

State of Colorado
Oil and Gas Conservation Commission

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



Document Number:
402300706

Date Received:
01/31/2020

FIR RESOLUTION FORM

Overall Status: FRQ

CA Summary:

2 of 2 CAs from the FIR responded to on this Form

0 CA Completed
2 Factual Review Request

OPERATOR INFORMATION

OGCC Operator Number: 46290

Name of Operator: KP KAUFFMAN COMPANY INC

Address: 1675 BROADWAY, STE 2800

City: DENVER State: CO Zip: 80202

Contact Name and Telephone:

Name: _____

Phone: () _____ Fax: () _____

Email: _____

Additional Operator Contact:

Contact Name

Phone

Email

cogcc@kpk.com

Max Knop

303-825-4822

MKnop@kpk.com

COGCC INSPECTION SUMMARY:

FIR Document Number: 697600779

Inspection Date: 01/28/2020

FIR Submit Date: 01/30/2020

FIR Status: _____

Inspected Operator Information:

Company Name: KP KAUFFMAN COMPANY INC

Company Number: 46290

Address: 1675 BROADWAY, STE 2800

City: DENVER State: CO Zip: 80202

LOCATION - Location ID: 318498

Location Name: SAM FUNAKOSHI UNIT B-62N67W Number: 36NWNE County: _____

Qtrqtr: NWNE Sec: 36 Twp: 2N Range: 67W Meridian: 6

Latitude: 40.098360 Longitude: -104.835610

FACILITY - API Number: 05-123--00 Facility ID: 445089

Facility Name: SAM FUNAKOSHI UNIT B 1 TANK BATTERY Number: _____

Qtrqtr: NWNE Sec: 36 Twp: 2N Range: 67W Meridian: 6

Latitude: 40.098360 Longitude: -104.835610

CORRECTIVE ACTIONS:

1 ☒ CA# 136224

Corrective Action:

Date: 03/02/2020

Remove partly buried produced water vessel as described in rules 905 and ensure that soils and ground water at or around the vault meet the concentration levels of Table 910-1 as specified in rule 905.b(1). Submit a supplemental form 27 with respect to ongoing site investigation and remediation project with details of proposed removal and site investigation prior to initiating removal of partly buried vessel (REM 9976). Removal of produced water vessel must be removed as required by rule 603.f for unused equipment with corrective action date of 30 days as heavy equipment will be required for removal.
Provide a minimum of 48 hour notice of start of site investigation at site to area COGCC EPS Peter Gintautas by phone or email.

Response: FACTUAL REVIEW REQUEST

Basis for Review: Equipment is not owned or controlled by the operator

Operator Comment: KPK submitted a response letter, dated January 16, 2017, refusing ownership of the PBV located at the Sam Funakoshi B Tank Battery and should not be considered in the NFA request of REM 9976. The response letter provided the following information regarding the ownership of the PBV:
1) PBV contains connections to automation equipment, which KPK does not nor has it ever historically utilized at its facilities.
2) KPK's pumpers familiar with the Funakoshi location have indicated that the vessel was never operated by KPK, and that the wells producing into the Funakoshi B facility produced into the two above-ground tanks that KPK removed from the location in 2016.
Despite geochemical data indicating impacts remaining at the location are from Sussex Formation oil, the response letter provided details as to why this should not be used to indicate who is responsible for the remediation:
1) KPK and Anadarko acquired leasehold interests and associated production equipment for the Sussex Formation from Amoco Production Company. When Anadarko acquired deeper formation rights from Amoco, Anadarko also acquired the associated production facilities, and Amoco historically produced Sussex oil into such facilities acquired by Anadarko. Simply the fact that Sussex oil was found in the contaminated soil cannot result in an immediate presumption that KPK is responsible for the associated remediation. At the subject Funakoshi location, KPK never operated any equipment near Anadarko's partially buried vessel that would cause any contamination as KPK's tanks at the Funakoshi location were located on stilts.
KPK will be submitting a formal letter the week of February 3rd, 2020, to detail additional arguments regarding the ownership of both the contamination and PBV. KPK will also be pursuing conversation with Oxy/Anadarko to assist in resolving the issues.

COGCC Decision: **Not Approved**

COGCC Representative: operator may request a responsible party hearing per rule 524. DETERMINATION OF RESPONSIBLE PARTY

2  CA# 136225

Corrective Action: Perform a preliminary site investigation in area surrounding produced water vault. Determine depth to water and sample and analyze groundwater for benzene, toluene, ethylbenzene, o-xylene, m-&p-xylene (total xylenes) and naphthalene if groundwater is present. If any volume of impacted soil is discovered or removed during the removal of the produced water vessel, the extent of impacted soils must be defined and samples must be collected in accordance with Rule 910.b.(3). At a minimum, the number of soil samples sufficient to determine extent of impacts and shall be retained for laboratory analysis to define the horizontal and vertical extent of impacts to soil. Soil samples shall be analyzed for BTEX, naphthalene, TPH-(C6-C36), SAR, pH, and EC.
Operator shall provide boring logs in accordance with standard environmental practices. This includes at a minimum; lithology descriptions, USCS classifications, PID readings, sample collection depths, depth to water, and well construction.
If field screening is to be used in conjunction with laboratory reports to define the horizontal and vertical impacts, operator shall provide field screening readings when submitting the Form 27 Supplemental Site Investigation.

Provide a minimum of 48 hour notice of start of site investigation at site to area COGCC EPS Peter Gintautas by phone or email.

Date: 02/27/2020

Response: FACTUAL REVIEW REQUEST

Basis for Review: Equipment is not owned or controlled by the operator

KPK submitted a response letter, dated January 16, 2017, refusing ownership of the PBV located at the Sam Funakoshi B Tank Battery and should not be considered in the NFA request of REM 9976. The response letter

Operator Comment: provided the following information regarding the ownership of the PBV:
1) PBV contains connections to automation equipment, which KPK does not nor has it ever historically utilized at its facilities.
2) KPK's pumpers familiar with the Funakoshi location have indicated that the vessel was never operated by KPK, and that the wells producing into the Funakoshi B facility produced into the two above-ground tanks that KPK removed from the location in 2016.
Despite geochemical data indicating impacts remaining at the location are from Sussex Formation oil, the response letter provided details as to why this should not be used to indicate who is responsible for the remediation:
1) KPK and Anadarko acquired leasehold interests and associated production equipment for the Sussex Formation from Amoco Production Company. When Anadarko acquired deeper formation rights from Amoco, Anadarko also acquired the associated production facilities, and Amoco historically produced Sussex oil into such facilities acquired by Anadarko. Simply the fact that Sussex oil was found in the contaminated soil cannot result in an immediate presumption that KPK is responsible for the associated remediation. At the subject Funakoshi location, KPK never operated any equipment near Anadarko's partially buried vessel that would cause any contamination as KPK's tanks at the Funakoshi location were located on stilts.
KPK will be submitting a formal letter the week of February 3rd, 2020, to detail additional arguments regarding the ownership of both the contamination and PBV. KPK will also be pursuing conversation with Oxy/Anadarko to assist in resolving the issues.

COGCC Decision: **Not Approved**

COGCC Representative: operator may request a responsible party hearing per rule 524. DETERMINATION OF RESPONSIBLE PARTY

OPERATOR COMMENT AND SUBMITTAL

Comment:

I hereby certify that the statements made in this form are, to the best of my knowledge, true, correct, and complete.

Print Name: Max Knop

Signed:

Title: Gen Mangr of Air Quality

Date: 1/31/2020 2:31:22 PM

ATTACHMENT LIST

View Attachments in Imaged Documents on COGCC website (<http://ogccweblink.state.co.us/>) - Search by Document Number.

<u>Document Number</u>	<u>Description</u>
402300706	FIR RESOLUTION SUBMITTED
402300733	Dispute of Ownership Letter

Total Attach: 2 Files