

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:

03/31/2023

Submitted Date:

04/05/2023

Document Number:

708200080

FIELD INSPECTION FORM

 Loc ID 466345 Inspector Name: Edwardson, Dylan On-Site Inspection 2A Doc Num: _____
Status Summary:

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

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

- 19 Number of Comments
 8 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
CUGNETTI, MIKE	303-704-8856	mcugnetti@verdadoil.com	All Inspections

Inspected Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status
466345	LOCATION	AC			-	Boydston 3535	CI

General Comment:

This is a follow-up Construction and Stormwater Inspection to FIR Doc #696105527. Any corrective actions from previous inspections are still applicable.

Location

Overall Good:

Emergency Contact Number:

Comment:

Corrective Action:

Date: _____

Good Housekeeping:

Type	TRASH		
Comment:	Trash was observed throughout the location and has blown off location; this compliance issue was also observed in a previous inspection (Doc #696105527). This region and location experience severe wind and every attempt should be made to keep trash and debris from leaving location. Refer to inspection photos for examples and documentation.		
Corrective Action:	Comply with Rule 606 and collect/dispose of all trash both on and off location, at all times.	Date:	04/12/2023
Type	OTHER		
Comment:	Subsidence/open trenching was observed in the southwestern portion of the pad near the electrical boxes and transformer. Refer to attached inspection photos for documentation.		
Corrective Action:	Operator shall immediately ensure operations are safe and will properly install safety controls for the observed trenching/subsidence pursuant to Rule 602.c. Construction fence or exclusion device will need to be installed prior to backfilling of trenches to ensure safe operations for personnel and wildlife. Corrective action date is the date the location was observed out of compliance. Note: Staff was delayed in submitting inspection report and notified Operator (M. Cugnetti) via voicemail on 04/05/2023 to provide informational awareness.	Date:	03/31/2023
Type	STORAGE OF SUPL		
Comment:	Equipment and materials were observed parked/stored within recently seeded and reclaimed areas will need to be moved/removed. Refer to attached inspection photos for documentation.		
Corrective Action:	Comply with Rule 606 and move equipment from the reclaimed portions of the location.	Date:	04/20/2023
Type	DEBRIS		
Comment:	Debris and equipment was observed within the stormwater ditch that surrounds the working pad and will need to be removed.		
Corrective Action:	Comply with Rule 606 and remove debris.	Date:	04/12/2023

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:

Inspected Facilities

Facility ID: 466345 Type: LOCATION API Number: - Status: AC Insp. Status: CI

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 _____

Corrective Action _____

Date _____

1002b. SOIL REMOVAL AND SEGREGATION _____ Fail _____

Comment This location does not comply with Rule 1002.b. During this inspection, it was observed that the Operator has excavated an unknown amount of material from the topsoil stockpile. There is evidence that an area approximately 40'W x 10'D x 4'H in size is missing from the stockpile. Additionally, unknown material piles were at the north and south ends of the topsoil stockpile and are not marked/identified or segregated. Refer to attached inspection photos.

Corrective Action Comply with Rule 1002.b. Operator shall report missing topsoil quantities and use, and import topsoil of equal or greater agronomic properties to replace the deficit. Operator shall submit soil analytical data on the imported topsoil, and from adjacent reference area, no later than 1 month before importation, via Form 4 Sundry. Operator should use the COGCC Topsoil Protection Plan guidance for agronomic properties and analyte testing (page 4) and compare those results with a topsoil assessment for reference areas to ensure equivalent topsoil is being imported. Corrective action date is the date the location was observed out of compliance.

Date 03/31/2023

1002c. PROTECTION OF SOILS _____ Fail _____

Comment During this inspection, it was observed that the western side of the topsoil stockpile is void of protections against wind or water erosion with no evidence of temporary BMPs (e.g. equipment tracking) or longer term stabilization efforts (e.g. mulch/seeding). Storage of equipment and vehicle traffic was also observed on topsoil that has not been salvaged. All stockpiles shall be protected from degradation due to contamination, compaction and, to the extent practicable, from wind and water erosion during drilling and production operations. Refer to attached inspection photos for documentation.

Corrective Action Comply with Rule 1002.c. Operator shall remove all equipment from topsoil stockpiles and/or areas where topsoil has not been salvaged, and implement BMPs for protections of soils per Rule 1002.c. Corrective action date is the date the location was observed out of compliance.

Date 03/31/2023

1002E. SURFACE DISTURBANCE MINIMIZATION _____ Fail _____

Comment The well pad area, access road, topsoil stockpiles, and interim areas have not been stabilized and wind erosion is evident, as dust/soil was observed blowing off location at the time of this inspection. Refer to attached inspection photos for documentation.

Corrective Action Comply with Rule 1002.e (1). Corrective action date is the date the location was observed out of compliance.

Date 03/31/2023

1003a. Waste and Debris removed? _____

Comment See "Good Housekeeping" section comments.

Corrective Action _____

Date _____

Unused or unneeded equipment onsite? _____

Comment See "Good Housekeeping" section comments.

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
Berms	Fail					Berms are not stabilized.
Rip Rap	Fail					Rip rap areas are filled with sediment.
		Tracking Pad	Fail			Tracking pad requires maintenance.
Ditches	Fail					Material being stored in ditches.

Comment: This location does not comply with Rule 1002.f. During this inspection, debris and material was observed within the perimeter ditch of the location and large piles of material were placed directly in front of, and on, the spill way for the sediment trap BMP. The berm BMPs at the sediment trap do not appear adequate as the walls are nearly vertical, comprised of unconsolidated material, and have evidence of rill erosion. With the exception of a sediment control log (e.g. filtrex) placed at the outflow of the sediment trap, it does not appear the operator has performed any stormwater BMP corrective actions since the previous inspection (Doc #696105527). Refer to attached inspection photos for documentation.

Corrective Action: Operator shall implement, repair, and/or maintain required BMPs per Rule 1002.f.(2)C in accordance with good engineering practices. Corrective action date is being back-dated to when the previous corrective actions should have been performed (see Doc #696105527).

Date: 10/11/2022

Pits: NO SURFACE INDICATION OF PIT

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	04/05/2023

Attached Documents

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

Document Num	Description	URL
708200105	Inspection Photos	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6073489