

**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:

03/19/2024

Submitted Date:

03/21/2024

Document Number:

702502505

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

Findings:
 12 Number of Comments
 5 Number of Corrective Actions
 Corrective Action Response Requested

Operator Information:
 OGCC Operator Number: 10775
 Name of Operator: KT RESOURCES LLC
 Address: 3381 WESTBROOK LANE
 City: HIGHLANDS State: CO Zip: 80129

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, 03/19/2024, Inspector Kirby Burchett, conducted a follow up field inspection at KT Resources LLC on the WRD Unit 28-22 well, Location #316281, 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 compliance issues observed during Insp. #702501128 on 4/11/23 and Insp. #702502315 on 1/30/24. Original due dates remain on unresolved corrective actions:

1. Leakage and soil staining at separator. (Unresolved)
2. Stormwater BMPs not implemented or maintained. (Unresolved)
3. Erosion under metal containment around tank battery. (Unresolved)
4. Well is overdue for Mechanical Integrity Test. (Unresolved)
5. Gas meter calibration out of compliance. (Unresolved)

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

Emergency Contact Number:			
Comment:	<input type="text" value="(800) 288-0650 or 911"/>		
Corrective Action:	<input type="text"/>	Date:	<input type="text"/>

Good Housekeeping:			
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	Separator	<= 1 bbl	
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:			corrective date
Type: Deadman # & Marked	# 4		

Comment:			
Corrective Action:			Date:
Type: Horizontal Heated Separator	# 1		
Comment:			
Corrective Action:			Date:
Type: Bird Protectors	# 2		
Comment:			
Corrective Action:			Date:
Type: Bradenhead	# 1		
Comment:			
Corrective Action:			Date:
Type: Plunger Lift	# 1		
Comment:			
Corrective Action:			Date:
Type: 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

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:	Unlined			
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	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: <u>05/15/2023</u>

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
January 2024 Production Report
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: Stormwater BMPs need implementation and maintenance. Insufficient BMPs to control vehicle tracking.

Oil and gas operators shall implement and maintain Best Management Practices (BMPs) at all oil and gas locations to control Stormwater runoff in a manner that minimizes erosion, transport of sediment offsite, and site degradation.

Oil and gas operators shall implement and maintain vehicle tracking Best Management Practices (BMPs) to control potential sediment discharges from operational roads, well pads, and other unpaved surfaces.

Corrective Action: Provide proper BMPs to prevent sediment migration from location and lease road.

Date: 05/01/2023

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
702502506	Inspection Photos	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6476529