

**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:

03/21/2023

Submitted Date:

03/21/2023

Document Number:

702501018

FIELD INSPECTION FORMLoc ID 316241 Inspector Name: Burchett, Kirby On-Site Inspection ☐ 2A Doc Num: _____**Operator Information:**

OGCC Operator Number: 10775

Name of Operator: KT RESOURCES LLC

Address: 3381 WESTBROOK LANE

City: HIGHLANDS State: CO Zip: 80129

Status Summary:☐ THIS IS A FOLLOW UP INSPECTION☒ FOLLOW UP INSPECTION REQUIRED☐ NO FOLLOW UP INSPECTION REQUIRED**Findings:**

13 Number of Comments

3 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 |
|-----------------|----------------|----------------------------|---------|
| Boulger, Levin | | levin@kt-res.com | |
| Adams, Karen | (303) 886-8733 | adams@kt-res.com | |
| Kellerby, Shaun | (970) 712-1248 | shaun.kellerby@state.co.us | |
| Gale, Tony | (303) 886-8733 | tony@kt-res.com | |

Inspected Facilities:

| Facility ID | Type | Status | Status Date | Well Class | API Num | Facility Name | Insp Status |
|-------------|------|--------|-------------|------------|-----------|-----------------|-------------|
| 259422 | WELL | SI | 08/01/2022 | GW | 103-10092 | WRD WYATT 36-14 | SI |

General Comment:**COGCC Inspection Report Summary**

On Tuesday, 03/21/2023, Inspector Kirby Burchett, conducted a routine field inspection at KT Resources LLC on the WRD Wyatt 36-14, Location #316241, in Rio Blanco County, Colorado.

This location is within or in close proximity to Parks and Wildlife (CPW) High Priority/NSO/Density/Other Consultation Habitats. Any Corrective Actions from previous inspections are still applicable.

While there, observing normal operations the following compliance issues were found:

1. No labeling on chemical tank.
2. Tank containment full of liquid.
3. Stormwater BMPs lacking or not maintained.

Refer to attached photographs for Corrective Actions.

A follow up on this site inspection will be conducted to ensure all compliance issues have been corrected to comply with COGCC rules.

LocationOverall Good: ☐**Signs/Marker:**

| | | | |
|--------------------|--|-------|------------|
| Type | BATTERY | | |
| Comment: | | | |
| Corrective Action: | | Date: | |
| Type | OTHER | | |
| Comment: | Separator units include attached storage tanks. The sight glass located on the side of the unit indicates the storage tank is full of an unknown fluid. No form of labeling or markers are present to identify a potential hazard or the contents of the storage tank. | | |
| Corrective Action: | | Date: | |
| Type | WELLHEAD | | |
| Comment: | | | |
| Corrective Action: | | Date: | |
| Type | TANK LABELS/PLACARDS | | |
| Comment: | Chemical tank labels peeled off and illegible | | |
| Corrective Action: | Containers that are used to store, treat, or otherwise handle a hazardous material and which are required to be marked, placarded, or labeled in accordance with the U.S. Department of Transportation's Hazardous Materials Regulations, will retain the markings, placards, and labels on the Container. Such markings, placards, and labels will be retained on the Container until it is sufficiently cleaned of residue and purged of vapors to remove any potential hazards. | Date: | 04/24/2023 |

Emergency Contact Number:

Comment: 911 / (800) 288-0560

Corrective Action:

Date: _____

Overall Good: ☐**Spills:**

| | | | | |
|------|------|--------|--|--|
| Type | Area | Volume | | |
|------|------|--------|--|--|

In Containment: No

Comment:

☐ Multiple Spills and Releases?**Equipment:**

| | | | |
|--------------------------|---|-------|-----------------|
| Type: Deadman # & Marked | # 4 | | corrective date |
| Comment: | | | |
| Corrective Action: | | Date: | |
| Type: Bird Protectors | # 2 | | |
| Comment: | | | |
| Corrective Action: | | Date: | |
| Type: Plunger Lift | # 1 | | |
| Comment: | Single well | | |
| Corrective Action: | | Date: | |
| Type: Gas Meter Run | # 1 | | |
| Comment: | Calibration card indicates annual calibration has been done in the last year. | | |

| | | | |
|-----------------------------------|---|-------|------------------|
| Corrective Action: | | Date: | |
| Type: Bradenhead | # 1 | | |
| Comment: | Valve is accessible. Bullplug installed. | | |
| Corrective Action: | | Date: | |
| Type: Ancillary equipment | # 1 | | |
| Comment: | Chemical tank on plastic containment. Containment is full. Oil and gas operators shall implement and maintain Best Management Practices (BMPs) at all oil and gas locations for materials handling and spill prevention procedures and practices implemented for material handling and spill prevention of materials used, stored, or disposed of that could result in discharges causing pollution of surface waters. | | |
| Corrective Action: | Remove and properly dispose of liquid. Provide proper BMPs for spill prevention, handling and maintenance of equipment. | | Date: 03/29/2023 |
| Type: Horizontal Heated Separator | # 1 | | |
| Comment: | | | |
| Corrective Action: | | Date: | |

Tanks and Berms:

| | | | | | |
|--------------------|-----------------------------|----------|------------------|---------|--------|
| Contents | # | Capacity | Type | Tank ID | SE GPS |
| CRUDE OIL | 1 | 300 BBLS | HEATED STEEL AST | | , |
| Comment: | Loadline has plug in place. | | | | |
| Corrective Action: | | | | | Date: |

Paint

| | |
|------------------|----------|
| Condition | Adequate |
| Other (Content) | |
| Other (Capacity) | |
| Other (Type) | |

Berms

| | | | | |
|--------------------|-------------------------------------|---------------------|---------------------|-------------|
| Type | Capacity | Permeability (Wall) | Permeability (Base) | Maintenance |
| Other | Adequate | Walls Sufficient | Base Sufficient | Adequate |
| Comment: | Metal with earth berm on one corner | | | |
| Corrective Action: | | | | Date: |

Venting:

| | |
|--------------------|-------|
| Yes/No | NO |
| Comment: | |
| Corrective Action: | Date: |

Flaring:

| | |
|--------------------|-------|
| Type | |
| Comment: | |
| Corrective Action: | Date: |

| Inspected Facilities | | | | | | | | | |
|---|--------|-------|------|-------------|-----------|---------|----|---------------|----|
| Facility ID: | 259422 | Type: | WELL | API Number: | 103-10092 | Status: | SI | Insp. Status: | SI |
| Idle Well | | | | | | | | | |
| Purpose: <input checked="" type="checkbox"/> Shut In <input type="checkbox"/> Temporarily Abandoned Reminder: _____ | | | | | | | | | |
| Comment: <div>Last Report - 01/2023 Last Production - 07/2022</div> | | | | | | | | | |
| Corrective Action: _____ Date: _____ | | | | | | | | | |

Reclamation - Storm Water - Pit**Storm Water:**

| Loc Erosion BMPs | BMP Maintenance | Lease Road Erosion BMPs | Lease BMP Maintenance | Chemical BMPs | Chemical BMP Maintenance | Comment |
|------------------|-----------------|-------------------------|-----------------------|--|--------------------------|------------------|
| Ditches | | | | | | |
| | | | | Material Handling And Spill Prevention | Fail | Containment full |
| Berms | | | | | | |
| | | Gravel | | | | |
| | | Ditches | | | | |
| Check Dams | | | | | | |
| | | Compaction | | | | |

Comment: Location lacks stabilization. Insufficient tracking BMP at entrance to location. Oil and gas operators shall implement and maintain Best Management Practices (BMPs) at all oil and gas locations to control Stormwater runoff in a manner that minimizes erosion, transport of sediment offsite, and site degradation. Oil and gas operators shall implement and maintain vehicle tracking Best Management Practices (BMPs) to control potential sediment discharges from operational roads, well pads, and other unpaved surfaces.

Corrective Action: Provide proper BMPs to prevent sediment migration from location and lease road.

Date: 04/10/2023

Pits: ☒ NO SURFACE INDICATION OF PIT

Attached Documents

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

| Document Num | Description | URL |
|--------------|-------------------|---|
| 702501019 | Inspection Photos | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6058117 |