

**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:

04/11/2023

Submitted Date:

04/13/2023

Document Number:

702501143

FIELD INSPECTION FORM

Loc ID 336392 Inspector Name: Burchett, Kirby On-Site Inspection ☐ 2A Doc Num: _____

Operator Information:

OGCC Operator Number: 10775

Name of Operator: KT RESOURCES LLC

Address: 3381 WESTBROOK LANE

City: HIGHLANDS State: CO Zip: 80129

Status Summary:☐ THIS IS A FOLLOW UP INSPECTION☒ FOLLOW UP INSPECTION REQUIRED☐ NO FOLLOW UP INSPECTION REQUIRED**Findings:**

16 Number of Comments

9 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	
Kellerby, Shaun	(970) 712-1248	shaun.kellerby@state.co.us	
Adams, Karen	(303) 886-8733	adams@kt-res.com	
Baumgras, Dan		Dan@KT-Res.com	

Inspected Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status
232246	WELL	PR	08/01/2022	GW	103-09917	WRD UNIT 29-31	PR
439963	WELL	PR	11/01/2022	OW	103-12170	WRD FEDERAL 30-34D	PR

General Comment:**COGCC Inspection Report Summary**

On Tuesday, 04/11/2023, Inspector Kirby Burchett, conducted a routine field inspection at KT Resources LLC on the WRD Unit 29-31 & WRD Federal 30-40D wells, Location #336392, in Rio Blanco County, Colorado.
This location is within or in close proximity to Parks and Wildlife (CPW) District with High Priority/NSO/Density/Other Consultation Habitats.

Any Corrective Actions from previous Inspections are still applicable.

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

1. Stormwater BMPs not implemented or maintained.
 2. Gas meter calibration card not conspicuously posted.
 3. Chemical tank label missing and/or illegible.
 4. Chemical containment full of liquid.
 5. Chemical containment wildlife protection inadequate.
 6. Production tank not in use.
 7. Open end loadlines.
 8. Open cellar around 30-34D wellhead.
- 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 COGCC rules.

LocationOverall Good: ☐**Signs/Marker:**

Type	OTHER		
Comment:	Separator units include attached storage tanks. The sight glass located on the side of the unit indicates the storage tank is full of an unknown fluid. No form of labeling or markers are present to identify a potential hazard or the contents of the storage tank.		
Corrective Action:		Date:	
Type	BATTERY		
Comment:			
Corrective Action:		Date:	
Type	TANK LABELS/PLACARDS		
Comment:	Chemical tank labels missing and/or illegible.		
Corrective Action:	Containers that are used to store, treat, or otherwise handle a hazardous material and which are required to be marked, placarded, or labeled in accordance with the U.S. Department of Transportation's Hazardous Materials Regulations, will retain the markings, placards, and labels on the Container. Such markings, placards, and labels will be retained on the Container until it is sufficiently cleaned of residue and purged of vapors to remove any potential hazards.	Date:	05/15/2023
Type	WELLHEAD		
Comment:			
Corrective Action:		Date:	

Emergency Contact Number:

Comment: 911 / (800) 288-0560

Corrective Action:

Date: _____

Good Housekeeping:

Type	OTHER		
Comment:	Wildlife protection device not adequate on chemical containment tub		
Corrective Action:	Install or repair wildlife protection equipment	Date:	05/01/2023
Type	OTHER		
Comment:	Open cellar around 30-34D wellhead		
Corrective Action:	An Operator will secure conductors and cellars to prevent accidental access by people, livestock, or wildlife when active work on that conductor is not occurring.	Date:	04/24/2023
Type	UNUSED EQUIPMENT		
Comment:	Produced water tank in tank battery containment not hooked up.		
Corrective Action:	The storage, placement, or maintenance of equipment, vehicles, trailers, commercial products, chemicals, drums, totes, containers, materials, and all other supplies not necessary for use on an Oil and Gas Locations is prohibited.	Date:	05/01/2023

Overall Good: ☐**Spills:**

Type	Area	Volume		
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In Containment: No

Comment:

☐ Multiple Spills and Releases?

Equipment:			corrective date
Type: Deadman # & Marked	# 4		
Comment:			
Corrective Action:			Date:
Type: Bradenhead	# 2		
Comment:			
Corrective Action:			Date:
Type: Gas Meter Run	# 2		
Comment:	Gas meter calibration carsd not conspicuously posted.		
Corrective Action:	The Operator will conspicuously post and maintain the date of the last meter calibration.		Date: 04/24/2023
Type: Plunger Lift	# 2		
Comment:			
Corrective Action:			Date:
Type: Horizontal Heated Separator	# 2		
Comment:	Parrafin and stained soil around separator		
Corrective Action:	Repair equipment. Properly clean up and dispose of oily waste and stained soil		Date: 04/24/2023
Type: Bird Protectors	# 4		
Comment:			
Corrective Action:			Date:
Type: Ancillary equipment	# 5		
Comment:	Chemical tanks over plastic containment tubs. Containments are full of liquid.		
Corrective Action:	Drain containments and properly dispose of liquid waste		Date: 04/24/2023

Tanks and Berms:

Contents	#	Capacity	Type	Tank ID	SE GPS
PRODUCED WATER	2	400 BBLS	STEEL AST		,
Comment:	All tank valves have plugs installed.				
Corrective Action:					Date:

Paint

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

Berms

Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance	
Metal	Adequate	Walls Sufficent	Base Sufficent	Adequate	
Comment:					
Corrective Action:				Date:	
Contents	#	Capacity	Type	Tank ID	SE GPS
CRUDE OIL	2	400 BBLS	HEATED STEEL AST		,

Comment:	Open end loadlines.	
Corrective Action:	All load lines or tank valves that can be used as a loadline will be plugged or capped.	Date: 04/26/2023

Paint

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

Berms

Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance
Metal	Adequate	Walls Sufficent	Base Sufficent	Adequate
Comment:				
Corrective Action:				Date:

Venting:

Yes/No	NO		
Comment:			
Corrective Action:			Date:

Flaring:

Type		
Comment:		
Corrective Action:		Date:

Inspected Facilities									
Facility ID:	232246	Type:	WELL	API Number:	103-09917	Status:	PR	Insp. Status:	PR
Producing Well									
Comment:	Plunger lift								
Corrective Action:						Date:			
Facility ID:	439963	Type:	WELL	API Number:	103-12170	Status:	PR	Insp. Status:	PR
Producing Well									
Comment:	Plunger lift								
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				
		Culverts				
Ditches						
Gradient Terraces						
Sediment Traps						
		Gravel				
				Material Handling And Spill Prevention	Fail	Containments full, wildlife protection
Gravel						

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.

Material Handling and Spill Prevention BMPs need implementation and maintenance.

Oil and gas operators shall implement and maintain Best Management Practices (BMPs) at all oil and gas locations for materials handling and spill prevention procedures and practices implemented for material handling and spill prevention of materials used, stored, or disposed of that could result in discharges causing pollution of surface waters.

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
702501144	Inspection Photos	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6081440