

FORM
INSPRev
X/20State of Colorado
Oil and Gas Conservation Commission1120 Lincoln Street, Suite 801, Denver, Colorado 80203
Phone: (303) 894-2100 Fax: (303) 894-2109

Inspection Date:

07/26/2022

Submitted Date:

08/08/2022

Document Number:

696105337

FIELD INSPECTION FORM

Loc ID _____ Inspector Name: _____ On-Site Inspection
 441041 _____ Edwardson, Dylan _____ 2A Doc Num: _____

Operator Information:

OGCC Operator Number: 10651
 Name of Operator: VERDAD RESOURCES LLC
 Address: 1125 17TH STREET SUITE 550
 City: DENVER State: CO Zip: 80202

Status Summary:

- THIS IS A FOLLOW UP INSPECTION
 FOLLOW UP INSPECTION REQUIRED
 NO FOLLOW UP INSPECTION REQUIRED

Findings:

- 9 Number of Comments
 1 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
		chris.binschus@state.co.us	

Inspected Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status
441038	WELL	AP	10/22/2020	LO	123-41240	Martin 3030 03H	CI
441039	WELL	AP	10/22/2020	LO	123-41241	Martin 3030 02H	CI
441044	WELL	AP	10/22/2020	LO	123-41245	Martin 3030 01H	CI
478880	WELL	AP	12/28/2020		123-51382	Martin Fed 3031 02H	CI
478881	WELL	AP	12/28/2020		123-51383	Martin Fed 3031 01H	CI
478882	WELL	AP	12/29/2020		123-51384	Martin Fed 3031 04H	CI
478883	WELL	AP	12/29/2020		123-51385	Martin Fed 3031 03H	CI
481631	WELL	AP	02/17/2022		123-51681	Martin 3030 05H	CI
481632	WELL	AP	02/17/2022		123-51682	Martin 3030 04H	CI

General Comment:

This is a Construction and Stormwater Inspection in response to Form 42: Notice of Construction- Document #403083613.

Location Construction

Location ID: 441041 CDP: _____

Comment: Per Rule 406.c. a copy of the approved Form 2A was posted on location. Field collected data on July 26, 2022 using a Trimble handheld GPS indicated construction disturbance was approximately 9.77 acres, exceeding the permitted 9.50 acres by approximately 3%.

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>441038</u>	Type: <u>WELL</u>	API Number: <u>123-41240</u>	Status: <u>AP</u>	Insp. Status: <u>CI</u>
Facility ID: <u>441039</u>	Type: <u>WELL</u>	API Number: <u>123-41241</u>	Status: <u>AP</u>	Insp. Status: <u>CI</u>
Facility ID: <u>441044</u>	Type: <u>WELL</u>	API Number: <u>123-41245</u>	Status: <u>AP</u>	Insp. Status: <u>CI</u>
Facility ID: <u>478880</u>	Type: <u>WELL</u>	API Number: <u>123-51382</u>	Status: <u>AP</u>	Insp. Status: <u>CI</u>
Facility ID: <u>478881</u>	Type: <u>WELL</u>	API Number: <u>123-51383</u>	Status: <u>AP</u>	Insp. Status: <u>CI</u>
Facility ID: <u>478882</u>	Type: <u>WELL</u>	API Number: <u>123-51384</u>	Status: <u>AP</u>	Insp. Status: <u>CI</u>
Facility ID: <u>478883</u>	Type: <u>WELL</u>	API Number: <u>123-51385</u>	Status: <u>AP</u>	Insp. Status: <u>CI</u>
Facility ID: <u>481631</u>	Type: <u>WELL</u>	API Number: <u>123-51681</u>	Status: <u>AP</u>	Insp. Status: <u>CI</u>
Facility ID: <u>481632</u>	Type: <u>WELL</u>	API Number: <u>123-51682</u>	Status: <u>AP</u>	Insp. Status: <u>CI</u>

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 _____ Pass _____

Comment Barbwire fence around access road and location perimeter.

Corrective Action _____ Date _____

1002b. SOIL REMOVAL AND SEGREGATION _____ Pass _____

Comment Appears topsoil was salvaged and stored along the northwestern perimeter of the location in compliance with Rule 1002.b

Corrective Action _____ Date _____

1002c. PROTECTION OF SOILS _____ In Process _____

Comment Topsoil has been temporarily stabilized with equipment tracking for short-term stabilization. Operator shall implement long-term stabilization BMPs (i.e., seeding when appropriate) when stabilizing all stockpiles to ensure compliance under Rule 1002.c.

Corrective Action _____ Date _____

1002E. SURFACE DISTURBANCE MINIMIZATION _____ In Process _____

Comment Per Rule 1002.e.(1), Operator shall adequately construct and stabilize the entire well pad area, including cut and fill slopes, to control dust and minimize erosion, alteration of natural features, removal of surface materials, and degradation due to contamination.

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 REVEGETATION

Cropland

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: 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

Storm Water:

Loc Erosion BMPs	BMP Maintenance	Lease Road Erosion BMPs	Lease BMP Maintenance	Chemical BMPs	Chemical BMP Maintenance	Comment
<p>Comment: The stormwater BMPs have not been properly stabilized and have unconsolidated material along portions of the berm, ditch and sediment traps. An unconsolidated stormwater BMP is not a proper functioning BMP, as the unconsolidated material becomes a source of potential pollution itself. Operator shall ensure this BMP is properly stabilized as it could be susceptible to wind and water erosion. Refer to the attached inspection photos.</p>						Date: <u>07/26/2022</u>
<p>Corrective Action: Comply with Rule 1002.f.(2) to install BMPs in accordance with good engineering practices. Corrective action date is the date the location was inspected.</p>						
<p>Pits: <input type="checkbox"/> NO SURFACE INDICATION OF PIT</p>						

COGCC Comments

Comment	User	Date
<p>Per Rule 1002.f., oil and gas operators shall implement and maintain Best Management Practices (BMPs) at all oil and gas locations to control stormwater runoff in a manner that minimizes erosion, transport of sediment offsite, and site degradation. BMPs shall be maintained until the facility is abandoned and final reclamation is achieved pursuant to Rule 1004. Operators shall employ BMPs, as necessary to comply with this rule, at all oil and gas locations, including, but not limited to, well pads, soil stock piles, access roads, tank batteries, compressor stations, and pipeline rights of way. BMPs shall be selected based on site specific conditions, such as slope, vegetation cover, and proximity to water bodies, and may include maintaining in-place some or all of the BMPs installed during the construction phase of the facility. Where applicable based on site-specific conditions, operators shall implement BMPs in accordance with good engineering practices.</p>	edwardsond	08/08/2022

Attached Documents

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

Document Num	Description	URL
696105338	Inspection Photos	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=5823822