

**FORM
INSP**

Rev
X/20

**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:

09/20/2024

Submitted Date:

09/25/2024

Document Number:

710100264

FIELD INSPECTION FORM

Loc ID _____ Inspector Name: Anderson, Laurel On-Site Inspection 2A Doc Num: _____

Status Summary:

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

Operator Information:

ECMC Operator Number: 46290
Name of Operator: KP KAUFFMAN COMPANY INC
Address: 1700 LINCOLN ST STE 4550
City: DENVER State: CO Zip: 80203

Findings:

- 14 Number of Comments
- 7 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
Peterson, John	303-550-8872	jpeterson@kpk.com	Director EHS & Compliance
MacLaren, Joe		joe.maclaren@state.co.us	
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Freese, Steve		steve.freese@state.co.us	Mineral Field Specialist
Rollins, Grace		grace.rollins@state.co.us	
Watzman, Ross	303-825-4822	rwatzman@kpk.com	General Counsel
Brown, Kari		kari.oakman@state.co.us	

Inspected Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status
475722	OFF-LOCATION FLOWLINE	AC	01/07/2021		-	Wellhead Line 1,2,3,4,5,6,7	EI
487984	SPILL OR RELEASE	AC			-	Dechant State 3 Flowline	EI

General Comment:

This is an environmental inspection for Spill ID Dechant State 3 Flowline. All unaddressed and/or ongoing COAs, CAs and comments from previously approved and/or denied forms, and field inspection reports remain applicable. Photos attached to document site conditions.

Spill ID 487984

Spill Name: Dechant State 3 Flowline

Flowline Facility ID: 475722

Reported Date of Discovery: 9/20/2024

ECMC Environmental Protection Specialists Laurel Anderson and Grace Rollins arrived at the spill at approximately 12:30 pm on September 23, 2024. No crews were present at the time of arrival. The following observations were made during the Environmental Inspection:

-An approximately 3" diameter fiberglass flowline had been exposed on the foot end of the surficial expression of the spill (~300' downhill from where the spill daylighted to the surface). A ~3' section of flowline with a coupling had been removed and set aside. The ends of the flowline still in situ were uncapped.

-The spill is visible in historic aerial imagery (back to 2022) and measures approximately 100' wide by 300' long. Visibly impacted soil measures approximately 0.30 acres.

-Impacted soil is being stockpiled on location. A liner and earthen berm have been installed; however, the containment measures around stained soil stockpiled on location are insufficient. ECMC noted the following issues regarding the E&P waste stockpile:

--Multiple holes in the liner

--Liner does not cover the entire E&P waste stockpile storage area

--Earthen berm is discontinuous and appears to be comprised of native soil/vegetation and is not sufficiently impervious (sandy silt, uncompacted, vegetation throughout).

--Impacted soil has toppled over the edge of the berm

--Precipitation has pooled on and ran off the liner, E&P waste stockpile, and E&P waste that remains in situ within the open excavation and spill footprint

-Soil appears to have been scraped and excavated from the toe of the spill to the NE along the flowline to a depth of ~5' bgs based on the sidewalls of the excavation. Soil within the open excavation appears to have been removed/reworked and returned to the open excavation as no soil horizons are visible, vegetation and stained soil from the surface appears to be intermixed throughout the pile. Additionally, excavator track marks are visible into and out of the apparent excavation and sidewalls show excavator bucket marks. Stained soil remains in situ around the excavation and does not appear to have been touched.

-Crews arrived on location during the inspection and provided ECMC an overview of work completed to date. No work was being conducted. Crews indicated they would return later to install signage for the soil stockpiles. Crews also indicated that they had contacted Jeff (their supervisor) to ask about getting more liner for the impacted soil being stockpiled and were declined in that request.

-No fencing has been installed around the excavation

-No stormwater BMPs have been installed around the spill footprint or reportedly clean soil stockpiled on location

-Trash was observed on location

-Spill does not plot along any mapped KPK flowlines in the area

Location			
Overall Good: <input type="checkbox"/>			
Emergency Contact Number:			
Comment: No emergency contact information present.		Date: _____	
Corrective Action: _____			
Good Housekeeping:			
Type	TRASH		
Comment:	Trash observed on location.		
Corrective Action:	Comply with Rule 606.		Date: <u>10/09/2024</u>
Overall Good: <input type="checkbox"/>			
Spills:			
Type	Area	Volume	
PW/CO	Flow Line	>= 5 bbls	
Comment:	Visibly impacted soils remain in-situ in the open excavation and along the surface from where fluids appear to have daylighted to the surface. No excavation/repair work appears to have occurred near where fluids daylighted to the surface.		
Corrective Action:	In accordance with 912.a.(2) Operator will investigate, cleanup, and document impacts resulting from Spill and Releases as soon as the impacts are discovered. CA date backdated to date of discovery when corrective action was first required.		Date: <u>10/02/2024</u>
In Containment: No			
Comment:	Crews appear to have begun to remove impacted soil from the furthest downgradient extent (toe) of the visible spill footprint. No investigation/remediation of soil near the apparent source area/flowline failure point (where fluids daylight to the surface) has occurred.		
<input type="checkbox"/> Multiple Spills and Releases?			
Fencing/:			
Type	OTHER		
Comment:	No fencing has been installed around the excavation. Vertical sidewalls ~5' tall were observed. Equipment track marks were visible throughout the base of the excavation; however, the excavation appears to have been partially backfilled with previously excavated soil.		
Corrective Action:	Operator shall immediately install, repair and maintain best management practices to protect the environment, public health, safety and welfare and the environment as required by Rule 913.b.(5)B.i and ECMC Guidance 913.b.(5)B i-v which requires fencing used be appropriate to site conditions, ie: nearby residences/schools, depth of excavation, presence of ground or surface water, livestock, wind, etc.		Date: <u>09/25/2024</u>
Equipment:			
Type: Flow Line			corrective date
# 1			
Comment:	Operator exposed a section of flowline along the toe of the spill footprint. The exposed section of ~3" fiberglass flowline appeared to have been repaired/joined previously based on the black coupling observed on a ~3' section of line removed. The ends of the flowline remaining in place were not properly capped/sealed.		
Corrective Action:	Form 44 Doc #402217100 includes a pressure test from 8/19/2019 performed on the Dechant State #3 Flowline following repairs (402229159). Operator has indicated the location of the flowline was unknown prior to discovery of this release. On the subsequent Supplemental Form 19 (due September 30th, 2024) Operator shall provide details of flowline repairs made previously as recorded on Form 44 Doc #402217100.		Date: <u>09/30/2024</u>
Venting:			
Yes/No			
Comment:			
Corrective Action:			Date:

Flaring:			
Type			
Comment:			
Corrective Action:		Date:	

Inspected Facilities

Facility ID: 475722 Type: OFF- API Number: - Status: AC Insp. Status: EI

The subreport 'InspWellFlowline' could not be found at the specified location \\10.14.12

Facility ID: 487984 Type: SPILL OR API Number: - Status: AC Insp. Status: EI

The subreport 'InspWellFlowline' could not be found at the specified location \\10.14.12

Environmental

Waste Management:

Type	Management	Condition	GPS (Lat)	(Long)	
Oily Soil	Piles	Inadequate			
Comment	Oily waste is being stockpiled on location both on a liner and within an the excavation. The perimeter berm surrounding the impacted soil stockpile is discontinuous, comprised of loose, unconsolidated sandy silt and vegetation and is not adequate. Holes were observed in the liner and the liner has been driven over. Oily waste has spilled and spread outside of the lined area. A second soil stockpile of reportedly clean soil was observed west of the E&P waste stockpile area with no BMPs. The "clean" soil appeared to be mixed with topsoil and vegetation from the surrounding area.				
Corrective Action	Operator shall properly dispose of oily waste in accordance with Rule 905.e and attach all waste manifests, gate tickets/receipts to the next Supplemental Form 19 per Rule 905.b.(3). Additionally, Operator shall manage waste in compliance with Rule 913.b.(5)B and ECMC Guidance 913.b.(5)B i-v. Operator shall provide photo documentation of stockpile liner integrity via Form 19 or Form 27 prior to removal. Operator shall collect soil samples from the areas where impacted soil has spilled outside containment Full Table 915-1 Contaminants of Concern.			Date:	

Spill/Remediation:

Comment:

Corrective Action: Date:

Emission Control Burner (ECB):

Comment:

Pilot: Wildlife Protection Devices (fired vessels):

Reclamation - Storm Water - Pit

Interim Reclamation:

Date Interim Reclamation Started: _____ Date Interim Reclamation Completed: _____

Land Use: _____

Comment: _____

1002 SITE PREPARATION AND STABILIZATION

1002a. FENCING _____

Comment _____

Corrective Action _____

Date _____

1002b. SOIL REMOVAL AND SEGREGATION _____

Comment _____

Corrective Action _____

Date _____

1002c. PROTECTION OF SOILS _____

Comment _____

Corrective Action _____

Date _____

1002E. SURFACE DISTURBANCE MINIMIZATION _____

Comment _____

Corrective Action _____

Date _____

1003a. Waste and Debris removed? _____

Comment _____

Corrective Action _____

Date _____

Unused or unneeded equipment onsite? _____

Comment _____

Corrective Action _____

Date _____

Pit, cellars, rat holes and other bores closed? _____

Comment _____

Corrective Action _____

Date _____

Guy line anchors marked? _____

Comment _____

Corrective Action _____

Date _____

1003b. Area no longer in use? _____ Production areas stabilized ? _____

1003c. Compacted areas have been cross ripped? _____

1003d. Drilling pit closed? _____ Subsidence over on drill pit? _____

Cuttings management: _____

1003e. Areas no longer needed for drilling or subsequent operations for have been re-vegetated to 80% of pre-existing? _____

Production areas have been stabilized? _____ Segregated soils have been replaced? _____

RESTORATION AND REVEGETATION

Cropland

Top soil replaced _____ Recontoured _____ Perennial forage re-established _____

Non-Cropland

Top soil replaced _____ Recontoured _____ 80% Revegetation _____

1003e. INTERIM VEGETATION TRANSECT

TRANSECT RESULTS OF DISTURBED AREA% _____

TRANSECT RESULTS OF REFERENCE AREA% _____

TOTAL % OF DESIRABLE VEGETATION COVER _____

VEGETATIVE COVER _____

1003 f. Weeds Noxious weeds? _____

Comment Per Rule 1003, all disturbed areas affected by drilling or subsequent operations shall be reclaimed. This spill and subsequent spill response and remediation activities have created a sizeable footprint (~0.50 acres).

Corrective Action Operator shall comply with Rule 1003 to repair all disturbed areas and reseed as soon as environmental conditions will permit using a seed mixture requested by the surface owner or a mixture prescribed by the local county NRCS. Establish vegetation with total perennial, non-invasive uniform plant cover of at least eighty (80) percent of reference area levels. Ensure erosion controls are implemented to stabilize the seeded soil. Operator shall continue to monitor and manage this site until the location meets Rule 1003 standards, including weed management.

Date _____

Overall Interim Reclamation

Final Reclamation/ Abandoned Location:

Date Final Reclamation Started: _____ Date Final Reclamation Completed: _____

Final Land Use: _____

Reminder: _____

Comment:

Well plugged _____ Pit mouse/rat holes, cellars backfilled _____

Debris removed _____ No disturbance /Location never built _____

Access Roads Regraded _____ Contoured _____ Culverts removed _____

Gravel removed _____

Location and associated production facilities reclaimed _____ Locations, facilities, roads, recontoured _____

Compaction alleviation _____ Dust and erosion control _____

Non cropland: Revegetated 80% _____ Cropland: perennial forage _____

Weeds present _____ Subsidence _____

1004.d. FINAL VEGETATION TRANSECT

TRANSECT RESULTS OF DISTURBED AREA% _____

TRANSECT RESULTS OF REFERENCE AREA% _____

TOTAL % OF DESIRABLE VEGETATION COVER _____

VEGETATIVE COVER _____

Comment:

Corrective Action:

Date _____

Overall Final Reclamation _____

Well Release on Active Location

Multi-Well Location

Storm Water:

Loc Erosion BMPs	BMP Maintenance	Lease Road Erosion BMPs	Lease BMP Maintenance	Chemical BMPs	Chemical BMP Maintenance	Comment

Comment: Inadequate BMPs in place to control stormwater run-on and runoff. Stained soil remains in situ and stored on location without adequate BMPs.

Corrective Action: Operators will properly store, handle and manage all E&P waste to prevent contamination of stormwater, surface water, groundwater and soil. Manage surface water and stormwater around spill site in manner that prevents impacts to those matrices. Install BMPs in accordance with 1002.f.(2) to prevent runoff and completely contain impacts.

Date: 09/25/2024

Pits: NO SURFACE INDICATION OF PIT

ECMC Comments

Comment	User	Date
<p>On Form 19i Doc #403930265, Operator states: "A KPK employee driving by observed surface staining near a lease road and promptly notified supervisors, ensuring a swift response. In accordance with our protocols, the possible affected wells were shut in to prevent any further environmental impact. A crew was mobilized to initiate containment and remediation activities. Containment measures were established using berms and plastic liners to securely store the stained soil."</p> <p>This spill is visible in historic aerial imagery from 2022. While crews appear to have responded upon discovery 2 years after the spill originally daylighted to the surface, it does not appear as though adequate containment nor remediation have occurred. See attached photos and corrective actions for more information. The source area (where fluids daylighted to the surface) does not appear to have been touched as such ECMC believes no investigation into the cause of the flowline failure nor flowline repairs have been initiated.</p>	andersoln	09/25/2024

Attached Documents

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

Document Num	Description	URL
710100265	2022_1102_ESRI Wayback Aerial Imagery - Spill Footprint	https://ecmc.state.co.us/weblink/DownloadDocumentPDF.aspx?DocumentId=6720698
710100266	2023_03_Google Earth Aerial Imagery - Spill Footprint	https://ecmc.state.co.us/weblink/DownloadDocumentPDF.aspx?DocumentId=6720699
710100267	2023_09_Google Earth Aerial Imagery - Spill Footprint	https://ecmc.state.co.us/weblink/DownloadDocumentPDF.aspx?DocumentId=6720701
710100272	2024_0923_Dechant State 3 Flowline Spill Photo Documentation	https://ecmc.state.co.us/weblink/DownloadDocumentPDF.aspx?DocumentId=6720702