

**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:

05/09/2023

Submitted Date:

05/09/2023

Document Number:

702501281

FIELD INSPECTION FORM

Loc ID 336393 Inspector Name: Burchett, Kirby On-Site Inspection 2A Doc Num: _____

Status Summary:

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

Operator Information:

OGCC Operator Number: 10775
 Name of Operator: KT RESOURCES LLC
 Address: 3381 WESTBROOK LANE
 City: HIGHLANDS State: CO Zip: 80129

Findings:

- 24 Number of Comments
- 11 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
Katz, Aaron	(970) 765-6300	aaron.katz@state.co.us	
Kellerby, Shaun	(970) 712-1248	shaun.kellerby@state.co.us	
Baumgras, Dan		Dan@KT-Res.com	
Adams, Karen	(303) 886-8733	adams@kt-res.com	
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
232226	WELL	PR	11/01/2022	GW	103-09897	WRD WYATT 25-44	PR
232234	WELL	SI	06/01/2020	GW	103-09905	WRD WYATT 25-44W	SI

General Comment:

COGCC Inspection Report Summary

On Tuesday, 05/09/2023, Inspector Kirby Burchett, conducted a follow up field inspection at KT Resources on the WRD Wyatt 25-44 & 25-44D wells, Location #336393, in Rio Blanco County, Colorado. This location is within or in close proximity to a Parks and Wildlife (CPW) District, with High Priority, NSO, Density, and Other Consultation Habitat regulations.

Any Corrective Actions from previous Inspections are still applicable.

Follow up inspection to verify Corrective Actions from Inspection #702501016 on 3/21/23 have been addressed. Chemical tank label has been applied. Methanol tank label, unused equipment and Stormwater BMPs have not been addressed.

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

1. Tank battery sign missing API Number.
2. WRD Wyatt 25-44W Bradenhead inaccessible or not visible
3. Gas meter calibration card not visibly displayed.
4. Stormwater BMPs have not been implemented or maintained.
5. Random debris.
6. Soil staining inside tank battery containment
7. Unused equipment on location.
8. Methanol tank not labeled.
9. Insufficient wildlife protection.
10. Containment full of liquid.
11. MIT overdue on WRD Wyatt 25-44W

Refer to Inspection Photos for observed compliance issues.

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: <input type="checkbox"/>			
Signs/Marker:			
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:	Methanol tank not labeled.		
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:	05/20/2023
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:	07/09/2023

Emergency Contact Number:			
Comment:	<input type="text" value="(800) 288-0560 or 911"/>		
Corrective Action:	<input type="text"/>	Date:	<input type="text"/>

Good Housekeeping:			
Type	OTHER		
Comment:	Open containment beside pump house full of liquid.		
Corrective Action:	Empty containment and properly dispose of contents.	Date:	05/15/2023
Type	DEBRIS		
Comment:	Random trash and debris		
Corrective Action:	All trash, rubbish, and other waste material will be properly contained until removed from the Oil and Gas Location. At no time will trash, debris, or rubbish be placed or remain on the ground.	Date:	05/17/2023
Type	OTHER		
Comment:	Soil staining around water tanks and pump house.		
Corrective Action:	Properly dispose of oily waste	Date:	05/25/2023
Type	OTHER		
Comment:	Open containment beside pump house lacks wildlife protection.		
Corrective Action:	Cover all rat holes, mouse holes, and cellars with materials sufficient to prevent accidental access by people, livestock, or wildlife.	Date:	05/20/2023
Type	UNUSED EQUIPMENT		
Comment:	Compressor on location		

Corrective Action: The storage, placement, or maintenance of equipment, vehicles, trailers, commercial products, chemicals, drums, totes, containers, materials, and all other supplies not necessary for use on an Oil and Gas Locations is prohibited.	Date: <u>06/09/2023</u>
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Overall Good:

Spills:			
Type	Area	Volume	

In Containment: No
 Comment:
 Multiple Spills and Releases?

Fencing/:			
Type	TANK BATTERY		
Comment:	Partial livestock fencing and panels		
Corrective Action:		Date:	

Equipment:			corrective date
Type: Ancillary equipment	# 1		
Comment:	Metal tank on stand inside tank containment		
Corrective Action:		Date:	
Type: Horizontal Heated Separator	# 1		
Comment:			
Corrective Action:		Date:	
Type: Ancillary equipment	# 1		
Comment:	Chemical tanks inside containment		
Corrective Action:		Date:	
Type: Bird Protectors	# 3		
Comment:			
Corrective Action:		Date:	
Type: Deadman # & Marked	# 4		
Comment:			
Corrective Action:		Date:	
Type: Other	# 1		
Comment:	WRD Wyatt 25-44W. Free flow. No artificial lift.		
Corrective Action:		Date:	
Type: Bradenhead	# 1		
Comment:	WRD Wyatt 25-44. Accessible with valve. WRD Wyatt 25-44W. Bradenhead not accessible or visible.		
Corrective Action:	Install appropriate fittings to allow Bradenhead visual inspection.	Date:	<u>05/20/2023</u>
Type: Gas Meter Run	# 2		
Comment:	Gas meter calibration cards 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:	<u>05/20/2023</u>
Type: Prime Mover	# 1		

Comment:	Housed water pump	Date:	
Corrective Action:		Date:	
Type: Plunger Lift	# 1		
Comment:	WRD Wyatt 25-44	Date:	
Corrective Action:		Date:	

Tanks and Berms:

Contents	#	Capacity	Type	Tank ID	SE GPS
CRUDE OIL	1	300 BBLs	HEATED STEEL AST		,
Comment:	Loadline and tank valves capped or plugged.				
Corrective Action:					Date:

Paint

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

Berms

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

Contents	#	Capacity	Type	Tank ID	SE GPS
PRODUCED WATER	2	500 BBLs	STEEL AST		,
Comment:	All tank valves capped or plugged				
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 and earth combination			
Corrective Action:				Date:

Venting:

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

Flaring:

Type	
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Comment:		
Corrective Action:	Date:	

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Inspected Facilities

Facility ID: 232226 Type: WELL API Number: 103-09897 Status: PR Insp. Status: PR

Producing Well

Comment: Plunger lift

Corrective Action:

Date:

Facility ID: 232234 Type: WELL API Number: 103-09905 Status: SI Insp. Status: SI

Idle Well

Purpose: Shut In

Temporarily Abandoned

Reminder: _____

Comment: Last production - 05/2020
No current MIT on record or delinquent as required by Rule 417.

Corrective Action:

Perform successful mechanical integrity test. If a successful MIT can not be performed within 30 day CA time the well must be plugged within 3 months per Rule 417 and 210.

Date: 06/09/2023

Reclamation - Storm Water - Pit

Storm Water:

Loc Erosion BMPs	BMP Maintenance	Lease Road Erosion BMPs	Lease BMP Maintenance	Chemical BMPs	Chemical BMP Maintenance	Comment
Berms						
		Ditches				
Ditches						
				Material Handling And Spill Prevention		

Comment: [Stormwater BMPs need implementation and maintenance. Insufficient BMPs to control vehicle tracking.](#)

Corrective Action: [Provide proper Stormwater BMPs to control runoff in a manner that minimizes erosion, transport of sediment offsite, and site degradation. Vehicle tracking BMPs to control potential sediment discharges from operational roads, well pads, and other unpaved surfaces.](#)

Date: 06/01/2023

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
403398559	INSPECTION SUBMITTED	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6109298
702501282	Inspection Photos	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6109285