

**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:

01/17/2024

Submitted Date:

01/18/2024

Document Number:

702502291

FIELD INSPECTION FORMLoc ID 316154 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

6 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	
Gale, Tony	(303) 886-8733	tony@kt-res.com	
Wilson, Justin	(970) 878-3825	jrwilson@blm.gov	
Baumgras, Dan	(307) 321-3299	Dan@KT-Res.com	

Inspected Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status
232248	WELL	SI	08/01/2022	GW	103-09919	ANT HILL UNIT 30-42	SI

General Comment:**ECMC Inspection Report Summary**

On Tuesday, 01/17/2024, Inspector Kirby Burchett, conducted a follow up field inspection at KT Resources LLC on the Ant Hill Unit 30-42 well, Location #316154, 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, 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 Insp. #702501445 on 6/13/23. All Corrective Actions have not been resolved and original due dates will remain:

1. Debris.
2. Stained soil.

Refer to Inspection Photos for observed compliance issues.

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

1. Tank battery sign does not match database or wellhead sign.
2. Insufficient tank battery containment.
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	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:			
Corrective Action:		Date:	
Type	CONTAINERS		
Comment:			
Corrective Action:		Date:	
Type	BATTERY		
Comment:	Well name on sign at tank battery does not match database or wellhead sign.		
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:	03/11/2024

Emergency Contact Number:

Comment: (800) 288-0560 opr 911

Corrective Action:

Date: _____

Good Housekeeping:

Type	DEBRIS			
Comment:	Pail still on containment at pumping unit			
Corrective Action:	All excess materials, rubbish, supplies, trash, or other waste material will be properly contained until removed from the Oil and Gas Location. At no time will debris be placed or remain on the ground.		Date:	01/25/2024

Overall Good: ☐

Spills:				
Type	Area	Volume		
Crude Oil	Treater	<= 1 bbl		
Comment:	Stained soil.			
Corrective Action:	Remove and properly dispose of oily waste and stained soils.		Date:	07/05/2023
Lube Oil	Pump Jack	<= 1 bbl		
Comment:	Oily equipment and stained soil			
Corrective Action:	Repair leaks. Remove and properly dispose of oily waste and stained soils.		Date:	06/29/2023

In Containment: No

Comment:

☐ Multiple Spills and Releases?

Fencing/:			
Type	PUMP JACK		
Comment:	Livestock wire		
Corrective Action:		Date:	
Type	WELLHEAD		
Comment:	Fence panels		
Corrective Action:		Date:	

Equipment:			corrective date
Type: Bradenhead	# 1		
Comment:			
Corrective Action:		Date:	
Type: Horizontal Heater Treater	# 1		
Comment:			
Corrective Action:		Date:	
Type: Deadman # & Marked	# 4		
Comment:			
Corrective Action:		Date:	
Type: Gas Meter Run	# 1		
Comment:	Gas meter calibration out of compliance. Well shut in - June 2020. MIT required. Meter will be required to be calibrated if well is returned to production. Meters will be calibrated annually unless more frequent calibration is required by contractual obligations or by the Director.		
Corrective Action:		Date:	
Type: Ancillary equipment	# 3		
Comment:	2 chemical tanks on containments. Lube oil tank in containment.		
Corrective Action:		Date:	
Type: Bird Protectors	# 2		
Comment:			
Corrective Action:		Date:	
Type: Pump Jack	# 1		
Comment:			
Corrective Action:		Date:	

Tanks and Berms:

Contents	#	Capacity	Type	Tank ID	SE GPS
PRODUCED WATER	1	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		
Metal	Adequate					
Comment:				Inadequate berm addressed under Tanks and Berms: Crude Oil		
Corrective Action:				Date:		
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	Walls Insufficient				
Comment:				Secondary containment is not sufficiently impervious to contain spilled or released materials.		
Corrective Action:				Install liner material to ensure spill or released materials will be maintained within containment structure.		Date: 02/17/2024
Venting:						
Yes/No	NO					
Comment:						
Corrective Action:						Date:
Flaring:						
Type						
Comment:						
Corrective Action:						Date:

Inspected Facilities									
Facility ID:	232248	Type:	WELL	API Number:	103-09919	Status:	SI	Insp. Status:	SI
Idle Well									
Purpose: <input checked="" type="checkbox"/> Shut In <input type="checkbox"/> Temporarily Abandoned Reminder: _____									
Comment: Last Production - May 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.									
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.									
Date: 02/17/2024									

Reclamation - Storm Water - Pit

Storm Water:

Loc Erosion BMPs	BMP Maintenance	Lease Road Erosion BMPs	Lease BMP Maintenance	Chemical BMPs	Chemical BMP Maintenance	Comment

Comment: Limited Stormwater inspection due to snow.

Operator is responsible for maintaining Best Management Practices (BMPs) to control vehicle tracking and potential sediment discharges from operational roads, well pads, and other unpaved surfaces.

Corrective Action:

Date:

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
403659978	INSPECTION SUBMITTED	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6399136
702502292	Inspection Photos	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6399130