracer wire was observed at both end points of the line. The well was shut in at both the wellhead and separator at the time of this field inspection. There were no flowline integrity issues observed during this field inspection. Note: Document and retain records of root cause of failure evaluation, measures taken to prevent the problem from reoccurring and description of all flowline repair(s)/ replacement(s) completed and perform flowline pressure testing (confirm integrity of repairs, replacements and reconnections completed/ retain testing chart(s) & data) prior to returning flowlines to service. Call COGCC Engineering Integrity Inspector/ Joe MacLaren @ (970)-382-1680 (Cell) with any questions.

Corrective Action:

Date:

**COGCC Comments**

| Comment   | User     | Date       |
|---|----------|------------|
| 1101e. Pressure testing of flowlines.<br>(1) Before operating a segment of flowline it shall be tested to maximum anticipated operating pressure. In conducting tests, each operator shall ensure that reasonable precautions are taken to protect its employees and the general public. The testing may be conducted using well head pressure sources and well bore fluids, including natural gas. Such pressure tests shall be repeated once each calendar year to maximum anticipated operating pressure, and operators shall maintain records of such testing for Commission inspection for at least three (3) years. (2) Flowline segments operating at less than fifteen (15) psig are excepted from pressure testing requirements. | maclarej | 01/09/2017 |
| 1103. ABANDONMENT<br>Each pipeline abandoned in place shall be disconnected from all sources and supplies of natural gas and petroleum, purged of liquid hydrocarbons, depleted to atmospheric pressure, and cut off three (3) feet below ground surface, or the depth of the pipeline, whichever is less and sealed at the ends. This requirement shall also apply to compressor or gas plant feeder pipelines upon decommissioning or closure of a portion or all of a compressor station or gas plant. Notice of such abandonment shall be filed with the Commission and with the local governmental designee or local government jurisdiction.  | maclarej | 01/09/2017 |
| Note: Future contact will be made with operator by COGCC Engineering Integrity staff to discuss COGCC series 1100 (flowline) rules; with an emphasis on 1101e. annual flowline pressure testing requirements and 1103 abandonment .   | maclarej | 01/09/2017 |

The actions required outlined on the previous field inspection doc #684902805 performed on 12/21/2016 must be completed as outlined. (Unused Equipment/ culvert and signage at produced water vault).

maclarej

01/09/2017

**Attached Documents**

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

| Document Num | Description                                  | URL   |
|--------------|--|---|
| 401180174    | INSPECTION SUBMITTED                         | <a href="http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=4046770">http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=4046770</a> |
| 401180229    | INSPECTION SUBMITTED                         | <a href="http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=4046771">http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=4046771</a> |
| 674603089    | Wellhead, sign/ new flowline and tracer wire | <a href="http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=4046720">http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=4046720</a> |
| 674603090    | Flowline shut in/ Locked out at wellhead     | <a href="http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=4046721">http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=4046721</a> |
| 674603091    | Flowline tie in to separator/ shut in        | <a href="http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=4046722">http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=4046722</a> |