

**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:

08/05/2020

Submitted Date:

08/10/2020

Document Number:

690102005

**FIELD INSPECTION FORM**
 Loc ID \_\_\_\_\_ Inspector Name: \_\_\_\_\_ On-Site Inspection ☐  
 \_\_\_\_\_ Maclaren, Joe \_\_\_\_\_ 2A Doc Num: \_\_\_\_\_
**Operator Information:**

OGCC Operator Number: 46290

Name of Operator: KP KAUFFMAN COMPANY INC

Address: 1675 BROADWAY, STE 2800

City: DENVER State: CO Zip: 80202

**Status Summary:**

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

**Findings:**

9 Number of Comments

4 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
Ferrin, Jeremy		jeremy.ferrin@state.co.us	
Schlagenhauf, Mark		mark.schlagenhauf@state.co.us	
Knop, Max		mknop@kpk.com	
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Wolfe, Stephen		stephen.wolfe@state.co.us	
Allison, Rick		rick.allison@state.co.us	
Axelson, John		john.axelson@state.co.us	

**Inspected Facilities:**

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status
476987	SPILL OR RELEASE	AC	07/02/2020		-	NESSSU CONSOLIDATION	EG

**General Comment:**

Followup COGCC (EG) Field Inspection; The Corrective Actions outlined on COGCC FIR Doc #690101949 submitted on 06/30/2020 have not been completed by the operator. No communication with COGCC EG staff has been initiated by operator. Photo Log Uploaded.

## Inspected Facilities

Facility ID: 476987 Type: SPILL OR API Number: - Status: AC Insp. Status: EG

## Flowline

#1	Type:Non-Well Site	of Lines	
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## Flowline Description

Flowline Type: Non-Well Site Size: 3" Material: Fiberglass  
 Variance: No Age: Contents: Crude Oil

## Integrity Summary

Failures: Other Spills: Yes Repairs Made: Yes  
 Coatings: No H2S: No Cathodic Protection: No

## Pressure Testing

Witnessed: No Test Result: Charted:

## COGCC Rules(check all that apply)

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

Comment: Follow up field inspection; the Nesssu Consolidation OLF has been returned to service and area wells were observed pumping. COGCC Inspector has not been contacted and did not witness post repair pressure testing prior to returning the flowline to service.

Corrective Action: CORRECTIVE ACTION NOT COMPLETED BY OPERATOR

Date: 07/31/2020

Email information outlined below to COGCC Inspector and update CA section of supplemental form 19 spill report to include the following (pertaining to compliance of COGCC series 1100 flowline regulations):  
 1) Root cause of flowline failure(s) resulting in this release (operator determination)  
 2) Measures taken to prevent a recurrence  
 3) Written description of flowline repair work completed (at spill ID #470915)  
 4) Map of the general alignment of the off location flowlines exposed/ observed in the excavation  
 5) Contact COGCC Inspector with schedule of post repair pressure testing. Test to be witnessed by COGCC staff. Provide pressure testing charts for all (active) flowline(s) repaired; email to COGCC Inspector (See rule 1102.O).

#2	Type:Non-Well Site	of Lines	
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## Flowline Description

Flowline Type: Non-Well Site Size: Material:  
 Variance: No Age: Contents:

## Integrity Summary

Failures: Other Spills: Yes Repairs Made:  
 Coatings: No H2S: No Cathodic Protection: No

## Pressure Testing

Witnessed: Test Result: Charted:

## COGCC Rules(check all that apply)

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

Comment: Improperly abandoned flowlines were observed in the south wall of the excavation. (3) cut ends of flowlines were observed (varying sizes/ pipe materials) open to atmosphere and ends not capped/ sealed.

Corrective Action:	<b style="color: red;">CORRECTIVE ACTION NOT COMPLETED BY OPERATOR</b>  Comply with COGCC rule 1105 Abandonment; Repair all active flowlines intended for return to service; or Historically abandoned/ out of service flowlines exposed in the excavation must be abandoned per COGCC rule 1105 (ends sealed per 1105.e.4). Provide confirmation documentation of completion (photos) to COGCC Integrity Inspector.		Date: <u>07/31/2020</u>
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#3	Type: Non-Well Site	of Lines	
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Flowline Description

Flowline Type: <u>Non-Well Site</u>	Size: <u>3"</u>	Material: <u>Fiberglass</u>
Variance: <u>No</u>	Age:	Contents: <u>Crude Oil</u>

Integrity Summary

Failures: <u>Other</u>	Spills: <u>Yes</u>	Repairs Made: <u>Yes</u>
Coatings: <u>No</u>	H2S: <u>No</u>	Cathodic Protection: <u>No</u>

Pressure Testing

Witnessed: <u>No</u>	Test Result:	Charted:
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COGCC Rules(check all that apply)

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

Comment:  Corrective Action:	COGCC Integrity Inspector observed the 2nd repair completed to the 3" fiberglass OLF during this field inspection; the existing pipe cut ends and replacement pipe stub section do not appear to properly align (bend/ bow in pipe). A bolted clamp was observed as part of the repair. It is unclear if the repair completed meets COGCC rule 1102.j requirements.  <b style="color: red;">CORRECTIVE ACTION NOT COMPLETED BY OPERATOR</b>  Provide documentation to COGCC Inspector to support compliance of rule 1102.j. Repair: (1) Each operator must make repairs in a safe manner that prevents injury to persons and damage to equipment and property. (2) An operator may not use any pipe, valve, or fitting to repair a flowline or crude oil transfer line unless the component meets the installation requirements of the 1100 Series rules for the repaired segment. For a flowline or crude oil transfer line installed prior to May 1, 2018 that undergoes a major modification or change in status after May 1, 2018, the segment repaired must satisfy all applicable requirements of the 1100 Series rules before an operator can return the flowline or crude oil transfer line to active status. (3) An operator may not install or operate any pipe, valve, or fitting for replacement or repair of a flowline or crude oil transfer line unless it is designed to the maximum anticipated operating pressure. (4) An operator must verify the integrity of any replaced or repaired segment of flowline or crude oil transfer line before returning it to use. (5) An operator must conduct a repair in accordance with the manufacturer's specifications or an applicable technical standard identified in Rule 1102.b. (6) Each segment of pipe, valve, or fitting that is found to leak or is unsafe must be replaced or repaired before returning it to service. (7) While conducting a repair, an operator must take reasonable precautions to prevent unintentional releases of pressure or fluid.	Date: <u>07/31/2020</u>
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#4	Type: Non-Well Site	of Lines	
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Flowline Description

Flowline Type: <u>Non-Well Site</u>	Size:	Material: <u>Fiberglass</u>
Variance: <u>No</u>	Age:	Contents: <u>Crude Oil</u>

Integrity Summary

Failures: <u>Other</u>	Spills: <u>Yes</u>	Repairs Made: <u>Yes</u>
Coatings: <u>No</u>	H2S: <u>No</u>	Cathodic Protection: <u>No</u>

Pressure Testing

Witnessed: <u>No</u>	Test Result:	Charted:
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COGCC Rules(check all that apply)

<input type="checkbox"/> 1101. Installation and Reclamation	<input checked="" type="checkbox"/> 1102. Operations, Maintenance, and Repair	<input type="checkbox"/> 1103. Abandonment
<p><b>Comment:</b> COGCC has received (2) recent form 19 spill reports (spill ID #470915 on 1/17/20 / ID #470987 on 6/21/20) for the same location; The second reportable spill appears to be the result of the failure of the first repair completed to the Nesssu Consolidation OLF. During field inspections, numerous operator (KPK) field personnel were observed on site and involved in the repair work; Details of an existing operator training program in place for KPK crews responsible for installation and repair of fiberglass pipe are unknown.</p> <p><b>Corrective Action:</b> <b>CORRECTIVE ACTION NOT COMPLETED BY OPERATOR</b></p> <p>Provide documentation to support the following COGCC rule: 1102.d. Installation. (1) Installation crews must be trained in flowline or crude oil transfer line installation practices for which they are tasked to perform.</p>	<p>Date: <u>07/31/2020</u></p>	

COGCC Comments		
Comment	User	Date
As outlined on COGCC EG FIR DOC #690101949;	maclarej	08/06/2020
Engineering Integrity inspection performed on June 29th, 2020 in response to initial form 19 spill report Doc #402427081 received by COGCC on 06/21/2020 that outlines: KPK was notified of a flowline release at approximately 9:15 pm on 6/20/2020 by the surface owner. Entire flowline system was shut-in on 6/20/2020 in response to the notification. Release occurred in a corn field affecting at least one row of corn in the field. Additional investigation is needed to confirm the root cause of the flowline failure. Initial excavation and hydrovac was performed to remove any pooled liquids present at the time of response to the flowline release notification. Based on historical release information, release has occurred at the location of spill/release point 470915 & REM project #15409.	maclarej	08/06/2020
As outlined on COGCC EG FIR DOC #690101949;	maclarej	08/06/2020
COGCC Integrity inspector was on site 6/26 & 6/29/2020. Inspector spoke with KPK personnel on site; the release (spill ID #476987) appears to be associated with the failure of a recent repair completed on the Nesssu Consolidation off location flowline. A 3" OD fiberglass flowline was previously repaired (04/2020) as a result of a spill identified (ID #470915) and reported on COGCC Form 19 Doc #402289216 received on 01/17/2020. Based on observations made by KPK personnel, a fiberglass glue on coupler style fitting installed during the previous repair developed a leak as a result of an inadequate bond between the fitting/ adhesive and flowline pipe. The second pipe repair is in the process of being completed.	maclarej	08/06/2020
Note: Excavation observed at 40.129619, -104.798581; (3) flowlines were exposed in the excavation. (1) 1.5" PVC (white in color) cut end observed in the south wall of the excavation and (2) 3" OD Fiberglass flowlines in N-S walls of excavation; Only (1) repair is in the process of being completed. Two of the three flowlines have been covered with fill material and are assumed to be open ended at both the N/S walls of the excavation. See additional corrective actions listed.	maclarej	08/06/2020
The following Corrective Action shall be completed by the operator as outlined on COGCC EI FIR Doc #697600962:	maclarej	08/06/2020
COAs to initial report are required. 45 days from date of discovery to investigate, remediate and close spill or to provide detailed site investigation plan via form 27 within 45 days of discovery (CAR Date 8/04/2020)	maclarej	08/10/2020
Note: The Nessu Consolidation off location flowline was pressure tested by KPK personnel on 6/29/2020. Test not witnessed. Chart Uploaded.	maclarej	08/10/2020

**Attached Documents**

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

Document Num	Description	URL
402462708	INSPECTION SUBMITTED	<a href="http://ogccwebblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=5220010">http://ogccwebblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=5220010</a>
690102006	Photo Log	<a href="http://ogccwebblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=5220007">http://ogccwebblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=5220007</a>
690102007	Pressure Testing Chart	<a href="http://ogccwebblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=5220008">http://ogccwebblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=5220008</a>