

**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:

08/13/2024

Submitted Date:

08/14/2024

Document Number:

708201510

**FIELD INSPECTION FORM**Loc ID 318948 Inspector Name: Edwardson, Dylan On-Site Inspection ☐ 2A Doc Num: \_\_\_\_\_**Operator Information:**

ECMC 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:**

6 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                         |
|----------------|--------------|--------------------------|---------------------------------|
| CUGNETTI, MIKE | 303-704-8856 | mcugnetti@verdadoil.com  | <a href="#">All Inspections</a> |
| ,              |              | regulatory@verdadoil.com | <a href="#">All Inspections</a> |

**Inspected Facilities:**

| Facility ID | Type     | Status | Status Date | Well Class | API Num   | Facility Name           | Insp Status |
|-------------|----------|--------|-------------|------------|-----------|-------------------------|-------------|
| 242571      | WELL     | PA     | 04/12/2021  | OW         | 123-10362 | OTTESEN 1               | RI          |
| 318948      | LOCATION | CL     |             |            | -         | OTTESEN-61N65W<br>3NWSW | RI          |

**General Comment:**

This is a Final Reclamation Inspection for PA Well API#123-10362 and its associated tank battery. Well was plugged and abandoned 04/12/2021.

Location

Overall Good: ☐

Emergency Contact Number:

Comment:

Corrective Action:

Date:

Overall Good: ☐

Spills:

| Type   | Area | Volume |  |  |
|--|------|--------|--|--|
| In Containment: No                                     |      |        |  |  |
| Comment:   |      |        |  |  |
| <input type="checkbox"/> Multiple Spills and Releases? |      |        |  |  |

Equipment:

| Type:              | # |   | corrective date |
|--------------------|---|---|-----------------|
| Comment:           |   | No visual evidence of oil and gas equipment at the well or associated tank battery location. Refer to the attached inspection photos. |                 |
| Corrective Action: |   | Date:   |                 |

Venting:

|                    |  |       |  |
|--------------------|--|-------|--|
| Yes/No             |  |       |  |
| Comment:           |  |       |  |
| Corrective Action: |  | Date: |  |

Flaring:

|                    |  |       |
|--------------------|--|-------|
| Type               |  |       |
| Comment:           |  |       |
| Corrective Action: |  | Date: |



**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 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: \_\_\_\_\_

Reminder: \_\_\_\_\_

Comment: \_\_\_\_\_

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

Debris removed \_\_\_\_\_ No disturbance /Location never built \_\_\_\_\_

Access Roads Regraded \_\_\_\_\_ Contoured \_\_\_\_\_ Culverts removed \_\_\_\_\_

Gravel removed \_\_\_\_\_

Location and associated production facilities reclaimed Fail 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. Reclamation rules require reclamation activities to be conducted within twelve months of plugging on non-cropland. Well was plugged 04/12/2021. It does not appear any reclamation work has been performed as gravel remains throughout the former location. Location is not reflective of adjacent reference areas as it is predominantly exposed/bare soil. Refer to attached inspection photos.

|                           |  |                                 |
|---------------------------|--|---------------------------------|
| Corrective Action:        | Comply with Rule 1004. Reseed disturbance areas using a seed mixture requested by the surface owner, or a mixture prescribed by the local county NRCS. Establish vegetation with total perennial, non-invasive uniform plant cover of at least eighty (80) percent of reference area levels. Ensure erosion controls are implemented to stabilize the seeded soil. Operator shall continue to monitor and manage this site until the location meets Rule 1004 standards, including stormwater and weed management. | Date                            |
| Overall Final Reclamation | Fail   | 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 |
|                  |                 |                         |                       |               |                          |         |

Comment: No stormwater erosion issues observed at the time of this inspection.

Corrective Action:

Date:

Pits: ☒ 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   |
| 708201518    | Inspection Photos | <a href="https://ecmc.state.co.us/weblink/DownloadDocumentPDF.aspx?DocumentId=6665412">https://ecmc.state.co.us/weblink/DownloadDocumentPDF.aspx?DocumentId=6665412</a> |