

**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:

10/24/2023

Submitted Date:

10/27/2023

Document Number:

709100155**FIELD INSPECTION FORM**Loc ID 432951 Inspector Name: Heibel, Krystal 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:**5 Number of Comments2 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
Krystal Heibel		krystal.heibel@state.co.us	
Cugnetti, Mike		Mcugnetti@verdadoil.com	

Inspected Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status
432950	WELL	PR	11/01/2017	OW	123-37372	Bailey 5-26-8-60	EI
432952	WELL	PR	01/26/2014	OW	123-37373	Bailey 8-26-8-60	EI
433843	WELL	PR	01/26/2014	OW	123-37812	Bailey 6-26-8-60	EI

General Comment:

On October 24, 2023, ECMC Environmental Unit Staff Krystal Heibel inspected the Bailey location (Location ID: 432951).

This is an environmental inspection. Any corrective actions from previous inspections that have not been addressed are still applicable.

LocationOverall Good: ☐

Emergency Contact Number:

Comment:

Corrective Action:

Date: _____

Good Housekeeping:

Type	UNUSED EQUIPMENT		
Comment:	Unused equipment located throughout site. Pump jack unit, equipment inside metal shed, tubing.		
Corrective Action:	Comply with Rule 606	Date:	11/13/2023
Type	WEEDS		
Comment:	No tumbleweeds among the wellheads.		
Corrective Action:		Date:	

Overall Good: ☐**Spills:**

Type	Area	Volume		
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In Containment: No

Comment:

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

Type:	#		corrective date
Comment:	Unauthorized discharge or disposal of E&P Waste from multiple open piping located at the tank battery. See photos for reference.		
Corrective Action:	Prevent any unauthorized discharge	Date:	11/06/2023

Venting:

Yes/No			
Comment:			
Corrective Action:		Date:	

Flaring:

Type		
Comment:		
Corrective Action:		Date:

Inspected Facilities

Facility ID: <u>432950</u>	Type: <u>WELL</u>	API Number: <u>123-37372</u>	Status: <u>PR</u>	Insp. Status: <u>EI</u>
Facility ID: <u>432952</u>	Type: <u>WELL</u>	API Number: <u>123-37373</u>	Status: <u>PR</u>	Insp. Status: <u>EI</u>
Facility ID: <u>433843</u>	Type: <u>WELL</u>	API Number: <u>123-37812</u>	Status: <u>PR</u>	Insp. Status: <u>EI</u>

Attached Documents

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

Document Num	Description	URL
709100156	photos	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6300782