



## **E&P Waste Management Plan**

In compliance with COGCC Rule 907, the following plan describes how Verdad Resources, LLC will adhere to the rule using appropriate handling and disposal of produced water, drill mud and cuttings, tank bottoms, and other associated Exploration and Production (E&P) wastes.

**E&P Wastes** onsite will be stored in compatible containers or containment devices designed or engineered for the purposes for which they will be utilized. These containers will be inspected on a regular basis to ensure that no undue wear, structural issues, severe rust, other defects exist, which may impact their effectiveness. E&P wastes will be transported off-site via truck by a licensed transporter per COGCC rule 907.b. Frequency of these operations will vary by site based on waste volumes.

**Water-Based Drilling Fluids and Drill Cuttings** will be transported off-site to a commercial solid waste facility for disposal. Cuttings will be properly disposed of at an authorized solid waste facility approved to receive E&P waste. Actual facility depends on geographic proximity to drilling well.

**Oil Based Drilling Fluids and Drill Cuttings** will be transported off-site to a commercial solid waste facility for treatment or disposal. Oil based cuttings will be properly disposed of at an authorized solid waste facility approved to receive E&P waste. Actual facility depends on geographic proximity to drilling well.

**Flow-back Fluid and Produced Water** will be disposed of at licensed Class II injection facilities in accordance with rule 907.c(2)A, such as those run by High Sierra Water Services, Expedition Water Solutions, or NGL Water Solutions.

**Solid Waste/Soil Impacted with Hydrocarbons and Tank Bottoms** will be transported off-site to a commercial solid waste facility for disposal. Actual facility depends on geographic proximity to drilling well.

**Non-E&P Waste** will be identified and properly disposed of in accordance with state and federal regulations.