BEFORE THE OIL AND GAS CONSERVATION COMMISSION OF THE STATE OF COLORADO

IN THE MATTER OF ALLEGED VIOLATIONS OF THE)	CAUSE NO. 1V
RULES AND REGULATIONS OF THE COLORADO OIL)	
AND GAS CONSERVATION COMMISSION BY K P)	DOCKET NO. 1409-OV-66
KAUFFMAN COMPANY INC, WELD COUNTY,)	
COLORADO	í	

NOTICE OF HEARING

TO ALL INTERESTED PARTIES AND TO WHOM IT MAY CONCERN:

Pursuant to Rule 522.c., the Colorado Oil and Gas Conservation Commission ("Staff") will apply to the Commission at its September 15-16, 2014 hearing for an Order Finding Violation ("OFV") against KP Kauffman Company Inc., ("KPK") (Operator No. 46290).

KPK is the operator of record of the Consolidation Unit #8 Tank Battery ("Battery") (Facility ID #437627) located in Weld County, Colorado.

On June 10, 2014, a COGCC inspector discovered three emissions control devices ("ECDs") at the Battery were within 75 feet of a production tank. Rule 605.a.(5) requires a setback of 75 feet between a tank and a fired vessel.

On June 11, 2014, a COGCC inspector noticed a flare above one of the ECDs for a few seconds. The flame went outside of the controlled ECD and did not flare "as efficiently as possible to provide maximum reduction of air contaminants where practicable and without endangering safety..." as required by Rule 912.d.

On June 30, 2014 COGCC inspector noticed operator was moving ECDs and a compressor onto an expanded and modified Oil and Gas Location without an approved Form 2A as required by Rule 303.b.(1)B.

On July 21, 2014 Staff issued a Notice of Alleged Violation ("NOAV") (No. 400648213) to KPK for alleged violations at the Battery. The NOAV cited violations of the following COGCC Rules of Practice and Procedure, 2 CCR 404-1 ("Rule" or "Rules"):

- a. Rule 303.b.(1)B (Form 2A, Oil and Gas Location Assessment);
- b. Rule 605.a.(5) (Crude Oil and Condensate Tanks);
- c. Rule 912.d. (Venting or Flaring Natural Gas).

The Rule 605.a.(5) alleged violation occurred before the effective date of HB 14-1356. The penalty for this alleged violation will be calculated pursuant to Rule 523.

The Rule 303.b.(1)B and Rule 912.d. alleged violations occurred after the effective date of HB 14-1356. The penalty for these alleged violations will be calculated pursuant to HB 14-1356.

Staff requests that KPK be found in violation of rules cited above and assessed appropriate penalties pursuant to Rule 523 and HB14-1356.

8/8/2014 (1409-OV-66)

NOTICE IS HEREBY GIVEN, pursuant to: 1) the general jurisdiction granted to the Oil and Gas Conservation Commission of the State of Colorado (Commission) under § 34-60-105 C.R.S.; 2) specific powers granted pursuant to § 34-60-106 C.R.S.; 3) the Colorado Administrative Procedures Act at § 24-4-105 C.R.S.; 4) the Commission's Series 500 Rules at 2CCR 404-1; and HB 14-1356, that the Commission has scheduled the above-entitled matter for hearing on:

Date:

Monday, September 15, 2014

Tuesday, September 16, 2014

Time:

9:00 a.m.

Place:

COGCC Offices

The Chancery Building

1120 Lincoln Street, Suite 801

Denver, CO 80203

In accordance with the Americans with Disabilities Act, if any party requires special accommodations as a result of a disability for this hearing, please contact Margaret Humecki at (303) 894-2100 ext. 5139, prior to the hearing and arrangements will be made.

Pursuant to said hearing in the above-entitled matter at the time and place aforesaid, or at any adjourned meeting, the Commission will enter such orders as it deems appropriate to protect the health, safety and welfare of the public and to prevent the waste of oil and gas, either or both, in the operations of said field, and to carry out the purposes of the statute.

In accordance with Rule 509., any interested party desiring to protest the granting of the application or to intervene on the application should file with the Commission a written protest or intervention no later than August 29, 2014, briefly stating the basis of the protest or intervention. One electronic, one original and two copies shall be filed with the Commission. Anyone who files a protest or intervention must be able to participate in a prehearing conference during the week of September 1, 2014. Pursuant to Rule 503.g., if a party who has received notice under Rule 503.b. wishes to receive further pleadings in the above-referenced matter, that party must file a protest or intervention in accordance with these rules.

OIL AND GAS CONSERVATION COMMISSION

OF THE STATE OF COLORADO

Robert J. Frick, Secretary

Dated: August 8, 2014

Colorado Oil and Gas Conservation Commission

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