

**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:

11/15/2023

Submitted Date:

11/15/2023

Document Number:

702502137

FIELD INSPECTION FORMLoc ID 316340 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:

14 Number of Comments

8 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
Baumgras, Dan	(307) 321-3299	Dan@KT-Res.com	
Adams, Karen	(303) 886-8733	adams@kt-res.com	
Wilson, Justin	(970) 878-3825	jrwilson@blm.gov	
Gale, Tony	(303) 886-8733	tony@kt-res.com	

Inspected Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status
267100	WELL	SI	10/01/2020	GW	103-10295	ANT HILL UNIT 18-41	SI

General Comment:**ECMC Inspection Report Summary**

On Wednesday, 11/15/2023, Inspector Kirby Burchett, conducted a routine field inspection at KT Resources on the Ant Hill Unit 18-41 well, Location #316340, in Rio Blanco County, Colorado.

This location is within or in close proximity to a Parks and Wildlife (CPW) District with High Priority, NSO, Density, and Other Consultation Habitat regulations.

Any Corrective Actions from previous Inspections are still applicable.

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

1. Debris around pumping unit.
2. Venting from wellhead flange.
3. Soil staining around separator, pumping unit.
4. Gas meter calibration out of compliance.
5. Open end load line.
6. Well shut in since August 2020. MIT overdue.
7. Stormwater BMPs insufficient.

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	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	BATTERY		
Comment:			
Corrective Action:		Date:	

Emergency Contact Number:

Comment: (800) 288-0560 or 911

Corrective Action:

Date: _____

Good Housekeeping:

Type	DEBRIS		
Comment:	Random debris around pumping unit		
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:	11/23/2023

Overall Good: ☐

Spills:			
Type	Area	Volume	
Produced Water	Pump Jack	<= 1 bbl	
Comment:	Leaking equipment and stained soil		
Corrective Action:	Remove and properly dispose of oily waste and impacted soil.		Date: 12/01/2023
PW/CO	Treater	<= 1 bbl	
Comment:	Soil staining around separator		
Corrective Action:	Remove and properly dispose of oily waste and impacted soil.		Date: 12/01/2023

In Containment: No

Comment:

☐ Multiple Spills and Releases?

Fencing/:			
Type	PUMP JACK		
Comment:	Wire panels		

Corrective Action:		Date:	
Equipment:			corrective date
Type: Pump Jack	#		
Comment:			
Corrective Action:		Date:	
Type: Horizontal Heater Treater	# 1		
Comment:			
Corrective Action:		Date:	
Type: Bird Protectors	# 1		
Comment:			
Corrective Action:		Date:	
Type: Gas Meter Run	# 1		
Comment:	Gas meter calibration displayed but out of compliance.		
Corrective Action:	Meters will be calibrated annually unless more frequent calibration is required by contractual obligations or by the Director.		Date: 12/16/2023
Type: Bradenhead	# 1		
Comment:			
Corrective Action:		Date:	
Type: Deadman # & Marked	# 4		
Comment:			
Corrective Action:		Date:	

Tanks and Berms:

Contents	#	Capacity	Type	Tank ID	SE GPS
PRODUCED WATER	1	300 BBLS	STEEL AST		,
Comment:	Open end load line				
Corrective Action:	All loadlines or tank valves that can be used as a loadline will be capped or plugged.				Date: 11/21/2023

Paint

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

Berms

Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance
Other	Adequate			
Comment:	Metal and earth. Unlined			
Corrective Action:			Date:	

Venting:

Yes/No	YES
Comment:	Wellhead flange leaking. Hissing noise and odor. Contacted Dan B., KT foreman at 12:18 PM. Indicated he would get on it.

Corrective Action:	Venting and Flaring of natural gas represent waste of an important energy resource and pose safety and environmental risks. Venting and Flaring, except as specifically allowed in this Rule 903, are prohibited.	Date:	11/16/2023
Flaring:			
Type			
Comment:			
Corrective Action:		Date:	

Inspected FacilitiesFacility ID: 267100 Type: WELL API Number: 103-10295 Status: SI Insp. Status: SI**Idle Well**Purpose: ☒ Shut In ☐ Temporarily Abandoned

Reminder: _____

Comment:

Last Reported Production - July 2020.

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. Well can only be returned to SI status if it has produced (without mechanical intervention) within 2 years per Rule 319.b.

Corrective Action:

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 per Rule 417 and 210.

Date: 12/16/2023

Reclamation - Storm Water - Pit**Storm Water:**

Loc Erosion BMPs	BMP Maintenance	Lease Road Erosion BMPs	Lease BMP Maintenance	Chemical BMPs	Chemical BMP Maintenance	Comment

Comment: [Stormwater BMPs need implementation and maintenance.](#)

Corrective Action: [Provide proper Stormwater BMPs to control runoff in a manner that minimizes erosion, transport of sediment offsite, and site degradation. Vehicle tracking BMPs to control potential sediment discharges from operational roads, well pads, and other unpaved surfaces.](#)

Date: 12/16/2023

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
702502138	Inspection Photos	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6324881