

**FORM
INSP**Rev
X/15

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:

03/25/2020

Submitted Date:

03/30/2020

Document Number:

688307466

FIELD INSPECTION FORM
 Loc ID 414696 Inspector Name: Sherman, Susan On-Site Inspection ☐ 2A Doc Num:
Operator Information:

OGCC Operator Number: 10722

Name of Operator: KTM OPERATING LLC

Address: 1246 BAYOU LACARPE ROAD

City: HOUMA State: LA Zip: 70360

Status Summary:

- ☐ THIS IS A FOLLOW UP INSPECTION
- ☐ FOLLOW UP INSPECTION REQUIRED
- ☐ NO FOLLOW UP INSPECTION REQUIRED

Findings:

7 Number of Comments

2 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 |
|-----------------|--------------|---------------------|------------------|
| McCann, Randall | 337-654-9804 | rmccann@pcminc.com | Designated Agent |
| Oakes, Kevin | 713-227-0391 | kevin@d90energy.com | Designated Agent |

Inspected Facilities:

| Facility ID | Type | Status | Status Date | Well Class | API Num | Facility Name | Insp Status |
|-------------|------|--------|-------------|------------|-----------|---------------|-------------|
| 414750 | WELL | SI | 09/01/2017 | OW | 073-06398 | CRAIG 16-32 | SI |

General Comment:

Routine Inspection

Corrective actions from previous reclamation inspection still apply.

Warning letter is in process: 401964343 WARN -00 IN PROCESS 03/07/2019 D90 ENERGY LLC.

LocationOverall Good: ☐

| | | | |
|----------------------|----------------------|-------|--|
| Signs/Marker: | | | |
| Type | BATTERY | | |
| Comment: | | | |
| Corrective Action: | | Date: | |
| Type | TANK LABELS/PLACARDS | | |
| Comment: | | | |
| Corrective Action: | | Date: | |

Emergency Contact Number:

Comment: 337-654-9404

Corrective Action:

Date: _____

Overall Good: ☐

| | | | |
|--------------------|--|----------|------------------|
| Spills: | | | |
| Type | Area | Volume | |
| Produced Water | Tank | <= 1 bbl | |
| Comment: | Stained soil inside tank berms from produced water tank and valve (see attached photos). | | |
| Corrective Action: | Control and contain spills/releases and clean up per Rule 906.a. Inspect, maintain and repair tanks following standard industry practice such as API 12R. | | Date: 05/01/2020 |

In Containment: Yes

Comment:

☐ Multiple Spills and Releases?

| | | | |
|--------------------|-------------------|-------|--|
| Fencing/: | | | |
| Type | WELLHEAD | | |
| Comment: | | | |
| Corrective Action: | | Date: | |
| Type | TANK BATTERY | | |
| Comment: | | | |
| Corrective Action: | | Date: | |
| Type | IGNITOR/COMBUSTOR | | |
| Comment: | | | |
| Corrective Action: | | Date: | |
| Type | SEPARATOR | | |
| Comment: | | | |
| Corrective Action: | | Date: | |

| | | | |
|-------------------------------|-----|-------|-----------------|
| Equipment: | | | corrective date |
| Type: Emission Control Device | # 1 | | |
| Comment: | | | |
| Corrective Action: | | Date: | |

| | | |
|-------------------------------|-----|-------|
| Type: Vertical Heater Treater | # 1 | |
| Comment: | | |
| Corrective Action: | | Date: |
| Type: Deadman # & Marked | # 4 | |
| Comment: | | |
| Corrective Action: | | Date: |
| Type: Pump Jack | # 1 | |
| Comment: | | |
| Corrective Action: | | Date: |
| Type: Bird Protectors | # 2 | |
| Comment: | | |
| Corrective Action: | | Date: |
| Type: Prime Mover | # 1 | |
| Comment: | | |
| Corrective Action: | | Date: |

Tanks and Berms:

| | | | | | |
|--------------------|---|----------|-----------|---------|--------|
| Contents | # | Capacity | Type | Tank ID | SE GPS |
| CRUDE OIL | 2 | 400 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: | | | | |
| Corrective Action: | | | | Date: |

| | | | | | |
|--------------------|---|----------|-----------|---------|--------|
| Contents | # | Capacity | Type | Tank ID | SE GPS |
| PRODUCED WATER | 2 | 200 BBLs | STEEL AST | | , |
| Comment: | | | | | |
| Corrective Action: | | | | | |

Paint

| | | |
|------------------|----------|--|
| Condition | Adequate | |
| Other (Content) | | |
| Other (Capacity) | | |
| Other (Type) | | |

Berms

| | | | | | |
|--------------------|-------------------------------|---------------------|---------------------|-------------|--|
| Type | Capacity | Permeability (Wall) | Permeability (Base) | Maintenance | |
| | | | | | |
| Comment: | same berms as crude oil tanks | | | | |
| Corrective Action: | | | | Date: | |
| Venting: | | | | | |
| Yes/No | | | | | |
| Comment: | | | | | |
| Corrective Action: | | | | Date: | |
| Flaring: | | | | | |
| Type | | | | | |
| Comment: | | | | | |
| Corrective Action: | | | | Date: | |

Inspected FacilitiesFacility ID: 414750 Type: WELL API Number: 073-06398 Status: SI Insp. Status: SI**Idle Well**Purpose: ☒ Shut In ☐ Temporarily Abandoned Reminder: _____Comment: Corrective actions previously identified in COGCC's warning letter.Corrective Action: See in process Warning letter dated 3/7/2019 from COGCC. Date: _____**Attached Documents**You can go to COGCC Images (<https://cogcc.state.co.us/weblink/>) and search by document number:

| Document Num | Description | URL |
|--------------|---------------------------|---|
| 402357157 | INSPECTION SUBMITTED | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=5110547 |
| 688307560 | KTM Operating Craig 16-32 | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=5110529 |