

FORM
INSPRev
X/20State of Colorado
Oil and Gas Conservation Commission1120 Lincoln Street, Suite 801, Denver, Colorado 80203
Phone: (303) 894-2100 Fax: (303) 894-2109

Inspection Date:

03/19/2024

Submitted Date:

03/20/2024

Document Number:

702502503

FIELD INSPECTION FORM

 Loc ID 316155 Inspector Name: Burchett, Kirby On-Site Inspection 2A Doc Num: _____
Operator Information:OGCC Operator Number: 10775Name of Operator: KT RESOURCES LLCAddress: 3381 WESTBROOK LANECity: 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 Comments5 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
Wilson, Justin	(970) 878-3825	jrwilson@blm.gov	
Baumgras, Dan	(307) 321-3299	Dan@KT-Res.com	
Gale, Tony	(303) 886-8733	tony@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	12/01/2023	GW	103-09921	WRD FEDERAL 19-13	SI

General Comment:

ECMC Inspection Report Summary

On Tuesday, 03/19/2024, Inspector Kirby Burchett, conducted a follow up field inspection at KT Resources LLC 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, Black Bear and High Priority area with 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 Insp. #702501283 on 5/9/23, Insp. #702501790 on 8/29/23 and Insp. #702502132 on 11/14/23. The following Corrective Actions were documented and original due date will remain on all unresolved CA's:

1. Random debris. (Unresolved).
2. Methanol tank not labeled. (Resolved).
3. Insufficient Stormwater BMPs. (Unresolved).
4. Stained soil at tank battery. (Unresolved).
5. Gas meter calibration out of compliance. (Unresolved).
6. Database reported well as producing with production reported in the months of August and September of 2023. Now shows production August 2023 through November 2023. Well was shut in previously October 2020 through July 2023. No records indicate MIT was performed or engineer approval before placing well back on production. Original MIT due date of 6/9/23 from Insp. #702501283 on 5/9/23 will remain.

Refer to Inspection Photos for observed compliance issues.

While there during normal operations no additional compliance issues were observed.

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

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

Good Housekeeping:			
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: <u>05/25/2023</u>
Type	WEEDS		
Comment:	Maintain noxious weed control on all disturbed and reclaimed areas as a result of Oil & Gas activities including access roads.		
Corrective Action:		Date:	

Overall Good:

Spills:			
Type	Area	Volume	
PW/CO	Tank	<= 1 bbl	
Comment:	Oily waste and soil staining		

Corrective Action: Remove and properly dispose of oily waste and impacted soil.	Date: <u>09/14/2024</u>
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In Containment: Yes

Comment:

Multiple Spills and Releases?

<u>Equipment:</u>	corrective 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: Plunger Lift # 1	
Comment:	
Corrective Action:	Date:
Type: Other # 1	
Comment: Housed water transfer pumps	
Corrective Action:	Date:
Type: Bird Protectors # 2	
Comment:	
Corrective Action:	Date:
Type: Deadman # & Marked # 4	
Comment:	
Corrective Action:	Date:
Type: Other # 1	
Comment: Line heater	
Corrective Action:	Date:
Type: Vertical Heater Treater # 1	
Comment:	
Corrective Action:	Date:
Type: Ancillary equipment # 1	
Comment: Methanol tank inside tank berm	
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
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Other (Content)	
Other (Capacity)	
Other (Type)	

Berms

Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance
Other	Adequate			
Comment:	Metal and earth. Unlined			
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:	Metal and earth. Unlined			
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: Shut In Temporarily Abandoned Reminder: _____

Comment: Last Production - November 2023
January 2024 Production Report
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 had been shut in since October 2020. Since the original corrective action was issued 5/9/23 database has been updated to showing production in August through November of 2023. No record of MIT being performed or engineer approval before returning well to production.
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.

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: 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				
				Material Handling And Spill Prevention		
		Culverts				
Check Dams						

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.

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
702502504	Inspection Photos	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6475640