

**FORM
INSP**Rev
X/15**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:

04/13/2017

Submitted Date:

04/13/2017

Document Number:

685502452**FIELD INSPECTION FORM**Loc ID 439608 Inspector Name: MONTOYA, JOHN On-Site Inspection ☐ 2A Doc Num: _____**Operator Information:**OGCC Operator Number: 10651Name of Operator: VERDAD RESOURCES LLCAddress: 5950 CEDAR SPRINGS ROADCity: DALLAS State: TX Zip: 75235**Status Summary:**☐ THIS IS A FOLLOW UP INSPECTION☒ FOLLOW UP INSPECTION REQUIRED☐ NO FOLLOW UP INSPECTION REQUIRED**Findings:**11 Number of Comments1 Number of Corrective Actions☒ Corrective Action Response Requested**Contact Information:**

Contact Name	Phone	Email	Comment
Mattox, Jennifer	303-692-3144	jennifer.mattox@state.co.us	environmental protection specialist
BEECHERL, ARTHUR	214-728-1840	abeecherl@beecherl.com	all inspections

Inspected Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status
439604	WELL	XX	10/31/2014	LO	123-40506	Young 01N-65W-28-6N	ND
439605	WELL	XX	10/31/2014	LO	123-40507	Young 01N-65W-28-7N	ND
439607	WELL	XX	10/31/2014	LO	123-40508	Young 01N-65W-28-1C	ND
439609	WELL	XX	10/31/2014	LO	123-40509	Young 01N-65W-28-2N	ND
439611	WELL	PR	01/30/2015	OW	123-40511	Young 01N-65W-28-8N	PR
439612	WELL	XX	10/31/2014	LO	123-40512	Young 01N-65W-28-3N	ND
439616	WELL	XX	10/31/2014	LO	123-40515	Young 01N-65W-28-9C	ND

General Comment:

Location

Lease Road:			
Type	Main		
comment:			
Corrective Action	L	Date:	

Overall Good: ☒

Signs/Marker:			
Type	TANK LABELS/PLACARDS		
Comment:			
Corrective Action:		Date:	
Type	BATTERY		
Comment:			
Corrective Action:		Date:	
Type	CONTAINERS		
Comment:			
Corrective Action:		Date:	
Type	WELLHEAD		
Comment:	SE CORNER N49.01745 W-104.39846		
Corrective Action:		Date:	

Emergency Contact Number:

Comment: OK

Corrective Action:

Date: _____

Overall Good: ☒

Spills:			
Type	Area	Volume	

In Containment: No

Comment:

☐ Multiple Spills and Releases?

Equipment:			corrective date
Type: Horizontal Heated Separator	# 1		
Comment:	SE CORNER N40.01762 W-104.39858		
Corrective Action:		Date:	
Type: Bird Protectors	# 2		
Comment:			
Corrective Action:		Date:	
Type: Emission Control Device	# 1		
Comment:	SE CORNER N40.01762 W-104.39858		

Corrective Action:		Date:	
Type: Gas Meter Run	# 2		
Comment:	SE C IRNER N40.01762 W-104.39858		
Corrective Action:		Date:	
Type: Compressor	# 1		
Comment:	SE C ORNER N40.01762 W-104.39858 AMMONIA SMELL AROUND EXHAUST PIPE AT COMPRESSOR		
Corrective Action:	Odor observed by COGCC staff related to referenced oil and gas location, actions must be taken to stop the odor per Rule 805.b. Additionally, this matter has been referred to the CDPHE for possible further investigation.		Date: 04/14/2017
Type: Plunger Lift	# 1		
Comment:			
Corrective Action:		Date:	

Tanks and Berms:

Contents	#	Capacity	Type	Tank ID	SE GPS
PRODUCED WATER	1	400 BBLS	FIBERGLASS AST		,
Comment:					
Corrective Action:					Date:

Paint

Condition	Adequate	
Other (Content)		
Other (Capacity)		
Other (Type)		

Berms

Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance	
Metal	Adequate	Walls Sufficient	Base Sufficient	Adequate	
Comment:					
Corrective Action:				Date:	
Contents	#	Capacity	Type	Tank ID	SE GPS
CRUDE OIL	3	400 BBLS	STEEL AST		40.017610,-104.398290
Comment:					
Corrective Action:					Date:

Paint

Condition	Adequate	
Other (Content)		
Other (Capacity)		
Other (Type)		

Berms

Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance
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Metal	Adequate	Walls Sufficient	Base Sufficient	Adequate	
Comment:					
Corrective Action:					Date:

Venting:

Yes/No	NO		
Comment:			
Corrective Action:			Date:

Flaring:

Type	Ignitor/Combustor	
Comment:		
Corrective Action:		Date:

Inspected Facilities

Facility ID: <u>439604</u>	Type: <u>WELL</u>	API Number: <u>123-40506</u>	Status: <u>XX</u>	Insp. Status: <u>ND</u>
Facility ID: <u>439605</u>	Type: <u>WELL</u>	API Number: <u>123-40507</u>	Status: <u>XX</u>	Insp. Status: <u>ND</u>
Facility ID: <u>439607</u>	Type: <u>WELL</u>	API Number: <u>123-40508</u>	Status: <u>XX</u>	Insp. Status: <u>ND</u>
Facility ID: <u>439609</u>	Type: <u>WELL</u>	API Number: <u>123-40509</u>	Status: <u>XX</u>	Insp. Status: <u>ND</u>
Facility ID: <u>439611</u>	Type: <u>WELL</u>	API Number: <u>123-40511</u>	Status: <u>PR</u>	Insp. Status: <u>PR</u>

Producing Well

Comment: <u>PR</u>	
Corrective Action: <u></u>	Date: <u></u>

BradenHead

Comment: <u>BRADENHEAD PLUMBED TO SURFACE</u>	
Corrective Action: <u></u>	Date: <u></u>

Facility ID: <u>439612</u>	Type: <u>WELL</u>	API Number: <u>123-40512</u>	Status: <u>XX</u>	Insp. Status: <u>ND</u>
Facility ID: <u>439616</u>	Type: <u>WELL</u>	API Number: <u>123-40515</u>	Status: <u>XX</u>	Insp. Status: <u>ND</u>

Reclamation - Storm Water - Pit**Interim Reclamation:**

Date Interim Reclamation Started: _____ Date Interim Reclamation Completed: _____

Land Use: IRRIGATED

Comment: _____

1002 SITE PREPARATION AND STABILIZATION

1002a. FENCING _____

Comment _____

Corrective Action _____

Date _____

1002b. SOIL REMOVAL AND
SEGREGATION

Pass

Comment _____

Corrective Action _____

Date _____

1002c. PROTECTION OF SOILS _____ Pass

Comment _____

Corrective Action _____

Date _____

1002E. SURFACE DISTURBANCE MINIMIZATION _____ Pass

Comment _____

Corrective Action _____

Date _____

1003a. Waste and Debris removed? _____ Pass

Comment _____

Corrective Action _____

Date _____

Unused or unneeded equipment onsite? _____ Pass

Comment _____

Corrective Action _____

Date _____

Pit, cellars, rat holes and other bores closed? _____ Pass

Comment _____

Corrective Action _____

Date _____

Guy line anchors marked? _____

Comment _____

Corrective Action _____

Date _____

1003b. Area no longer in use? _____ Production areas stabilized ? Pass

1003c. Compacted areas have been cross ripped? _____

1003d. Drilling pit closed? Pass Subsidence over on drill pit? Pass

Cuttings management: _____

1003e. Areas no longer needed for drilling or subsequent operations for have been re-vegetated to 80% of pre-existing? _____

Production areas have been stabilized? _____ Segregated soils have been replaced? _____

RESTORATION AND REVEGETATIONCropland

Top soil replaced _____ Recontoured _____ Perennial forage re-established _____

Non-Cropland

Top soil replaced _____ Recontoured _____ 80% Revegetation _____

1003e. INTERIM VEGETATION TRANSECT

TRANSECT RESULTS OF DISTURBED AREA% _____

TRANSECT RESULTS OF REFERENCE AREA% _____

TOTAL % OF DESIRABLE VEGETATION COVER _____

VEGETATIVE COVER _____

1003 f. Weeds Noxious weeds? _____

Comment _____

Corrective Action _____ Date _____

Overall Interim Reclamation

Final Reclamation/ Abandoned Location:

Date Final Reclamation Started: _____ Date Final Reclamation Completed: _____

Final Land Use: IRRIGATED _____

Reminder: _____

Comment: _____

Well plugged _____ Pit mouse/rat holes, cellars backfilled _____

Debris removed _____ No disturbance /Location never built _____

Access Roads _____ Regraded _____ Contoured _____ Culverts removed _____

Gravel removed _____

Location and associated production facilities reclaimed _____ Locations, facilities, roads, recontoured _____

Compaction alleviation _____ Dust and erosion control _____

Non cropland: Revegetated 80% _____ Cropland: perennial forage _____

Weeds present _____ Subsidence _____

1004.d. FINAL VEGETATION TRANSECT

TRANSECT RESULTS OF DISTURBED AREA% _____

TRANSECT RESULTS OF REFERENCE AREA% _____

TOTAL % OF DESIRABLE VEGETATION COVER _____

VEGETATIVE COVER _____

Comment: _____

Corrective Action: _____ Date _____

Overall Final Reclamation _____ Well Release on Active Location ☐ Multi-Well Location ☐

Storm Water:

Loc Erosion BMPs	BMP Maintenance	Lease Road Erosion BMPs	Lease BMP Maintenance	Chemical BMPs	Chemical BMP Maintenance	Comment
Gravel	Pass	Gravel	Pass			

Comment: Corrective Action: Date: **Pits:** ☒ NO SURFACE INDICATION OF PIT**COGCC Comments**

Comment	User	Date
INTERMITTER CONTROLLER ON WELL AMMONIA SMELL AT COMPRESSOR	montoyaj	04/13/2017

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

Document Num	Description	URL
401259085	INSPECTION SUBMITTED	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=4123818