

**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:

03/20/2024

Document Number:

702502501

FIELD INSPECTION FORM

Loc ID: 316277
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:

- 18 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 | |
| Adams, Karen | (303) 886-8733 | adams@kt-res.com | |
| Baumgras, Dan | (307) 321-3299 | Dan@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 |
|-------------|------|--------|-------------|------------|-----------|-------------------|-------------|
| 260269 | WELL | PR | 08/01/2023 | GW | 103-10140 | WRD FEDERAL 19-11 | PR |

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 19-11 well, Location #316277, 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. #702501443 on 6/13/23 and Insp. #702502233 on 1/31/24. Original due dates will remain on unresolved Corrective Actions:

1. Stained soils. (Unresolved)
2. Random debris. (Unresolved)
3. Insufficient Stormwater BMPs. (Unresolved)
4. Gas meter calibration not visibly displayed. (Resolved)
5. Gas meter calibration overdue. (Unresolved)
6. Unlabeled chemical tank. (Unresolved)

Refer to Inspection Photos for observed compliance issues.

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

1. Unmarked anchor.
2. Pop off riser missing rain cap.

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: <input type="checkbox"/> | | | |
| 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: | Chemical tank label faded and illegible | | |
| Corrective Action: | Operators will ensure that container and tank labels are well maintained and legible, and will replace damaged or vandalized labels within 10 days of discovery that the label is no longer legible or is damaged. | | Date: 02/11/2024 |
| 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: | |
| Type | BATTERY | | |
| Comment: | | | |
| Corrective Action: | | Date: | |

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

| Good Housekeeping: | | | |
|--------------------|---|-------|------------------|
| Type | DEBRIS | | |
| Comment: | Random debris | | |
| 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: 06/21/2023 |
| 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 | |
| Lube Oil | Pump Jack | <= 1 bbl | |
| Comment: | Engine and gear box leaks around pumping unit | | |
| Corrective Action: | Repair leaks. Remove and properly dispose of oily waste and stained soils. | | Date: 07/01/2023 |

In Containment: No

Comment:

Multiple Spills and Releases?

Fencing/:

| | | | |
|--------------------|---|-------|--|
| Type | WELLHEAD | | |
| Comment: | Livestock wire and fence panels enclosing pumping unit and wellhead | | |
| Corrective Action: | | Date: | |
| Type | PUMP JACK | | |
| Comment: | Manufacturer | | |
| Corrective Action: | | Date: | |

Equipment:

| | | | corrective date |
|---------------------------------|--|-------|-------------------------|
| Type: Gas Meter Run | # 1 | | |
| Comment: | Gas meter calibration 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>02/11/2024</u> |
| Type: Bird Protectors | # 2 | | |
| Comment: | | | |
| Corrective Action: | | Date: | |
| Type: Deadman # & Marked | # 5 | | |
| Comment: | 1 unmarked anchor | | |
| Corrective Action: | All guy line anchors left buried for future use will be identified by a marker of bright color not less than 4 feet in height and not greater than 1 foot east of the guy line anchor. | | Date: <u>04/03/2024</u> |
| Type: Horizontal Heater Treater | # 1 | | |
| Comment: | Pop off riser missing rain cap | | |
| Corrective Action: | Vents on pressure safety devices will terminate in a manner so as not to endanger the public or adjoining facilities. They will be designed to be clear and free of debris and water at all times. | | Date: <u>04/04/2024</u> |
| Type: Ancillary equipment | # 2 | | |
| Comment: | Chemical tank on containment. Lube oil tank in containment. | | |
| Corrective Action: | | Date: | |
| Type: Bradenhead | # 1 | | |
| Comment: | | | |
| Corrective Action: | | Date: | |
| Type: Pump Jack | # 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 |
| Metal | Adequate | | | |
| Comment: | Unlined | | | |
| Corrective Action: | | | | Date: |

| | | | | | |
|--------------------|---|----------|-----------|---------|--------|
| 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: |

| | | | |
|--------------------|----|--|-------|
| Venting: | | | |
| Yes/No | NO | | |
| Comment: | | | |
| Corrective Action: | | | Date: |

| | |
|--------------------|-------|
| Flaring: | |
| Type | |
| Comment: | |
| Corrective Action: | Date: |

Inspected Facilities

Facility ID: 260269 Type: WELL API Number: 103-10140 Status: PR Insp. Status: PR

Producing Well

Comment: [January 2024 Production Report](#)

Corrective Action:

Date:

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 | | | | | | |
| | | | | Material Handling And Spill Prevention | | |

Comment: Insufficient Stormwater BMPs to control potential sediment discharges from operational roads, well pads, and other unpaved surfaces.

Corrective Action: 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.

Date: 06/29/2023

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 |
|--------------|----------------------|---|
| 403726762 | INSPECTION SUBMITTED | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6475655 |
| 702502502 | Inspection Photos | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6475639 |