

**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:

08/29/2023

Submitted Date:

08/30/2023

Document Number:

702501790

FIELD INSPECTION FORMLoc ID: 316155 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:

16 Number of Comments

7 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
Gale, Tony	(303) 886-8733	tony@kt-res.com	
Baumgras, Dan	(307) 321-3299	Dan@KT-Res.com	
Adams, Karen	(303) 886-8733	adams@kt-res.com	

Inspected Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status
232250	WELL	SI	10/01/2020	GW	103-09921	WRD FEDERAL 19-13	SI

General Comment:**ECMC Inspection Report Summary**

On Tuesday, 08/29/2023, Inspector Kirby Burchett, conducted a follow up field inspection at KT Resources on the WRD Federal 19-13 well, Location #316155, 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 the following compliance issues observed during Inspection #702501283 on 5/9/23:

1. Random debris. Still on location. Due date will remain 5/25/23.
2. Methanol tank not labeled. Not resolved. Due date will remain 5/20/23.
3. Insufficient Stormwater BMPs. Not resolved. Due date remains 6/9/23.
4. Gas meter calibration card not visibly displayed. Displayed.

Refer to Inspection Photos for observed compliance issues.

During this inspection the following compliance issues were observed:

1. Weeds not maintained.
2. Oily spray on weeds and ground at tank battery.
3. Gas meter calibration out of compliance.

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 ECMC rules.

LocationOverall Good: ☐

Signs/Marker:			
Type	OTHER		
Comment:	Heater unit includes internal storage tank. 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:	
Type	CONTAINERS		
Comment:	Unlabeled methanol tank		
Corrective Action:	All Tanks with a capacity of 10 Barrels or greater will be labeled or posted with the following information: Name of Operator; Operator's emergency contact telephone number; Tank capacity; Tank contents; and NFPA label or equivalent globally harmonized label.	Date:	09/09/2023
Type	OTHER		
Comment:	As Location Entrance signs are replaced: 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) will be required.		
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:	

Emergency Contact Number:

Comment: (800) 288-0560 or 911

Corrective Action:

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:	09/06/2023
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:	05/25/2023

Overall Good: ☐

Spills:			
Type	Area	Volume	
PW/CO	Tank	<= 1 bbl	
Comment:	Weed and soil staining at tank battery. Area still wet from spray.		

Corrective Action: Remove and properly dispose of oily waste and impacted soil.				Date: <u>09/14/2023</u>	
In Containment: Yes					
Comment: <div style="border: 1px solid black; height: 20px; width: 100%;"></div>					
<input type="checkbox"/> Multiple Spills and Releases?					
Equipment:				corrective date	
Type: Horizontal Heater Treater		# 1			
Comment:					
Corrective Action:				Date:	
Type: Other		# 2			
Comment: Housed water transfer pumps					
Corrective Action:				Date:	
Type: Bird Protectors		# 2			
Comment:					
Corrective Action:				Date:	
Type: Plunger Lift		# 1			
Comment:					
Corrective Action:				Date:	
Type: Gas Meter Run		# 1			
Comment: 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: <u>09/09/2023</u>	
Type: Ancillary equipment		# 1			
Comment: Methanol tank on stand inside tank berm					
Corrective Action:				Date:	
Type: Deadman # & Marked		# 4			
Comment:					
Corrective Action:				Date:	
Type: Vertical Separator		# 1			
Comment:					
Corrective Action:				Date:	
Type: Bradenhead		# 1			
Comment:					
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
Other	Adequate			
Comment:	Earth and metal			
Corrective Action:				Date:

Contents	#	Capacity	Type	Tank ID	SE GPS
PRODUCED WATER	3	300 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:	Earth and metal			
Corrective Action:				Date:

Venting:

Yes/No	NO		
Comment:			
Corrective Action:			Date:

Flaring:

Type			
Comment:			
Corrective Action:			Date:

Inspected Facilities									
Facility ID:	232250	Type:	WELL	API Number:	103-09921	Status:	SI	Insp. Status:	SI
Idle Well									
Purpose: <input checked="" type="checkbox"/> Shut In <input type="checkbox"/> Temporarily Abandoned									
Reminder:									
Comment: Last Production - September 2020 Well is 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: Perform successful mechanical integrity test. If a successful MIT cannot 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
Ditches						
		Culverts				
				Material Handling And Spill Prevention		
Gravel						
		Ditches				
		Gravel				

Comment: Insufficient Stormwater BMPs to control potential sediment discharges from operational roads, well pads, and other unpaved surfaces.
 Corrective Action: Provide proper Stormwater BMPs to control runoff in a manner that minimizes erosion, transport of sediment offsite, and site degradation.

Corrective Action: Provide proper Stormwater BMPs to control runoff in a manner that minimizes erosion, transport of sediment offsite, and site degradation.

Date: 06/09/2023

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
403516529	INSPECTION SUBMITTED	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6237789
702501791	Inspection Photos	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6237781