

**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:

04/19/2023

Submitted Date:

04/19/2023

Document Number:

702501166

**FIELD INSPECTION FORM**Loc ID 314380 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:**

12 Number of Comments

5 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
Adams, Karen	(303) 886-8733	adams@kt-res.com	
Kellerby, Shaun	(970) 712-1248	shaun.kellerby@state.co.us	
Baumgras, Dan		Dan@KT-Res.com	
Gale, Tony	(303) 886-8733	tony@kt-res.com	
Katz, Aaron	(970) 765-6300	aaron.katz@state.co.us	

**Inspected Facilities:**

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status
228604	WELL	PR	05/01/2022	CBM	103-05520	LAD 1	PR

**General Comment:****COGCC Inspection Report Summary**

On Wednesday, 4/19/2023, Inspector Kirby Burchett, conducted a routine field inspection at KT Resources LLC on the Lad 1 well, Location #314380, in Rio Blanco County, Colorado.

This location is within or in close proximity to Parks and Wildlife (CPW) with High Priority/NSO/Density Habitat regulations.

Any Corrective Actions from previous Inspections are still applicable.

While there during normal production operations the following compliance issues were observed:

1. API Numbers not displayed on tank battery sign.
2. Gas meter calibration card not visibly displayed.
3. Soil staining inside tank battery.
4. Insufficient Stormwater BMPs.
5. Well may be overdue for Mechanical Integrity Test.

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.

**Location**Overall Good: ☐

<b>Signs/Marker:</b>			
Type	BATTERY		
Comment:	Tank battery sign missing API Number(s) of well(s) associated with the tank battery.		
Corrective Action:	The Tank battery sign will be no less than 3 square feet and no more than 6 square feet, and will provide: Name of the Operator; Telephone number at which the Operator can be reached at all times; Telephone number for local emergency services (911 where available); The public road used to access the Tank battery site; Well name(s) and API number(s) associated with the Tank battery and the legal location of the Well(s); and Location, including the quarter/quarter section, of the Tank battery.	Date:	06/19/2023
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:	Some fading. Replace before becoming illegible.		
Corrective Action:		Date:	

Emergency Contact Number:

Comment: (800) 288-0560 or 911

Corrective Action:

Date: \_\_\_\_\_

Overall Good: ☐

<b>Spills:</b>				
Type	Area	Volume		
In Containment: No				
Comment: _____				
<input type="checkbox"/> Multiple Spills and Releases?				

<b>Fencing/:</b>			
Type	TANK BATTERY		
Comment:	Woven wire		
Corrective Action:		Date:	

<b>Equipment:</b>			corrective date
Type: Horizontal Heated Separator	# 1		
Comment:			
Corrective Action:		Date:	
Type: Plunger Lift	# 1		
Comment:			
Corrective Action:		Date:	

Type: Bradenhead	# 1	
Comment:	Accessible with valve	
Corrective Action:		Date:
Type: Bird Protectors	# 1	
Comment:		
Corrective Action:		Date:
Type: Deadman # & Marked	# 4	
Comment:		
Corrective Action:		Date:
Type: Ancillary equipment	# 1	
Comment:	Chemical tank in plastic containment	
Corrective Action:		Date:
Type: Gas Meter Run	# 1	
Comment:	Gas meter calibration card not visibly displayed.	
Corrective Action:	The Operator will conspicuously post and maintain the date of the last meter calibration in a legible condition at each meter at all times.	Date: 05/05/2023

**Tanks and Berms:**

Contents	#	Capacity	Type	Tank ID	SE GPS
CRUDE OIL	1	400 BBLs	STEEL AST		,
Comment:	All tank valves have plugs installed. Soil staining on South side of tank base.				
Corrective Action:	Remove and properly dispose of stained soil				Date: 05/05/2023

**Paint**

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

**Berms**

Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance
Earth	Adequate	Walls Sufficient	Base Sufficient	Adequate
Comment:				
Corrective Action:	Date:			

**Venting:**

Yes/No	NO
Comment:	
Corrective Action:	Date:

**Flaring:**

Type	
Comment:	

Corrective Action:		Date:	
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**Inspected Facilities**Facility ID: 228604 Type: WELL API Number: 103-05520 Status: PR Insp. Status: PR**Idle Well**Purpose: ☒ Shut In ☐ Temporarily Abandoned

Reminder: \_\_\_\_\_

Comment: Last Production - September 2020. 1 day of Production in April of 2022?  
Well may be overdue for Mechanical Integrity Test (MIT). MIT requires 10 day notification via Form 42. Well plugging requires an approved Form 6 Intent to Abandon to plug well. Well can only be returned to SI status if it has produced (without mechanic intervention) within 2 years.

Corrective Action: Verify Production status with COGCC engineer.  
Perform successful mechanical integrity test if required. If a successful MIT cannot be performed within 30 day CA time the well must be plugged within 3 months

Date: 05/22/2023

**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		
		Culverts				
Ditches						

Comment: Stormwater BMPs need implementation and maintenance. Insufficient BMPs to control vehicle tracking.

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: 05/05/2023

**Pits:** ☒ NO SURFACE INDICATION OF PIT

**Attached Documents**

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

Document Num	Description	URL
702501168	Inspection Photos	<a href="http://ogccwebblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6087611">http://ogccwebblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6087611</a>