

**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:

03/19/2024

Submitted Date:

03/20/2024

Document Number:

702502489

FIELD INSPECTION FORMLoc ID 316279 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:

12 Number of Comments

5 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	
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	

Inspected Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status
260294	WELL	PR	08/01/2023	GW	103-10143	WRD FEDERAL 19-31	PR

General Comment:

ECMC Inspection Report Summary

On Tuesday, 03/19/2024, Inspector Kirby Burchett, conducted a follow up field inspection at KT Resources LLC on the WRD Federal 19-31 well, Location #316279, in Rio Blanco County, Colorado.

This location is within or in close proximity to a Parks and Wildlife (CPW) District, High Priority area with 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 by Scott Ramsey during inspection 707800313 on 4/13/23. The following Corrective Actions were documented and the original due dates will remain on any that remain unresolved:

1. No BMP's installed to prevent sediment migration from occurring on location. (Unresolved)
2. Sediment migration and erosion migration from location. (Unresolved)
3. Access road and location show signs of lack of stabilization. (Unresolved)
4. Chemical tank labels are illegible or missing. (Resolved)
5. Chemical containment are full of fluid. (Resolved)
6. No API posted on well head or battery signage. (Resolved)
7. Meter calibration card not conspicuously posted. (Resolved)

Refer to photograph of observed compliance issue.

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

1. Oily waste and stained soil inside tank battery.
2. Gas meter calibration out of compliance.
3. Unused equipment on location.

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	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	BATTERY		
Comment:			
Corrective Action:		Date:	
Type	CONTAINERS		
Comment:			
Corrective Action:		Date:	
Type	TANK LABELS/PLACARDS		
Comment:			
Corrective Action:		Date:	

Emergency Contact Number:

Comment: (800) 288-0560 or 911

Corrective Action:

Date: _____

Good Housekeeping:

Type	STORAGE OF SUPL		
Comment:	Disconnected chemical tank on containment		
Corrective Action:	All equipment not hooked up or out of service will be removed from location.	Date:	04/04/2024

Overall Good: ☐**Spills:**

Type	Area	Volume		
Crude Oil	Tank	>= 5 bbls		
Comment:	Oil inside containment. Operator notified and dispatched water truck immediately to clean up spill.			
Corrective Action:	Remove and properly dispose of oily waste and impacted soil.			Date: 04/04/2024
Crude Oil	WELLHEAD	<= 1 bbl		
Comment:	Oil spray on chemical tank and ground			
Corrective Action:	Remove and properly dispose of oily waste and impacted soil.			Date: 04/04/2024

In Containment: No

Comment:

☐ Multiple Spills and Releases?**Equipment:**

Type: Horizontal Heater Treater	# 1		corrective date
Comment:			
Corrective Action:		Date:	

Type: Gas Meter Run	# 1	
Comment:	Gas meter calibration out of compliance.	
Corrective Action:	Meters will be calibrated annually unless more frequent calibration is required by contractual obligations or by the Director.	Date: 03/30/2024
Type: Bradenhead	# 1	
Comment:		
Corrective Action:		Date:
Type: Bird Protectors	# 2	
Comment:		
Corrective Action:		Date:
Type: Ancillary equipment	# 1	
Comment:	Chemical tank on containment	
Corrective Action:		Date:
Type: Deadman # & Marked	# 4	
Comment:		
Corrective Action:		Date:
Type: Plunger Lift	#	
Comment:		
Corrective Action:		Date:

Tanks and Berms:

Contents	#	Capacity	Type	Tank ID	SE GPS
CRUDE OIL	1	300 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:	Unlined				
Corrective Action:				Date:	
Contents	#	Capacity	Type	Tank ID	SE GPS
PRODUCED WATER	1	300 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: Unlined					
Corrective Action:				Date:	
Venting:					
Yes/No	NO				
Comment:					
Corrective Action:				Date:	
Flaring:					
Type					
Comment:					
Corrective Action:				Date:	

Inspected Facilities									
Facility ID:	260294	Type:	WELL	API Number:	103-10143	Status:	PR	Insp. Status:	PR
Producing Well									
Comment:	January 2024 Production Report								
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
Comment: 1. No BMP's installed to prevent sediment migration from occurring on location. 2. Sediment migration and erosion from location. 3. Access road and location show signs of lack of stabilization.						Date: 05/29/2023
Corrective Action: Install or repair required BMP's						
Pits: <input checked="" type="checkbox"/> 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
403725626	INSPECTION SUBMITTED	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6474388
702502490	Inspection Photos	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6474379