

**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:

07/25/2024

Submitted Date:

08/01/2024

Document Number:

708201441**FIELD INSPECTION FORM**Loc ID 318959 Inspector Name: Edwardson, Dylan On-Site Inspection ☐ 2A Doc Num: _____**Operator Information:**ECMC 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 Comments1 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 |
|-------------|----------|--------|-------------|------------|-----------|---------------------|-------------|
| 242595 | WELL | PA | 01/24/2019 | GW | 123-10386 | PERRY 1 | RI |
| 318959 | LOCATION | CL | | | - | PERRY-61N65W 10NESE | RI |

General Comment:[This is a Final Reclamation Inspection for PA Well API#123-10386. Well was plugged and abandoned 01/24/2019.](#)[Refer to Field Inspection Report \(doc #708201442\) for the associated Tank Battery Location \(461075\).](#)

| Inspected Facilities | | | | | | | | | |
|--|--------|-------|----------|-------------|-----------|---------|----|---------------|----|
| Facility ID: | 242595 | Type: | WELL | API Number: | 123-10386 | Status: | PA | Insp. Status: | RI |
| The subreport 'InspWellFlowline' could not be found at the specified location \\10.14.12 | | | | | | | | | |
| Facility ID: | 318959 | Type: | LOCATION | API Number: | - | Status: | CL | Insp. Status: | RI |
| The subreport 'InspWellFlowline' could not be found at the specified location \\10.14.12 | | | | | | | | | |

Reclamation - Storm Water - Pit

Interim Reclamation:

Date Interim Reclamation Started: _____ Date Interim Reclamation Completed: _____

Land Use: _____

Comment: _____

1002 SITE PREPARATION AND STABILIZATION

1002a. FENCING _____

Comment _____

Corrective Action _____ Date _____

1002b. SOIL REMOVAL AND
SEGREGATION _____

Comment _____

Corrective Action _____ Date _____

1002c. PROTECTION OF SOILS _____

Comment _____

Corrective Action _____ Date _____

1002E. SURFACE DISTURBANCE MINIMIZATION _____

Comment _____

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 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 _____

Corrective Action _____ Date _____

Overall Interim Reclamation

Final Reclamation/ Abandoned Location:

Date Final Reclamation Started: _____ Date Final Reclamation Completed: _____

Final Land Use: _____

Reminder: _____

Comment: _____

Well plugged Pass Pit mouse/rat holes, cellars backfilled Pass

Debris removed _____ No disturbance /Location never built _____

Access Roads Regraded **Fail** Contoured **Fail** Culverts removed _____

Gravel removed _____

Location and associated production facilities reclaimed _____ Locations, facilities, roads, recontoured **Fail**

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: This location does not comply with Rule 1004. It was observed that the former well location and access road do not appear to have been contoured and graded to reflect adjacent topography. There was also evidence of subsidence and rock debris near the former well location. Additional reclamation activities are required to contour and grade the access road and well area. Refer to attached inspection photos.

| | | | | | | | |
|--|---|---|--------------------------|---------------------|--------------------------|---------|--|
| Corrective Action: | Perform reclamation in accordance with Rule 1004. | | | | | Date | |
| Overall Final Reclamation | Fail | Well Release on Active Location | <input type="checkbox"/> | Multi-Well Location | <input type="checkbox"/> | | |
| Storm Water: | | | | | | | |
| Loc Erosion BMPs | BMP Maintenance | Lease Road Erosion BMPs | Lease BMP Maintenance | Chemical BMPs | Chemical BMP Maintenance | Comment | |
| | | | | | | | |
| Comment: | | No stormwater erosion issues observed at the time of this inspection. | | | | | |
| Corrective Action: | | | | | | Date: | |
| Pits: <input type="checkbox"/> NO SURFACE INDICATION OF PIT | | | | | | | |

Attached Documents

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

| Document Num | Description | URL |
|--------------|----------------------|---|
| 403875793 | INSPECTION SUBMITTED | https://ecmc.state.co.us/weblink/DownloadDocumentPDF.aspx?DocumentId=6650259 |
| 708201472 | Inspection Photos | https://ecmc.state.co.us/weblink/DownloadDocumentPDF.aspx?DocumentId=6650243 |