

**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:

06/11/2024

Submitted Date:

06/11/2024

Document Number:

715500195

FIELD INSPECTION FORMLoc ID 311837 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:

- 11 Number of Comments
- 2 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 |
|-------------|------|--------|-------------|------------|-----------|----------------|-------------|
| 260293 | WELL | SI | 02/01/2024 | GW | 103-10142 | WRD UNIT 28-31 | SI |

General Comment:**ECMC Inspection Report Summary**

On Tuesday, 06/11/2024, Inspector Kirby Burchett, conducted a follow up field inspection at KT Resources LLC on the WRD Unit 28-31 well, Location #311837, 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 Insp. #702502313 on 1/30/24. The following Corrective Action is unresolved and original due date will remain:

1. Gas meter calibration out of compliance.
- Refer to Inspection Photo for observed compliance issue.

While there during normal operations the following compliance issue was observed:

1. Old spill not cleaned up properly inside tank battery.
- 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 | OTHER | | |
| Comment: | Separator units include attached storage tanks. No form of labeling or markers are present to identify a potential hazard or the contents of the storage tank. | | |
| Corrective Action: | | Date: | |
| Type | TANK LABELS/PLACARDS | | |
| Comment: | | | |
| Corrective Action: | | Date: | |
| Type | BATTERY | | |
| Comment: | | | |
| Corrective Action: | | Date: | |

Emergency Contact Number:

Comment: (800) 288-0560 or 911

Corrective Action:

Date: _____

Good Housekeeping:

| | | | |
|--------------------|--|-------|--|
| Type | WEEDS | | |
| Comment: | Maintain noxious weed control on all disturbed and reclaimed areas as a result of Oil & Gas activities including access roads. | | |
| Corrective Action: | | Date: | |

Overall Good: ☐**Spills:**

| | | | | |
|--------------------|--|----------|--|------------------|
| Type | Area | Volume | | |
| Crude Oil | Tank | <= 1 bbl | | |
| Comment: | Oily waste and stained soils. | | | |
| Corrective Action: | Remove and properly dispose of oily waste and impacted soil. | | | Date: 06/27/2024 |

In Containment: Yes

Comment:

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

| | | | |
|-----------------------|-----|-------|-----------------|
| | | | corrective date |
| Type: Bird Protectors | # 2 | | |
| Comment: | | | |
| Corrective Action: | | Date: | |
| Type: Plunger Lift | # 1 | | |
| 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: 02/10/2024 |
| Type: Bradenhead | # 1 | |
| Comment: | | |
| Corrective Action: | | Date: |
| Type: Horizontal Heated Separator | # 1 | |
| Comment: | | |
| Corrective Action: | | Date: |
| Type: Deadman # & Marked | # 4 | |
| Comment: | | |
| Corrective Action: | | Date: |

Tanks and Berms:

| Contents | # | Capacity | Type | Tank ID | SE GPS |
|--------------------|-------|----------|------------------|---------|--------|
| CRUDE OIL | 1 | 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 | 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: | 260293 | Type: | WELL | API Number: | 103-10142 | Status: | SI | Insp. Status: | SI |
| Idle Well | | | | | | | | | |
| Purpose: <input checked="" type="checkbox"/> Shut In <input type="checkbox"/> Temporarily Abandoned Reminder: _____ | | | | | | | | | |
| Comment: <div>Shut In - March 2024 April 2024 Production Report</div> | | | | | | | | | |
| Corrective Action: _____ Date: _____ | | | | | | | | | |

The subreport 'InspWellFlowline' could not be found at the specified location \\10.14.12

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 | | | | |

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

| Document Num | Description | URL |
|--------------|----------------------|---|
| 403821806 | INSPECTION SUBMITTED | https://ecmc.state.co.us/weblink/DownloadDocumentPDF.aspx?DocumentId=6583363 |
| 715500196 | Inspection Photos | https://ecmc.state.co.us/weblink/DownloadDocumentPDF.aspx?DocumentId=6583350 |