

**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:

07/29/2024

Submitted Date:

07/29/2024

Document Number:

715500473**FIELD INSPECTION FORM**Loc ID 316309 Inspector Name: Burchett, Kirby On-Site Inspection ☐ 2A Doc Num: _____**Operator Information:**ECMC 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:14 Number of Comments6 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	
Enforcement, ECMC		dnr_cogccenforcement@state.co.us	
Engineering, ECMC		dnr_cogccengineering@state.co.us	
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
261840	WELL	SI	03/01/2023	GW	103-10213	ANT HILL UNIT 29-11	SI

General Comment:

ECMC Inspection Report Summary

On Monday, 07/29/2024, Inspector Kirby Burchett, conducted a follow up field inspection at KT Resources LLC on the WRD Unit 29-23 well, Location #316221, in Rio Blanco County, Colorado.

This location is within or in close proximity to a Parks and Wildlife (CPW) District and Black Bear area with 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. #702502629 on 4/18/24 and 2 previous inspections dating back to 4/11/23.

The following Corrective Actions are unresolved and original due dates remain:

1. Chemical tank is unused/stored equipment.
2. Gas meter calibration out of date
3. Mechanical Integrity Test overdue.
4. Leaking valve and stained soil on crude oil tank.

Refer to Inspection Photos for observed compliance issues.

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

1. Weeds
2. Spill at loadout pot covered with gravel

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	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	CONTAINERS		
Comment:	Chemical tank inside containment		
Corrective Action:		Date:	
Type	BATTERY		
Comment:			
Corrective Action:		Date:	

Emergency Contact Number:

Comment: (800) 288-0560 or 911

Corrective Action:

Date: _____

Good Housekeeping:

Type	WEEDS		
Comment:	Oil and Gas Locations will be kept free of all Undesirable Plant Species.		
Corrective Action:	Maintain noxious weed control on all disturbed and reclaimed areas as a result of Oil & Gas activities including access roads.	Date:	08/06/2024
Type	UNUSED EQUIPMENT		
Comment:	Chemical tank at wellhead disconnected. No pump.		
Corrective Action:	All equipment not hooked up or out of service will be removed from location.	Date:	05/04/2023

Overall Good: ☐**Spills:**

Type	Area	Volume		
Crude Oil	Truck Loadout	<= 1 bbl		
Comment:	Stained soil around loadout pot covered with gravel			
Corrective Action:	Remove and properly dispose of oily waste and impacted soil.		Date:	08/14/2024
Crude Oil	Tank	<= 1 bbl		
Comment:	Tank valve leaking at plug. Stained soil below.			
Corrective Action:	Remove and properly dispose of oily waste and impacted soil.		Date:	04/03/2024

In Containment: Yes

Comment:

☐ Multiple Spills and Releases?

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: 03/16/2024
Type: Horizontal Heater Treater	# 1			
Comment:				
Corrective Action:				Date:
Type: Ancillary equipment	# 1			
Comment:	Out of Service chemical tank in containment			
Corrective Action:				Date:
Type: Bird Protectors	# 2			
Comment:				
Corrective Action:				Date:
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	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: <input type="text"/>
Paint					
Condition	Adequate				
Other (Content)					<input type="text"/>
Other (Capacity)					<input type="text"/>
Other (Type)					<input type="text"/>
Berms					
Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance	
Metal	Adequate	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Comment:	Unlined				
Corrective Action:					Date: <input type="text"/>
Venting:					
Yes/No	NO				<input type="text"/>
Comment:					<input type="text"/>
Corrective Action:					Date: <input type="text"/>
Flaring:					
Type					<input type="text"/>
Comment:					<input type="text"/>
Corrective Action:					Date: <input type="text"/>

Inspected Facilities										
Facility ID:	261840	Type:	WELL	API Number:	103-10213	Status:	SI	Insp. Status:	SI	
Idle Well										
Purpose:		<input checked="" type="checkbox"/> Shut In		<input type="checkbox"/> Temporarily Abandoned		Reminder:				
Comment:		<div>Last Production - September 2020 1 day production reported in February 2023 May 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.</div>								
Corrective Action:		<div>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.</div> <div>Mechanical Integrity Test required to maintain shut in status or before returning to production.</div>						Date:		04/05/2024

The subreport 'InspWellFlowline' could not be found at the specified location \\10.14.12

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		
		Ditches				

Comment: 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 ECMC Images (<https://ecmc.state.co.us/weblink/>) and search by document number:

Document Num	Description	URL
715500474	Inspection Photos	https://ecmc.state.co.us/weblink/DownloadDocumentPDF.aspx?DocumentId=6643695