

**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:

01/30/2024

Submitted Date:

01/30/2024

Document Number:

702502315

FIELD INSPECTION FORM

Loc ID: 316281 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:

- 10 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
Adams, Karen	(303) 886-8733	adams@kt-res.com	
Baumgras, Dan	(307) 321-3299	Dan@KT-Res.com	
Gale, Tony	(303) 886-8733	tony@kt-res.com	
Wilson, Justin	(970) 878-3825	jrwilson@blm.gov	

Inspected Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status
260296	WELL	SI	10/01/2020	GW	103-10145	WRD UNIT 28-22	SI

General Comment:

[ECMC Inspection Report Summary](#)

On Tuesday, 01/30/2024, Inspector Kirby Burchett, conducted a follow up field inspection at KT Resources LLC on the WRD Unit 28-22 well, Location #311, in Rio Blanco County, Colorado. This location is within or in close proximity to Parks and Wildlife (CPW) District with High Priority, NSO, Density, and Other Consultation Habitats.

Any Corrective Actions from previous Inspections are still applicable.

Follow up inspection in response to compliance issues observed during Insp. #702501128 on 4/11/23. Original due dates remain on unresolved corrective actions:

1. No API Number on tank battery sign. (Resolved)
2. Leakage and soil staining at separator. (Unresolved)
3. Stormwater BMPs not implemented or maintained. (Unresolved)
4. Gas meter calibration card not conspicuously posted. (Resolved)
5. Erosion under metal containment around tank battery. (Unresolved)
6. Well has been shut in over 2 years. MIT overdue. (Unresolved)

Refer to Inspection Photos for observed compliance issues.

While there during normal production operations the following compliance issue was observed:

1. 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.

Location

Overall Good:

Signs/Marker:

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	BATTERY		
Comment:			
Corrective Action:		Date:	
Type	TANK LABELS/PLACARDS		
Comment:			
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: _____

Overall Good:

Spills:

Type	Area	Volume	
Comment:	Leakage and staining coming from separator.		
Corrective Action:	Repair equipment. Clean up and properly dispose of stained soil.		Date: 04/19/2023

In Containment: No

Comment:

Multiple Spills and Releases?

Equipment:

Type			corrective date
Horizontal Heated Separator	# 1		
Comment:			
Corrective Action:		Date:	
Bird Protectors	# 2		
Comment:			
Corrective Action:		Date:	
Gas Meter Run	# 1		
Comment:	Meter calibration out of compliance. Meter will be required to be calibrated before returning well to production.		

Corrective Action:	Meters will be calibrated annually unless more frequent calibration is required by contractual obligations or by the Director.	Date:	02/10/2024
Type: Deadman # & Marked	# 4		
Comment:			
Corrective Action:		Date:	
Type: Bradenhead	# 1		
Comment:			
Corrective Action:		Date:	
Type: Plunger Lift	# 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				
Comment:	Unlined. Corrective Action 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	Inadequate		Base Insufficient	Inadequate

Comment:	Unlined Secondary containment is not sufficiently impervious to contain spilled or released materials. Gaps under metal containment wall.	
Corrective Action:	Install liner material to ensure spill or released materials will be maintained within containment structure.	Date: 05/15/2023

Venting:

Yes/No	NO		
Comment:			
Corrective Action:		Date:	

Flaring:

Type		
Comment:		
Corrective Action:		Date:

Inspected Facilities

Facility ID: 260296 Type: WELL API Number: 103-10145 Status: SI Insp. Status: SI

Idle Well

Purpose: Shut In Temporarily Abandoned Reminder: _____

Comment: Last Production - September 2020
Well is overdue for Mechanical Integrity Test. 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: 05/15/2023

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						

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
403671798	INSPECTION SUBMITTED	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6413020
702502316	Inspection Photos	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6413009