

**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:

01/28/2019

Submitted Date:

01/29/2019

Document Number:

682404470**FIELD INSPECTION FORM**Loc ID 424712 Inspector Name: Binschus, Chris 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:**5 Number of Comments3 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 |
|--------------|-------|--------------------------|---------------------------------|
| , | | Regulatory@verdadoil.com | ALL INSPECTIONS |

Inspected Facilities:

| Facility ID | Type | Status | Status Date | Well Class | API Num | Facility Name | Insp Status |
|-------------|----------|--------|-------------|------------|---------|-----------------------|-------------|
| 424712 | LOCATION | AC | | | - | Slick Rock 17-11-7-60 | RI |

General Comment:[This is an Interim Reclamation and Stormwater Inspection.](#)[This inspection is being entered for notification and documentation only and is not intended to provide the Operator the opportunity to resolve the alleged violations without the imposition of a penalty, pursuant to Rule 522.c.](#)

LocationOverall Good: ☐

Emergency Contact Number:

Comment: Corrective Action: Date: **Good Housekeeping:**

| | | | |
|--------------------|---|--|-------|
| Type | WEEDS | | |
| Comment: | Staff observed unmanaged Russian thistle (<i>Salsola tragus</i>) weed establishment along portions of the well pad perimeter and weed debris along the perimeter of the location. Russian thistle is a troublesome annual nonnative weed that easily breaks off at the stem and becomes a tumbleweed. Operator failed to control and manage weeds to prevent weed waste and prevent the spread of seeds onto adjacent lands. Refer to the attached inspection photos. | | |
| Corrective Action: | Operator shall implement Best Management Practices per Rule 603.f. to control and manage weeds to prevent weed waste and to prevent the spread of dispersing seeds onto adjacent lands. | | Date: |

Overall Good: ☐**Spills:**

| | | | | |
|------|------|--------|--|--|
| Type | Area | Volume | | |
|------|------|--------|--|--|

In Containment: No

Comment: ☐ Multiple Spills and Releases?**Venting:**

| | | | |
|--------------------|--|-------|--|
| Yes/No | | | |
| Comment: | | | |
| Corrective Action: | | Date: | |

Flaring:

| | | |
|--------------------|--|-------|
| Type | | |
| Comment: | | |
| Corrective Action: | | Date: |

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

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

Land Use: RANGELAND

Comment: _____

1002 SITE PREPARATION AND STABILIZATION

1002a. FENCING _____

Comment _____

Corrective Action _____

Date _____

1002b. SOIL REMOVAL AND
SEGREGATION _____

Comment _____

Corrective Action _____

Date _____

1002c. PROTECTION OF SOILS _____ Fail _____

Comment

Unmanaged weeds (Russian thistle) were observed along the slopes of the topsoil stockpile.

After the Operator performs Interim Reclamation activities, COGCC Staff recommends leaving enough topsoil stockpiled for Final Reclamation.

Corrective Action

Comply with Rule 1002.c.

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? Fail Production areas stabilized ? _____

1003c. Compacted areas have been cross ripped? Fail

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? Fail

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 Fail Recontoured Fail 80% Revegetation Fail

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 This Location is not in compliance with Rule 1003, as the Operator has failed to perform interim reclamation activities to reduce disturbance areas only needed for production operations. Note: This Location had an approved variance to delay Interim Reclamation with a termination date of 12/3/2018.

Corrective Action Comply with Rule 1003.

Date _____

Overall Interim Reclamation Fail

Final Reclamation/ Abandoned Location:

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

Final Land Use: RANGELAND

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 ☐**Attached Documents**

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

| Document Num | Description | URL |
|--------------|-------------------|---|
| 682404471 | Inspection Photos | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=4720873 |