

**FORM
INSP**

Rev
X/15

**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:

06/03/2020

Submitted Date:

06/03/2020

Document Number:

696301905

FIELD INSPECTION FORM

Loc ID 423984 Inspector Name: PETRIE, ERICA 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: 5950 CEDAR SPRINGS ROAD
 City: DALLAS State: TX Zip: 75235

Findings:

- 14 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 |
|--------------|-------|--------------------------|---------------------------------|
| , | | Regulatory@verdadoil.com | All Inspections |

Inspected Facilities:

| Facility ID | Type | Status | Status Date | Well Class | API Num | Facility Name | Insp Status |
|-------------|------|--------|-------------|------------|-----------|----------------------|-------------|
| 423982 | WELL | PR | 05/01/2018 | OW | 123-33822 | PERGAMOS 1-4-44-7-60 | PR |
| 424239 | WELL | PR | 11/27/2012 | OW | 123-33956 | PERGAMOS 2-4-44-7-60 | PR |
| 429414 | WELL | SI | 01/01/2020 | OW | 123-35804 | Pergamos 2-4-34-7-60 | SI |
| 430939 | WELL | PR | 07/14/2013 | OW | 123-36338 | Pergamos 1-4-34-7-60 | PR |

General Comment:

Location

Overall Good:

Signs/Marker:

| | | | |
|--------------------|----------------------|-------|--|
| Type | TANK LABELS/PLACARDS | | |
| Comment: | Adequate | | |
| Corrective Action: | | Date: | |
| Type | WELLHEAD | | |
| Comment: | Adequate | | |
| Corrective Action: | | Date: | |
| Type | BATTERY | | |
| Comment: | Adequate | | |
| Corrective Action: | | Date: | |

Emergency Contact Number:

Comment:

Corrective Action:

Date: _____

Good Housekeeping:

| | | | |
|--------------------|--|-------|------------|
| Type | UNUSED EQUIPMENT | | |
| Comment: | Unused Tubing and Rods on the Southside of Location, see photos | | |
| Corrective Action: | Comply with Rule 603.f. | Date: | 08/03/2020 |
| Type | OTHER | | |
| Comment: | Stained Soil at Engine Exhaust, see photos | | |
| Corrective Action: | For localized stained soils or oily waste - "Properly dispose of oily waste in accordance with 907.e." | Date: | 06/19/2020 |

Overall Good:

Spills:

| Type | Area | Volume | | |
|------|------|--------|--|--|
| | | | | |

In Containment: No

Comment:

Multiple Spills and Releases?

Fencing/:

| | | | |
|--------------------|-------------|-------|--|
| Type | LOCATION | | |
| Comment: | Barbed Wire | | |
| Corrective Action: | | Date: | |

Equipment:

| | | | |
|---------------------|-----|-------|-----------------|
| Type: Pump Jack | # 4 | | corrective date |
| Comment: | | | |
| Corrective Action: | | Date: | |
| Type: Gas Meter Run | # 5 | | |
| Comment: | | | |
| Corrective Action: | | Date: | |

| | | | |
|-----------------------------------|---------------------------------|--|-------|
| Type: Bradenhead | # 4 | | |
| Comment: | Appear to be plumbed to surface | | |
| Corrective Action: | | | Date: |
| Type: Horizontal Heated Separator | # 2 | | |
| Comment: | | | |
| Corrective Action: | | | Date: |
| Type: Vertical Separator | # 2 | | |
| Comment: | | | |
| Corrective Action: | | | Date: |
| Type: Vertical Heater Treater | # 2 | | |
| Comment: | | | |
| Corrective Action: | | | Date: |

Tanks and Berms:

| Contents | # | Capacity | Type | Tank ID | SE GPS |
|--------------------|---|----------|----------------|---------|--------|
| PRODUCED WATER | 4 | 400 BBLs | FIBERGLASS AST | | |
| Comment: | | | | | |
| Corrective Action: | | | | | Date: |

Paint

| | | |
|------------------|----------|--|
| Condition | Adequate | |
| Other (Content) | | |
| Other (Capacity) | | |
| Other (Type) | | |

Berms

| Type | Capacity | Permeability (Wall) | Permeability (Base) | Maintenance |
|--------------------|--------------------------------------|---------------------|---------------------|-------------|
| | | | | |
| Comment: | Shares berm with the Crude Oil Tanks | | | |
| Corrective Action: | | | | Date: |

| Contents | # | Capacity | Type | Tank ID | SE GPS |
|--------------------|---|----------|-----------|---------|-----------------------|
| CRUDE OIL | 8 | 400 BBLs | STEEL AST | | 40.595890,-104.109340 |
| Comment: | | | | | |
| Corrective Action: | | | | | Date: |

Paint

| | | |
|------------------|----------|--|
| Condition | Adequate | |
| Other (Content) | | |
| Other (Capacity) | | |
| Other (Type) | | |

Berms

| Type | Capacity | Permeability (Wall) | Permeability (Base) | Maintenance |
|----------|----------|---------------------|---------------------|-------------|
| Metal | Adequate | Walls Sufficient | Base Sufficient | Adequate |
| Comment: | | | | |

| | | | |
|--------------------|--|-------|--|
| Corrective Action: | | Date: | |
|--------------------|--|-------|--|

Venting:

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

Flaring:

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

| Inspected Facilities | | | | |
|--|--------------------|------------------------------|-------------------|-------------------------|
| Facility ID: <u>423982</u> | Type: <u>WELL</u> | API Number: <u>123-33822</u> | Status: <u>PR</u> | Insp. Status: <u>PR</u> |
| Producing Well | | | | |
| Comment: PR | Corrective Action: | | | Date: |
| Facility ID: <u>424239</u> | Type: <u>WELL</u> | API Number: <u>123-33956</u> | Status: <u>PR</u> | Insp. Status: <u>PR</u> |
| Producing Well | | | | |
| Comment: PR | Corrective Action: | | | Date: |
| Facility ID: <u>429414</u> | Type: <u>WELL</u> | API Number: <u>123-35804</u> | Status: <u>SI</u> | Insp. Status: <u>SI</u> |
| Idle Well | | | | |
| Purpose: <input checked="" type="checkbox"/> Shut In <input type="checkbox"/> Temporarily Abandoned Reminder: _____ | | | | |
| Comment: SI | Corrective Action: | | | Date: _____ |
| Facility ID: <u>430939</u> | Type: <u>WELL</u> | API Number: <u>123-36338</u> | Status: <u>PR</u> | Insp. Status: <u>PR</u> |
| Producing Well | | | | |
| Comment: PR | Corrective Action: | | | Date: |

Reclamation - Storm Water - Pit

Storm Water:

| Loc Erosion BMPs | BMP Maintenance | Lease Road Erosion BMPs | Lease BMP Maintenance | Chemical BMPs | Chemical BMP Maintenance | Comment |
|------------------|-----------------|-------------------------|-----------------------|---------------|--------------------------|---------|
| Gravel | | Gravel | | | | |

Comment:

Corrective Action:

Date: _____

Pits: NO SURFACE INDICATION OF PIT

COGCC Comments

| Comment | User | Date |
|--|--------|------------|
| Routine Field Inspection. Stained Soil at Engine Exhuast. Unused Tubing and Rods on the Southside of Location. | petrie | 06/03/2020 |

Attached Documents

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

| Document Num | Description | URL |
|--------------|-------------|---|
| 696301906 | Photos | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=5165772 |