

**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:

05/10/2023

Submitted Date:

05/10/2023

Document Number:

702501296

FIELD INSPECTION FORMLoc ID 316308 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:

15 Number of Comments

4 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 |
|-----------------|----------------|----------------------------|---------|
| 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 |
|-------------|------|--------|-------------|------------|-----------|---------------------|-------------|
| 261839 | WELL | PR | 05/01/2022 | GW | 103-10212 | ANT HILL UNIT 18-42 | SI |

General Comment:**COGCC Inspection Report Summary**

On Wednesday, 05/01/2023, Inspector Kirby Burchett, conducted a routine field inspection at KT Resources LLC on the Ant Hill Unit 18-42 well, Location #316308, in Rio Blanco County, Colorado.

This location is within or in close proximity to a Parks and Wildlife (CPW) District with Black Bear, High Priority, NSO, and 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. Random debris.
2. Chemical containment open to wildlife.
3. Gas meter calibration not visibly displayed.
4. Stormwater BMPs need implementation and maintenance.

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.

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

| | | | |
|--------------------|--|-------|--|
| Type | TANK LABELS/PLACARDS | | |
| Comment: | | | |
| Corrective Action: | | Date: | |
| Type | WELLHEAD | | |
| 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 | BATTERY | | |
| Comment: | | | |
| Corrective Action: | | Date: | |

Emergency Contact Number:

Comment: (800) 288-0560 or 911

Corrective Action:

Date: _____

Good Housekeeping:

| | | | |
|--------------------|---|-------|------------|
| Type | DEBRIS | | |
| Comment: | Random debris on pumping unit and engine | | |
| 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 |

Overall Good: ☐**Spills:**

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

In Containment: No

Comment:

☐ Multiple Spills and Releases?**Fencing/:**

| | | | |
|--------------------|----------------------------|-------|--|
| Type | PUMP JACK | | |
| Comment: | Livestock fence and panels | | |
| Corrective Action: | | Date: | |

Equipment:

| | | | |
|---------------------|---|--|-----------------|
| Type: Gas Meter Run | # 1 | | corrective date |
| 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: | 05/23/2023 |
| Type: Horizontal Heated Separator | # 1 | | | | |
| Comment: | | | | | |
| Corrective Action: | | | | Date: | |
| Type: Deadman # & Marked | # 4 | | | | |
| Comment: | | | | | |
| Corrective Action: | | | | Date: | |
| Type: Bird Protectors | # 3 | | | | |
| Comment: | | | | | |
| Corrective Action: | | | | Date: | |
| Type: Ancillary equipment | # 2 | | | | |
| Comment: | | Chemical tanks in containment. Wildlife protections devices not adequate. | | | |
| Corrective Action: | | Install or repair wildlife protection equipment. | | Date: | 05/21/2023 |
| Type: Ancillary equipment | # 1 | | | | |
| Comment: | | Motor oil stand in containment. Install or repair wildlife protection equipment. | | | |
| Corrective Action: | | | | Date: | |
| Type: Pump Jack | # 1 | | | | |
| Comment: | | | | | |
| Corrective Action: | | | | Date: | |
| Type: Bradenhead | # 1 | | | | |
| Comment: | | | | | |
| Corrective Action: | | | | Date: | |

Tanks and Berms:

| Contents | # | Capacity | Type | Tank ID | SE GPS |
|--------------------|---|--------------------------------------|-----------|---------|--------|
| PRODUCED WATER | 1 | 300 BBLS | STEEL AST | | , |
| Comment: | | All tank valves have plugs installed | | | |
| Corrective Action: | | | | Date: | |

Paint

| | |
|------------------|--|
| Condition | |
| 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 berm | | |

| | | | | | | |
|---|---|----------|------------------|---------|--------|--|
| Corrective Action: | | | | | Date: | |
| Contents | # | Capacity | Type | Tank ID | SE GPS | |
| CRUDE OIL | 2 | 300 BBLs | HEATED STEEL AST | | , | |
| Comment: Loadlines and tank valves have plugs 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 and earth berm | | | | | |
| Corrective Action: | | | | | Date: |

Venting:

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

Flaring:

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

| Inspected Facilities | | | | | | | | | |
|--|--------|-------|------|-------------|-----------|---------|----|---------------|----|
| Facility ID: | 261839 | Type: | WELL | API Number: | 103-10212 | Status: | PR | Insp. Status: | SI |
| Idle Well | | | | | | | | | |
| Purpose: <input checked="" type="checkbox"/> Shut In <input type="checkbox"/> Temporarily Abandoned Reminder: _____ | | | | | | | | | |
| Comment: Last Production - January 2023 | | | | | | | | | |
| 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 |
|------------------|-----------------|-------------------------|-----------------------|--|--------------------------|------------------------------------|
| | | Gravel | | | | |
| Gravel | | | | | | |
| | | | | Material Handling And Spill Prevention | Fail | Wildlife netting needs maintenance |

Comment: [Stormwater BMPs need implementation and maintenance.](#)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: 06/10/2023

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 |
|--------------|----------------------|---|
| 403400102 | INSPECTION SUBMITTED | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6110750 |
| 702501297 | Inspection Photos | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6110746 |