

**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:

08/15/2023

Submitted Date:

08/16/2023

Document Number:

702501734

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:

- 26 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
Baumgras, Dan	(307) 321-3299	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	SI	05/01/2023	GW	103-09897	WRD WYATT 25-44	SI
232234	WELL	SI	06/01/2020	GW	103-09905	WRD WYATT 25-44W	SI

General Comment:

ECMC Inspection Report Summary

On Tuesday, 08/15/2023, Inspector Kirby Burchett, conducted a follow up field inspection at KT Resources LLC on the WRD Wyatt 25-44 & 25-44W wells, Location #316393, 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 in response to compliance issues observed during Inspection #70250281 on 5/9/23. 7 of 11 Corrective Actions from Inspection #702501281 have not been resolved. Due dates will remain the same.

1. WRD Wyatt 25-44W Bradenhead inaccessible or not visible
2. Stormwater BMPs have not been implemented or maintained.
3. Random debris.
4. Soil staining inside tank battery containment.
5. Unused equipment on location.
6. Methanol tank not labeled.
7. MIT overdue on WRD Wyatt 25-44W.

Refer to Inspection Photos for observed compliance issues.

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

1. Weeds
2. Gas meter calibration overdue on the 24-44.
3. Gas meter calibration not visibly displayed on the 25-44W.
4. Illegible tank labels.

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:

Signs/Marker:		
Type	OTHER	
Comment:	The Location Entrance sign will identify: The Well name; The Commission's Location identification number (ID #); The Operator's telephone number where it may be reached at all times; and the Telephone number(s) for local emergency services (911 where available).	
Corrective Action:		Date:
Type	CONTAINERS	
Comment:	Chemical tank. Methanol tank missing required labels.	
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: <u>05/20/2023</u>
Type	OTHER	
Comment:	Separator units include attached storage tanks. 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:	As Wellhead signs are replaced: The Well name; The API Number; and Its legal location, including the quarter/quarter section will be required.	
Corrective Action:		Date:
Type	TANK LABELS/PLACARDS	
Comment:	Peeling tank labels	
Corrective Action:	Operators will ensure that signs are well maintained and legible, and will replace damaged or vandalized signs within 30 days of discovery that the sign is no longer legible or is damaged.	Date: <u>09/15/2023</u>
Type	BATTERY	
Comment:		
Corrective Action:		Date:

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

Good Housekeeping:		
Type	WEEDS	
Comment:	Oil and Gas Locations will be kept free of all Undesirable Plant Species.	
Corrective Action:	Maintain noxious weed control on all disturbed and reclaimed areas as a result of Oil & Gas activities including access roads.	Date: <u>08/23/2023</u>
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>
Type	DEBRIS	

Comment:	Random 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

Overall Good:

Spills:			
Type	Area	Volume	
Produced Water	Tank	<= 1 bbl	
Comment:	Stained soils throughout tank battery		
Corrective Action:	Remove and properly dispose of oily waste and impacted soil.		Date: 05/25/2023

In Containment: Yes

Comment:

Multiple Spills and Releases?

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

Equipment:			corrective date
Type: Bird Protectors	# 3		
Comment:			
Corrective Action:		Date:	
Type: Ancillary equipment	# 2		
Comment:	Chemical tank inside containment. Metal tank on stand inside tank berm.		
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:	05/20/2023
Type: Emission Control Device	# 1		
Comment:			
Corrective Action:		Date:	
Type: Deadman # & Marked	# 4		
Comment:			
Corrective Action:		Date:	
Type: Other	# 1		
Comment:	Wellhead. WRD Wyatt 25-44W		
Corrective Action:		Date:	
Type: Plunger Lift	# 1		
Comment:	WRD Wyatt 25-44		
Corrective Action:		Date:	

Type: Gas Meter Run	# 1	
Comment:	WRD Wyatt 25-44. Gas meter calibration displayed but out of compliance.	
Corrective Action:	Meters will be calibrated annually unless more frequent calibration is required by contractual obligations or by the Director.	Date: 08/26/2023
Type: Gas Meter Run	# 1	
Comment:	WRD Wyatt 25-44W. Gas meter calibration 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: 05/20/2023
Type: Horizontal Heated Separator	# 1	
Comment:	WRD Wyatt 25-44	
Corrective Action:		Date:

Tanks and Berms:

Contents	#	Capacity	Type	Tank ID	SE GPS
CRUDE OIL	1	300 BBLs	HEATED STEEL AST		,
Comment:					
Corrective Action:					Date:

Paint

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

Berms

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

Contents	#	Capacity	Type	Tank ID	SE GPS
OTHER	1	<50 BBLs	STEEL AST		,
Comment:	Vent tank				
Corrective Action:					Date:

Paint

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

Berms

Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance

Other	Adequate				
Comment:	Metal and earth combination				
Corrective Action:				Date:	
Contents	#	Capacity	Type	Tank ID	SE GPS
PRODUCED WATER	2	500 BBLs	STEEL AST		
Comment:					
Corrective Action:				Date:	
Paint					
Condition	Adequate				
Other (Content)					
Other (Capacity)					
Other (Type)					
Berms					
Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance	
Other	Adequate				
Comment:	Metal and earth combination. Unlined.				
Corrective Action:				Date:	
Venting:					
Yes/No	NO				
Comment:					
Corrective Action:				Date:	
Flaring:					
Type					
Comment:					
Corrective Action:				Date:	

Inspected Facilities

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

Idle Well

Purpose: Shut In Temporarily Abandoned Reminder: _____

Comment: Last Report - June 2023.
Last Production - April 2023.

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.

Corrective Action: Perform successful mechanical integrity test. 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
Ditches						
		Ditches				
Berms						
				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
702501735	Inspection Photos	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6221374