

**FORM
INSP**Rev
X/20**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:

10/11/2022

Submitted Date:

10/21/2022

Document Number:

696105543**FIELD INSPECTION FORM**Loc ID 441041 Inspector Name: Edwardson, Dylan On-Site Inspection ☐ 2A Doc Num: _____**Operator Information:**OGCC Operator Number: 10651Name of Operator: VERDAD RESOURCES LLCAddress: 1125 17TH STREET SUITE 550City: DENVER State: CO Zip: 80202**Status Summary:**

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

Findings:

- 11 Number of Comments
- 2 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
CUGNETTI, MIKE	303-704-8856	mcugnetti@verdadoil.com	All Inspections
,		regulatory@verdadoil.com	All Inspections

Inspected Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status
441038	WELL	DG	09/20/2022	LO	123-41240	Martin 3030 03H	CI
441039	WELL	DG	09/20/2022	LO	123-41241	Martin 3030 02H	CI
441040	WELL	PR	09/15/2016	OW	123-41242	PTASNIK 3-30-9-59	CI
441041	LOCATION	AC			-	Martin 3030-3031	CI
441043	WELL	PR	09/15/2016	OW	123-41244	PTASNIK 1-30-9-59	CI
441044	WELL	DG	09/19/2022	LO	123-41245	Martin 3030 01H	CI
478880	WELL	DG	09/24/2022	LO	123-51382	Martin Fed 3031 02H	CI
478881	WELL	DG	09/23/2022	LO	123-51383	Martin Fed 3031 01H	CI
478882	WELL	DG	09/26/2022	LO	123-51384	Martin Fed 3031 04H	CI
478883	WELL	DG	09/25/2022	LO	123-51385	Martin Fed 3031 03H	CI
481631	WELL	DG	09/22/2022	LO	123-51681	Martin 3030 05H	CI
481632	WELL	DG	09/21/2022	LO	123-51682	Martin 3030 04H	CI

General Comment:

This is a follow-up Construction and Stormwater Inspection to FIR Doc #696105337. This inspection is also in response to FIRR Doc #403154616. Any corrective actions from previous inspection are still applicable.

LocationOverall Good: ☐

Emergency Contact Number:

Comment:

Corrective Action:

Date: _____

Good Housekeeping:

Type	OTHER		
Comment:	Tank near well head needs to be uprighted and secured. Refer to attached inspection photos.		
Corrective Action:		Date:	

Overall Good: ☐**Spills:**

Type	Area	Volume		
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In Containment: No

Comment:

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

Yes/No

Comment:

Corrective Action:

Date:

Flaring:

Type		
Comment:		
Corrective Action:		Date:

Inspected Facilities				
Facility ID: <u>441038</u>	Type: <u>WELL</u>	API Number: <u>123-41240</u>	Status: <u>DG</u>	Insp. Status: <u>CI</u>
Facility ID: <u>441039</u>	Type: <u>WELL</u>	API Number: <u>123-41241</u>	Status: <u>DG</u>	Insp. Status: <u>CI</u>
Facility ID: <u>441040</u>	Type: <u>WELL</u>	API Number: <u>123-41242</u>	Status: <u>PR</u>	Insp. Status: <u>CI</u>
Facility ID: <u>441041</u>	Type: <u>LOCATION</u>	API Number: <u>-</u>	Status: <u>AC</u>	Insp. Status: <u>CI</u>
Facility ID: <u>441043</u>	Type: <u>WELL</u>	API Number: <u>123-41244</u>	Status: <u>PR</u>	Insp. Status: <u>CI</u>
Facility ID: <u>441044</u>	Type: <u>WELL</u>	API Number: <u>123-41245</u>	Status: <u>DG</u>	Insp. Status: <u>CI</u>
Facility ID: <u>478880</u>	Type: <u>WELL</u>	API Number: <u>123-51382</u>	Status: <u>DG</u>	Insp. Status: <u>CI</u>
Facility ID: <u>478881</u>	Type: <u>WELL</u>	API Number: <u>123-51383</u>	Status: <u>DG</u>	Insp. Status: <u>CI</u>
Facility ID: <u>478882</u>	Type: <u>WELL</u>	API Number: <u>123-51384</u>	Status: <u>DG</u>	Insp. Status: <u>CI</u>
Facility ID: <u>478883</u>	Type: <u>WELL</u>	API Number: <u>123-51385</u>	Status: <u>DG</u>	Insp. Status: <u>CI</u>
Facility ID: <u>481631</u>	Type: <u>WELL</u>	API Number: <u>123-51681</u>	Status: <u>DG</u>	Insp. Status: <u>CI</u>
Facility ID: <u>481632</u>	Type: <u>WELL</u>	API Number: <u>123-51682</u>	Status: <u>DG</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 STABILIZATION1002a. FENCING Pass

Comment _____

Corrective Action _____

Date _____

1002b. SOIL REMOVAL AND 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 Pass

Comment _____

Topsoil stockpile appears to be stabilized with evidence of seeding and crimped straw mulch in compliance with Rule 1002.c.

Corrective Action _____

Date _____

1002E. SURFACE DISTURBANCE MINIMIZATION Pass

Comment _____

Per Rule 1002.e.(1), Operator has adequately constructed and stabilized the entire well pad area, including cut and fill slopes, to control dust and minimize erosion.

Corrective Action _____

Date _____

1003a. Waste and Debris removed? Fail

Comment _____

Apparent concrete wash-out was observed in the northeast corner of the location which needs to be disposed of properly. Refer to attached inspection photos.

Corrective Action _____

Comply with Rule 606 and remove concrete debris.

Corrective action date is the date the location was observed out of compliance.

Date **10/11/2022**

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 Operator shall comply with interim reclamation timing requirements.

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: Operator has installed stormwater and erosion control BMPs during the construction phase of the location. During this inspection, COGCC Staff observed that the Operator has performed the corrective actions identified in previous inspections. Additionally, Staff identified straw wattles in the southeast corner of the location that are not installed per good engineering practices and rill erosion is evident with sediment laden stormwater appearing to leave location. Refer to attached inspection photos.</p>						<p>Date: 10/11/2022</p>
<p>Corrective Action: Comply with Rule 1002.f.(2) to install BMPs in accordance with good engineering practices.</p> <p>Corrective action date is the date the location was observed out of compliance.</p>						
<p>Pits: <input checked="" type="checkbox"/> NO SURFACE INDICATION OF PIT</p>						

COGCC Comments

Comment	User	Date
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.	edwardsond	10/21/2022

Attached Documents

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

Document Num	Description	URL
403205485	INSPECTION SUBMITTED	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=5893915
696105545	Inspection Photos	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=5893913