

**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:

02/27/2025

Submitted Date:

02/28/2025

Document Number:

715501337

FIELD INSPECTION FORM

Loc ID 316225 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:

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

Findings:

- 21 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 | |
| Wilson, Justin | (970) 878-3825 | jrwilson@blm.gov | |
| Enforcement, ECMC | | dnr_cogccenforcement@state.co.us | |
| 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 |
|-------------|------|--------|-------------|------------|-----------|------------------|-------------|
| 257971 | WELL | SI | 04/01/2024 | GW | 103-10049 | WRD FEDERAL 6-26 | SI |

General Comment:

[ECMC Inspection Report Summary](#)

On Thursday, 02/27/2025, Inspector Kirby Burchett, conducted a follow up field inspection at KT Resources LLC on the WRD Federal 6-26 well, Location #316225, 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 Habitat regulations.

Any Corrective Actions from previous Inspections are still applicable.

Follow up inspection in response to compliance issues observed during Insp. #702502378 on 2/7/24. The following Correction Actions are unresolved and original due dates remain:

1. Random debris
2. Unused equipment.
3. Containment open to wildlife
4. No visible display of gas meter calibration
5. No Mechanical Integrity Test. Well returned to production.

Refer to Inspection Photos for observed compliance issues.

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

1. Illegible labels.
2. Stained soils.

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 | 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 | WELLHEAD | |
| Comment: | Faded, peeled and illegible labels | |
| 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: <u>03/11/2025</u> |
| 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: |
| Type | TANK LABELS/PLACARDS | |
| Comment: | | |
| Corrective Action: | | Date: |
| Type | BATTERY | |
| Comment: | | |
| 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: |

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

| Good Housekeeping: | | |
|---------------------------|---|-------------------------|
| Type | WEEDS | |
| Comment: | Oil and Gas Locations will be kept free of all Undesirable Plant Species. Maintain noxious weed control on all disturbed and reclaimed areas as a result of Oil & Gas activities including access roads. | |
| Corrective Action: | | Date: |
| 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: <u>02/15/2024</u> |
| Type | UNUSED EQUIPMENT | |
| Comment: | Unused and out of service equipment on location | |

| | |
|--|-------------------------|
| Corrective Action: All equipment not hooked up or out of service will be removed from location. | Date: <u>03/09/2024</u> |
|--|-------------------------|

Overall Good:

| | | | |
|--|---|--------|--|
| Spills: | | | |
| Type | Area | Volume | |
| Other | | | |
| Comment: | Oily waste and stained soils originating from compressor building, drum(s) outside of compressor building | | |
| Corrective Action: Remove and properly dispose of oily waste and contaminated soil. | Date: <u>03/16/2025</u> | | |

In Containment: No
 Comment:
 Multiple Spills and Releases?

| | | | |
|--------------------|---------------------------|--|--|
| Fencing/: | | | |
| Type | TANK BATTERY | | |
| Comment: | Livestock wire and panels | | |
| Corrective Action: | Date: | | |
| Type | SEPARATOR | | |
| Comment: | Fence panels | | |
| Corrective Action: | Date: | | |
| Type | WELLHEAD | | |
| Comment: | Fence panels | | |
| Corrective Action: | Date: | | |

| | | | |
|---|--|--|-----------------|
| Equipment: | | | corrective date |
| Type: Bradenhead | # 1 | | |
| Comment: | | | |
| Corrective Action: | Date: | | |
| Type: Deadman # & Marked | # 4 | | |
| Comment: | | | |
| Corrective Action: | Date: | | |
| Type: Gas Meter Run | # 3 | | |
| Comment: | Inside separator. Gas meter calibration not visibly displayed. 1 meter run out of service. Corrective Action addressed under Good Housekeeping: Unused Equipment | | |
| Corrective Action: The Operator will conspicuously post and maintain the date of the last meter calibration in a legible condition at each meter at all times. | Date: <u>02/18/2024</u> | | |
| Type: Ancillary equipment | # 3 | | |
| Comment: | Chemical and methanol tanks in containments One containment open to wildlife | | |
| Corrective Action: Install or repair wildlife protection equipment. | Date: <u>02/18/2024</u> | | |
| Type: Plunger Lift | # 1 | | |
| Comment: | | | |
| Corrective Action: | Date: | | |

| | | | |
|-----------------------------------|--|--|-------|
| Type: Horizontal Heated Separator | # 1 | | |
| Comment: | | | |
| Corrective Action: | | | Date: |
| Type: Compressor | # 1 | | |
| Comment: | | | |
| Corrective Action: | | | Date: |
| Type: Bird Protectors | # 6 | | |
| Comment: | | | |
| Corrective Action: | | | Date: |
| Type: Vertical Heater Treater | # 1 | | |
| Comment: | Out of service. Corrective Action addressed under Good Housekeeping: Unused equipment | | |
| Corrective Action: | | | Date: |

Tanks and Berms:

| Contents | # | Capacity | Type | Tank ID | SE GPS |
|--------------------|---|----------|------------------|---------|--------|
| PRODUCED WATER | 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 |
|--------------------|----------|---------------------|---------------------|-------------|
| Earth | 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 |
|-------|----------|---------------------|---------------------|-------------|
| Earth | Adequate | | | |

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

Inspected Facilities

Facility ID: 257971 Type: WELL API Number: 103-10049 Status: SI Insp. Status: SI

Idle Well

Purpose: Shut In Temporarily Abandoned Reminder: _____

Comment: [December 2024 Production Report](#)
[Shut In - April 2024](#)

[Shut In - October 2020.](#)
[April 2023, Produced 1 day, 1 Mcf.](#)
[Returned to production - September 2023.](#)
[No record of Mechanical Integrity Test before returning well to production.](#)

Corrective Action: [Submit ECMC engineering approval or perform successful mechanical integrity test.](#) Date: 03/09/2024

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 |
|------------------|-----------------|-------------------------|-----------------------|--|--------------------------|------------------|
| Gravel | | | | | | |
| | | | | Material Handling And Spill Prevention | Fail | Open to wildlife |
| | | Gravel | | | | |
| | | 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 |
|--------------|----------------------|---|
| 404111468 | INSPECTION SUBMITTED | https://ecmc.state.co.us/weblink/DownloadDocumentPDF.aspx?DocumentId=6939504 |
| 715501338 | Inspection Photos | https://ecmc.state.co.us/weblink/DownloadDocumentPDF.aspx?DocumentId=6939467 |