

January 15, 2016

Mr. Mark McMillan
Colorado Department of Public Health and Environment
Air Pollution Control Division APCD-SS-B1
4300 Cherry Creek Drive South
Denver, CO 80246

RE: KGH OPERATING COMPANY – REGULATION 7 LDAR 2015 ANNUAL REPORT

Dear Mr. McMillan,

Please find enclosed the annual Leak Detection and Repair (LDAR) report for the facilities listed below. The report uses the Colorado Department of Public Health and Environment LDAR Annual Report Form to comply with Regulation 7, Section XVII.F.9.

- Coseka 3-20-1N-103-3
- Federal 19-12
- Federal 19-4M
- Federal 19-6
- Federal 24-1
- Federal 24-10
- Federal 24-12
- Federal 24-14
- Federal 24-2
- Federal 24-7
- Federal 24-8
- Federal 25-4
- Federal 26-1
- Federal 26-3, 26-4
- Federal 26-5
- Meagher 10-1H
- Meagher 11-11
- Meagher 11-12
- Meagher 11-13
- Meagher 11-7
- Meagher 14-1H
- Meagher 3-1H
- Meagher 3-3H
- Meagher 36-1
- Texas Mountain Federal 1
- Texas Mountain Federal 3
- Texas Mountain Federal 6
- Texas Mountain Federal A1

If you have any questions or concerns please do not hesitate to contact me at (406) 655-3381 or tkhohn@hohneng.com.

Respectfully,



Tom Hohn
Designated Agent
KGH Operating Company

Leak Detection and Repair (LDAR) Annual Report Form¹



Please submit via email to: cdphe_reg7LDAR_annualreports@state.co.us

Section 1: General Information

Company Name:	KGH Operating Company		
Inspection Year:	2015	# Facilities Inspected: ²	28
Contact Person:	Tom Hohn	Title:	Designated Agent
Phone Number:	(406) 655-3381	E-mail Address:	tkhohn@hohneng.com

Section 2: LDAR Inspections

Inspection Method	# Inspections ³
AIMM at Natural Gas Compressor Stations:	0
AIMM at Well Production Facilities:	52
AVO at Well Production Facilities:	264
TOTAL	316

Section 3: Leaking Components Details

Component Type	# Leaks Identified ⁴	# Leaks Repaired	# Leaks on Delay of Repair List as of Dec 31
Valves:	0		
Connectors:	0		
Flanges:	0		
Pump Seals:	0		
Pressure Relief Devices:	0		
TOTAL	0	0	0

Section 4: Responsible Official Certification

All information contained in the LDAR Annual Report must be certified by a responsible official as defined in Colorado Regulation No. 3, Part A, Section 1.B.38.

Please note the Colorado Statutes state that any person who knowingly, as defined in §18-1-501(6), C.R.S., makes any false material statement, representation, or certification in this document is guilty of a misdemeanor and may be punished in accordance with the provisions of §25-7 122.1, C.R.S.

I, the Responsible Official, have reviewed this annual report in its entirety and, based on information and belief formed after reasonable inquiry, I certify that the statements and information contained in this report are true, accurate and complete.

Printed/Typed Name - Responsible Official:	Title:
Tom Hohn	Designated Agent
Signature:	Date:
<i>Thomas K Hohn</i>	1-15-16

Section 5: Additional Notes

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Section 6: Facilities Inspected

Addendum Table 1		
Plant AIRS ID (e.g., 123/7896)	Location (e.g., Lat/Long)	Facility Name
	40.036946/-108.982638	Coseka 3-20-1N-103-3
	39.946487/-109.003728	Federal 19-12
	39.950687/-109.003608	Federal 19-4M
	39.948657/-109.002598	Federal 19-6
	39.952194/-109.008097	Federal 24-1
	39.941907/-109.014478	Federal 24-10
	39.944957/-109.023749	Federal 24-12
	39.941787/-109.014498	Federal 24-14
	39.952117/-109.012518	Federal 24-2
	39.948407/-109.013558	Federal 24-7
	39.948437/-109.013488	Federal 24-8
	39.93633/-109.02416	Federal 25-4
	39.936437/-109.030459	Federal 26-1
	39.937377/-109.040779	Federal 26-3. 26-4
	39.933897/-109.043139	Federal 26-5
	39.975192/-109.048658	Meagher 10-1H
	39.9747/-109.03724	Meagher 11-11
	39.973816/-109.04287	Meagher 11-12
	39.968316/-109.041449	Meagher 11-13
	39.976976/-109.032339	Meagher 11-7

Footnotes:

¹ The fields shaded in blue are mandatory required elements of the annual report. The remaining information is voluntary and requested to help the Division better interpret the implementation of the leak detection and repair program.

² "# of Facilities Inspected" should reflect the total number of unique physical locations (e.g. well production facilities and natural gas compressor stations) inspected during the calendar year reported.

³ The "Total # of Inspections" should reflect the number of unique facility inspections events (e.g. unique complete facility AVO and AIMM events) that occurred across all facilities (as reflected in Section 1) monitored by the company during the calendar year reporting period. This number should not reflect a count representing the number of individual component(s) monitored. In addition, re-monitoring events to verify an earlier identified leak has been repaired as required by Regulation 7, Section XVII.F.7 should not be counted in the "Total # of Inspections" reported.

⁴ The "# of Leaks Identified" should reflect the sum total of component leaks identified during all facility inspections (e.g. AVO and AIMM) that occurred during the calendar year reported.

