

**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:

01/16/2024

Submitted Date:

01/17/2024

Document Number:

702502287**FIELD INSPECTION FORM**Loc ID 314380 Inspector Name: Burchett, Kirby On-Site Inspection ☐ 2A Doc Num: **Operator Information:**OGCC 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:

- 11 Number of Comments
-
- 3 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	
Gale, Tony	(303) 886-8733	tony@kt-res.com	
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
228604	WELL	PR	05/01/2022	CBM	103-05520	LAD 1	PR

General Comment:**ECMC Inspection Report Summary**

On Tuesday, 01/16/2024, Inspector Kirby Burchett, conducted a follow up field inspection at KT Resources LLC on the Lad 1 well, Location #314380, in Rio Blanco County, Colorado.

This location is within or in close proximity to a Parks and Wildlife (CPW) District with Black Bear, 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. #702501166 on 4/19/23. Mechanical Integrity Test has not been performed and original Corrective Action date will remain.

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

1. Peeling tank label.
2. Leaking equipment.

Refer to Inspection Photos for observed compliance issue.

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	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:			
Corrective Action:		Date:	
Type	TANK LABELS/PLACARDS		
Comment:	Peeling tank label.		
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:	01/27/2024
Type	BATTERY		
Comment:			
Corrective Action:		Date:	

Emergency Contact Number:

Comment: (800) 288-0560 or 911

Corrective Action:

Date: _____

Overall Good: ☐

Spills:			
Type	Area	Volume	
Crude Oil	Separator	<= 1 bbl	
Comment:	Separator leak spilling outside		
Corrective Action:	Repair equipment. Remove and properly dispose of oily waste and impacted soil.		Date: 02/01/2024

In Containment: No

Comment:

☐ Multiple Spills and Releases?

Fencing/:			
Type	TANK BATTERY		
Comment:	Livestock wire		
Corrective Action:		Date:	

Equipment:			corrective date
Type: Bradenhead	# 1		
Comment:			
Corrective Action:		Date:	
Type: Gas Meter Run	# 1		
Comment:	Shut in since October 2020. MIT required. Gas meter calibration required if well is returned to production.		
Corrective Action:		Date:	

Type: Horizontal Heated Separator	# 1	
Comment:		
Corrective Action:		Date:
Type: Deadman # & Marked	# 4	
Comment:		
Corrective Action:		Date:
Type: Ancillary equipment	# 1	
Comment:	Chemical tank on containment	
Corrective Action:		Date:
Type: Plunger Lift	# 1	
Comment:		
Corrective Action:		Date:
Type: Bird Protectors	# 1	
Comment:		
Corrective Action:		Date:

Tanks and Berms:

Contents	#	Capacity	Type	Tank ID	SE GPS
CRUDE OIL	1	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
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:	228604	Type:	WELL	API Number:	103-05520	Status:	PR	Insp. Status:	PR
Idle Well									
Purpose: <input checked="" type="checkbox"/> Shut In <input type="checkbox"/> Temporarily Abandoned									
Reminder:									
Comment: Last Production - September 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.									
Corrective Action: Perform successful mechanical integrity test if required. If a successful MIT cannot be performed within 30 day CA time the well must be plugged within 3 months.									
Date: 05/22/2023									

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: Limited Stormwater inspection due to snow.

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 COGCC Images (<https://cogcc.state.co.us/weblink/>) and search by document number:

Document Num	Description	URL
702502288	Inspection Photos	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6396434