

**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:

05/05/2017

Submitted Date:

05/11/2017

Document Number:

682402102**FIELD INSPECTION FORM**

Loc ID 450069	Inspector Name: Binschus, Chris	On-Site Inspection <input type="checkbox"/>	2A Doc Num: _____	Status Summary: <input type="checkbox"/> THIS IS A FOLLOW UP INSPECTION <input checked="" type="checkbox"/> FOLLOW UP INSPECTION REQUIRED <input type="checkbox"/> NO FOLLOW UP INSPECTION REQUIRED
Operator Information: OGCC Operator Number: <u>10651</u> Name of Operator: <u>VERDAD RESOURCES LLC</u> Address: <u>5950 CEDAR SPRINGS ROAD</u> City: <u>DALLAS</u> State: <u>TX</u> Zip: <u>75235</u>				Findings: 6 Number of Comments 0 Number of Corrective Actions <input type="checkbox"/> Corrective Action Response Requested

Contact Information:

Contact Name	Phone	Email	Comment
Beecherl, Arthur	214-838-2783	abeecherl@verdadoil.com	

Inspected Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status
450067	WELL	XX	04/25/2017		123-44624	HOMESTEAD 20	CI
450068	WELL	XX	04/25/2017		123-44625	HOMESTEAD 10	CI
450070	WELL	XX	04/25/2017		123-44626	HOMESTEAD 6	CI
450071	WELL	XX	04/25/2017		123-44627	HOMESTEAD 18	CI
450072	WELL	XX	04/25/2017		123-44628	HOMESTEAD 5	CI
450073	WELL	XX	04/25/2017		123-44629	HOMESTEAD 12	CI
450074	WELL	XX	04/25/2017		123-44630	HOMESTEAD 9	CI
450075	WELL	XX	04/25/2017		123-44631	HOMESTEAD 19	CI
450076	WELL	XX	04/25/2017		123-44632	HOMESTEAD 11	CI
450077	WELL	XX	04/25/2017		123-44633	HOMESTEAD 4	CI
450078	WELL	XX	04/25/2017		123-44634	HOMESTEAD 14	CI
450079	WELL	XX	04/25/2017		123-44635	HOMESTEAD 24	CI
450080	WELL	XX	04/25/2017		123-44636	HOMESTEAD 16	CI
450081	WELL	XX	04/25/2017		123-44637	HOMESTEAD 23	CI
450082	WELL	XX	04/25/2017		123-44638	HOMESTEAD 15	CI
450083	WELL	XX	04/25/2017		123-44639	HOMESTEAD 2	CI
450084	WELL	XX	04/25/2017		123-44640	HOMESTEAD 13	CI
450085	WELL	XX	04/25/2017		123-44641	HOMESTEAD 1	CI
450086	WELL	XX	04/25/2017		123-44642	HOMESTEAD 7	CI
450087	WELL	XX	04/25/2017		123-44643	HOMESTEAD 17	CI
450088	WELL	XX	04/25/2017		123-44644	HOMESTEAD 22	CI
450089	WELL	XX	04/25/2017		123-44645	HOMESTEAD 3	CI
450090	WELL	XX	04/25/2017		123-44646	HOMESTEAD 21	CI
450091	WELL	XX	04/25/2017		123-44647	HOMESTEAD 8	CI

General Comment:

This is a construction and stormwater inspection in response to Form 42- Notice of construction- Document #401271577.

Location Construction

Location ID: 450069 CDP: _____

Comment: An initial disturbance area along the perimeter of the location of 10.45 acres was mapped on 5/5/2017 using a Trimble Juno 3B handheld device. An approximate 1.0 kilometer access road is in the process of being constructed to the location.

Corrective Action: _____ Date: _____

Form 2A COAs:

Comment: _____

Corrective Action: _____ Date: _____

Wildlife BMPs:

Comment: _____

Corrective Action: _____ Date: _____

Comment: _____

Corrective Action: _____ Date: _____

On Site Inspection (305):

Surface Owner Contact Information:

Name: _____ Address: _____

Phone Number: _____ Cell Phone: _____

Operator Rep. Contact Information:

Landman Name: _____ Phone Number: _____

Date Onsite Request Received: _____ Date of Rule 306 Consultation: _____

Request LGD Attendance: _____

LGD Contact Information:

Name: _____ Phone Number: _____ Agreed to Attend: _____

Summary of Landowner Issues:

Summary of Operator Response to Landowner Issues:

Onsite Inspection Memorandum Summarizing Discussions at Inspection as Attachment:

Inspected Facilities				
Facility ID: <u>450067</u>	Type: <u>WELL</u>	API Number: <u>123-44624</u>	Status: <u>XX</u>	Insp. Status: <u>CI</u>
Facility ID: <u>450068</u>	Type: <u>WELL</u>	API Number: <u>123-44625</u>	Status: <u>XX</u>	Insp. Status: <u>CI</u>
Facility ID: <u>450070</u>	Type: <u>WELL</u>	API Number: <u>123-44626</u>	Status: <u>XX</u>	Insp. Status: <u>CI</u>
Facility ID: <u>450071</u>	Type: <u>WELL</u>	API Number: <u>123-44627</u>	Status: <u>XX</u>	Insp. Status: <u>CI</u>
Facility ID: <u>450072</u>	Type: <u>WELL</u>	API Number: <u>123-44628</u>	Status: <u>XX</u>	Insp. Status: <u>CI</u>
Facility ID: <u>450073</u>	Type: <u>WELL</u>	API Number: <u>123-44629</u>	Status: <u>XX</u>	Insp. Status: <u>CI</u>
Facility ID: <u>450074</u>	Type: <u>WELL</u>	API Number: <u>123-44630</u>	Status: <u>XX</u>	Insp. Status: <u>CI</u>
Facility ID: <u>450075</u>	Type: <u>WELL</u>	API Number: <u>123-44631</u>	Status: <u>XX</u>	Insp. Status: <u>CI</u>
Facility ID: <u>450076</u>	Type: <u>WELL</u>	API Number: <u>123-44632</u>	Status: <u>XX</u>	Insp. Status: <u>CI</u>
Facility ID: <u>450077</u>	Type: <u>WELL</u>	API Number: <u>123-44633</u>	Status: <u>XX</u>	Insp. Status: <u>CI</u>
Facility ID: <u>450078</u>	Type: <u>WELL</u>	API Number: <u>123-44634</u>	Status: <u>XX</u>	Insp. Status: <u>CI</u>
Facility ID: <u>450079</u>	Type: <u>WELL</u>	API Number: <u>123-44635</u>	Status: <u>XX</u>	Insp. Status: <u>CI</u>
Facility ID: <u>450080</u>	Type: <u>WELL</u>	API Number: <u>123-44636</u>	Status: <u>XX</u>	Insp. Status: <u>CI</u>
Facility ID: <u>450081</u>	Type: <u>WELL</u>	API Number: <u>123-44637</u>	Status: <u>XX</u>	Insp. Status: <u>CI</u>
Facility ID: <u>450082</u>	Type: <u>WELL</u>	API Number: <u>123-44638</u>	Status: <u>XX</u>	Insp. Status: <u>CI</u>
Facility ID: <u>450083</u>	Type: <u>WELL</u>	API Number: <u>123-44639</u>	Status: <u>XX</u>	Insp. Status: <u>CI</u>
Facility ID: <u>450084</u>	Type: <u>WELL</u>	API Number: <u>123-44640</u>	Status: <u>XX</u>	Insp. Status: <u>CI</u>
Facility ID: <u>450085</u>	Type: <u>WELL</u>	API Number: <u>123-44641</u>	Status: <u>XX</u>	Insp. Status: <u>CI</u>
Facility ID: <u>450086</u>	Type: <u>WELL</u>	API Number: <u>123-44642</u>	Status: <u>XX</u>	Insp. Status: <u>CI</u>

Inspector Name: Binschus, Chris

Facility ID:	450087	Type:	WELL	API Number:	123-44643	Status:	XX	Insp. Status:	CI
Facility ID:	450088	Type:	WELL	API Number:	123-44644	Status:	XX	Insp. Status:	CI
Facility ID:	450089	Type:	WELL	API Number:	123-44645	Status:	XX	Insp. Status:	CI
Facility ID:	450090	Type:	WELL	API Number:	123-44646	Status:	XX	Insp. Status:	CI
Facility ID:	450091	Type:	WELL	API Number:	123-44647	Status:	XX	Insp. Status:	CI

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 _____

Topsoil salvaged and stored along the western perimeter of the location.

Corrective Action _____

Date _____

1002c. PROTECTION OF SOILS _____ In Process

Comment _____

The Operator shall consider both short and long-term stabilization BMPs when stabilizing topsoil stockpiles.

Per Rule 1002, topsoil shall be stabilized and protected from degradation due to wind and water erosion. Per Rule 1002, BMPs to prevent weed establishment and to maintain soil microbial activity shall be implemented.

Corrective Action _____

Date _____

1002E. SURFACE DISTURBANCE MINIMIZATION _____

Comment _____

Corrective Action _____

Date _____

1003a. Waste and Debris removed? _____

Comment _____

Corrective Action _____

Date _____

Unused or unneeded equipment onsite? _____

Comment _____

Corrective Action _____

Date _____

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

Comment _____

Corrective Action _____

Date _____

Guy line anchors marked? _____

Comment _____

Corrective Action _____

Date _____

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

1003c. Compacted areas have been cross ripped? _____

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

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
Ditches	Pass					
Berms	Pass					

Comment: At the time of this inspection, the current stormwater and sediment control BMPs appear sufficient during topsoil salvage operations and initial pad construction. Stormwater and sediment BMPs do need to be considered and implemented along portions of the 1.0 kilometer access road to the location. More permanent BMPs should be installed upon the completion of pad construction. A follow up inspection will be conducted to ensure permanent BMPs have been installed per Rule 1002.

Corrective Action:

Date: _____

Pits: ☐ NO SURFACE INDICATION OF PIT

COGCC Comments

Comment	User	Date
Refer to the attached inspection photos in Document #682402103.	binschusc	05/11/2017

Attached Documents

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

Document Num	Description	URL
401280971	INSPECTION SUBMITTED	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=4144896
682402103	Inspection Photos	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=4144895