

Inspection Report

Permit Holder: Kelor Rentals Ltd.
Inspection: 2026-2403
Inspection Date: 2026-07-14
Inspection Outcome: Non-Compliance(s) Found

Inspection Comment:

COMMENTS:

-myself and supervisor drove to location to find the gate locked closed. A call was made to the Permit Holder and a message was left. We waited approximately 10 minutes and called again, this time the call was answered. The Permit holder said he thought he left the gate unlocked, but it was actually locked with padlock. The Permit Holder gave us permission to access via a barbed wire gate off to side of main gate. We drove to second gate and it was not locked. Opened and accessed wellsite, closing gates behind us.

-First thing noticed as we drove onto lease was a plume of oil spread across the ground on North side of wellsite. It looks to be coming from two of the 400bbl tanks on north side of the row of 6-400bbl tanks and spread towards the pumpjack/flarestack corner of lease.

-there are no caps on any of the load lines on the 6-400bbl tanks in a row sitting on trailer frames and no containment for the tanks. Leaking looks to have stopped as there is no indication of still leaking/dripping. A guess would be that there is approximately 3-8 barrels of oil spilt across the lease.

-as we were doing our inspection, we could hear fluid gurgling/sloshing, like production fluid, into one of the 400bbl tanks inside of the containment. That tank is connected to the other 400bbl tank beside it with hoses. Even though the pumpjack is not running it sounds as if the well is producing. The gauges on the two 400bbl tanks inside of the bermed area read 60 cubes and 55 cubes. Knocking on side of tanks, it sounds like the tanks are full. The gauge on the wellhead shows approximately 10psi.

-of all the previous non-compliances given, only the December N/C for location signage has been addressed onsite. All other N/C's are not addressed. The CMIS system has not been updated by the Permit Holder since the Non-compliance was given in December 2025.

-location sign at well is lying on the ground.

-auto ignitor for flarestack is only partially present. Not in working condition. Is there production gas being vented somewhere?

-once inspection was completed, and we closed the gates behind us, a call was made to the Permit holder to notify that we had completed the inspection and

that there was spillage on the lease again. The Permit Holder indicated that he was not aware of the spillage and would head to location asap to investigate. A few minutes later, he called us back and said "the culprits were his cows". He was told about needing to report the spill. He said he would and that he would begin clean up right away.

An Inspection was conducted and as a result Non-Compliance(s) were found and must be corrected. For specifics on the Non-Compliances, refer to the **Non-Compliance Notice**.

To respond to these Non-Compliances, access the CM-IS Permit Holder Application.

Consideration should be given to checking your other locations for similar Non-Compliances.

The following were the only items that were inspected during this Inspection and does not absolve the company of Non-Compliances which may not have been observed, nor any Non-Compliances which occur subsequent to this Inspection.

Permit: 100056258
Well ID: 21839
Well Name: KELOR BOUNDARY 10-31-084-14
Location: DLS: 10-31-084-14

Permit: 100059306
Facility ID: 00007611
Facility Name: KELOR BOUNDARYLAKE 10-31-084-14 002
Facility Type: Battery Site
Location: DLS: 10-31-084-14

Permit: 100065525
Pipeline Project ID: 000021141
Segment IDs (Location): 1 (From DLS: 10-31-084-14 To DLS: 11-30-084-14)

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