

**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:

04/03/2024

Submitted Date:

04/03/2024

Document Number:

702502551

FIELD INSPECTION FORMLoc ID 336392 Inspector Name: Burchett, Kirby On-Site Inspection ☐ 2A Doc Num: _____**Operator Information:**

ECMC 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:

17 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
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
232246	WELL	PR	02/01/2024	GW	103-09917	WRD UNIT 29-31	PR
439963	WELL	SI	10/01/2023	OW	103-12170	WRD FEDERAL 30-34D	SI

General Comment:**ECMC Inspection Report Summary**

On Wednesday, 04/03/2024, Inspector Kirby Burchett, conducted a follow up field inspection at KT Resources LLC on the WRD Unit 62N96W 29NWSW pad, Location #336392, in Rio Blanco County, Colorado.

This location is within or in close proximity to a Parks and Wildlife (CPW) District and Black Bear area with 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 Inspection #702501143 on 4/11/23 and Inspection #702502435 on 3/5/24. The following Corrective Actions remain unresolved and original due dates will remain:

1. Production tank not in use.
 2. Stormwater BMPs not implemented or maintained.
 3. Oily waste on and around treater.
 4. Gas meter calibration out of date.
 5. Rain caps missing from pressure relief risers.
- 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	BATTERY		
Comment:			
Corrective Action:		Date:	
Type	CONTAINERS		
Comment:	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.		
Corrective Action:		Date:	
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:	

Emergency Contact Number:

Comment: (800) 288-0560 or 911

Corrective Action:

Date: _____

Good Housekeeping:

Type	UNUSED EQUIPMENT		
Comment:	Production tank not in service		
Corrective Action:	All equipment not hooked up or out of service will be removed from location.	Date:	05/14/2023

Overall Good: ☐**Spills:**

Type	Area	Volume		
Crude Oil	Treater	<= 1 bbl		
Comment:	Oily waste on and around treaters			
Corrective Action:	Remove and properly dispose of oily waste and impacted soil.			Date: 03/21/2024

In Containment: No

Comment:

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

			corrective date
Type: Plunger Lift	# 2		
Comment:			
Corrective Action:		Date:	
Type: Bird Protectors	# 4		
Comment:			

Corrective Action:		Date:	
Type: Ancillary equipment	# 5		
Comment:	Chemical tanks on containments		
Corrective Action:		Date:	
Type: Deadman # & Marked	# 4		
Comment:			
Corrective Action:		Date:	
Type: Bradenhead	# 3		
Comment:	Intermediate casing on 30-34D		
Corrective Action:		Date:	
Type: Gas Meter Run	# 2		
Comment:	Gas meter calibrations out of compliance.		
Corrective Action:	Meters will be calibrated annually unless more frequent calibration is required by contractual obligations or by the Director.	Date:	03/21/2024
Type: Horizontal Heater Treater	# 2		
Comment:	Reliefs missing rain protection		
Corrective Action:	Vents on pressure safety devices will terminate in a manner so as not to endanger the public or adjoining facilities. They will be designed to be clear and free of debris and water at all times.	Date:	03/21/2024

Tanks and Berms:

Contents	#	Capacity	Type	Tank ID	SE GPS
PRODUCED WATER	1	<50 BBLS	STEEL AST		,
Comment:	Disconnected. Addressed under Good Housekeeping: Unused equipment				
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
CRUDE OIL	2	300 BBLS	HEATED 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	2	300 BBLs	STEEL AST		,	
Comment:						
Corrective Action:						Date:

Paint

Condition	Adequate	
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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:

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						
		Ditches				
Sediment Traps						
		Culverts				
Gradient Terraces						
				Material Handling And Spill Prevention		

Comment: Stormwater BMPs need implementation and maintenance.

Corrective Action: 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. Provide proper BMPs to prevent sediment migration from location and lease road.

Date: 05/01/2023

Pits: ☒ NO SURFACE INDICATION OF PIT

Attached Documents

You can go to ECMC Images (<https://ecmc.state.co.us/weblink/>) and search by document number:

Document Num	Description	URL
403742166	INSPECTION SUBMITTED	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6494262
702502552	Inspection Photos	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6494257