

**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:

06/03/2022

Submitted Date:

06/07/2022

Document Number:

700600387**FIELD INSPECTION FORM**Loc ID 309619 Inspector Name: Kosola, Jason On-Site Inspection ☐ 2A Doc Num: _____**Operator Information:**OGCC Operator Number: 10722Name of Operator: KTM OPERATING LLCAddress: 1246 BAYOU LACARPE ROADCity: HOUMA State: LA Zip: 70360**Status Summary:**

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

Findings:11 Number of Comments7 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
,	,	dnr_cogccenforcement@state.co.us	COGCC Enforcement
McCann, Randall	337-654-9804	rmccann@pcminc.com	Designated Agent
Sherman, Susan		susan.sherman@state.co.us	
Jacobson, Eric		eric.jacobson@state.co.us	
Vincent, Kenny	(337) 654-9404	kvincent@reagan.com	Principal Agent

Inspected Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status
295041	WELL	SI	06/01/2018	OW	073-06320	CRAIG 8-1	EI

General Comment:

This inspection is being entered for notification and documentation only and is not intended to provide the Operator the opportunity to resolve the alleged violations without the imposition of a penalty, pursuant to Rule 523.b.

Location is in general disrepair with unused equipment scattered around location, uncontrolled weeds and a crude oil leak inside the tank battery. Crude oil leak was found during COGCC inspection 700600329 on 11/3/2021 and operator was informed via phone call of leak during that inspection. Inspection on 12/14/2021 found leak had not been stopped and spill had not been cleaned up. Operator was again notified via phone call on 12/14/2021 of spill. Inspection on 2/18/2022 and 6/3/2022 found the crude oil spill had not been cleaned up. See attached photos.

Secondary containment around tank battery is insufficient to contain spill due to hole in the corner.

None of the corrective actions from four previous inspections have been addressed. Corrective action listed on five previous inspections: Perform MIT per Rule 326 a. (1)/now new Rules under 417.

Submit Form 4 requesting TA status.

Submit required Form 7(s) to COGCC per rule 309.now new Rules under 413.

Update Form 7s.

Contact COGCC Engineer.

Well is past due for MIT. Form 4 should be submitted for TA status. Form 7 have not been submitted since June 2018. Operator informed of these corrective actions on past inspections dated 3/30/2020, 2/8/2021, 7/12/2021, 11/5/2021, 12/14/2021, 2/22/2022 and has not complied with these corrective actions with a due date of 4/13/2020.

LocationOverall Good: ☐

Emergency Contact Number:

Comment: Corrective Action: Date: **Good Housekeeping:**

Type	UNUSED EQUIPMENT		
Comment:	Unused equipment scattered around location.		
Corrective Action:	Comply with Rule 606		Date: 11/20/2021
Type	WEEDS		
Comment:	Uncontrolled weed growth on location		
Corrective Action:	Comply with Rule 606		Date: 11/12/2021

Overall Good: ☐**Spills:**

Type	Area	Volume		
Crude Oil	Tank			
Comment:	Crude oil spill from tank. Spill confined to containment but secondary containment is not sufficient to capture a release.			
Corrective Action:	Control and contain spills/releases and clean up per Rule 912.a. 24 hours to remove free fluid.			Date: 11/06/2021
Crude Oil	Treater			
Comment:	Stained soil in containment where treater was located.			
Corrective Action:	Control and contain spills/releases and clean up per Rule 912.a.			Date: 12/05/2021

In Containment: Yes

Comment: ☐ Multiple Spills and Releases?**Tanks and Berms:**

Contents	#	Capacity	Type	Tank ID	SE GPS	
CRUDE OIL		200 BBLs	STEEL AST			
Comment:	Tanks are rusted, pitted, or peeling paint and show evidence of inadequate repair. Crude oil tank leaking. See attached photos.					
Corrective Action:	Inspect, maintain and repair tanks to comply with rule 609.b.				Date:	12/05/2021

Paint

Condition	Inadequate	
Other (Content)		
Other (Capacity)		
Other (Type)		

Berms

Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance
Metal	Inadequate	Walls Insufficient	Base Insufficient	Inadequate
Comment:	Berms are inadequate			

Corrective Action:	Repair or install berms or other secondary containment devices per Rule 603.o.	Date:	12/05/2021
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Venting:

Yes/No			
Comment:			
Corrective Action:		Date:	

Flaring:

Type		
Comment:		
Corrective Action:		Date:

Inspected FacilitiesFacility ID: 295041 Type: WELL API Number: 073-06320 Status: SI Insp. Status: EI**Idle Well**Purpose: ☐ Shut In ☒ Temporarily Abandoned

Reminder: _____

Comment: Pumping unit, engine and treater are not on location. Well is TA status. No Form 4's submitted since 2013. Last MIT was 12/22/2014 last produced 2013. Last production report was 6/1/2018.

Corrective Action: Perform MIT per Rule 417.
 Submit Form 4 requesting TA status.
 Submit required Form 7(s) to COGCC per rule 309.now new Rules under 413.
 Update Form 7s.
 Contact COGCC Engineer.

Date: 04/13/2020**Attached Documents**You can go to COGCC Images (<https://cogcc.state.co.us/weblink/>) and search by document number:

Document Num	Description	URL
403070120	INSPECTION SUBMITTED	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=5772419
700600388	Inspection photos	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=5772405