

**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:

08/10/2020

Submitted Date:

08/10/2020

Document Number:

696302244**FIELD INSPECTION FORM**Loc ID 422744 Inspector Name: PETRIE, ERICA 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:**13 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

Inspected Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status
422743	WELL	PR	02/01/2016	OW	123-33368	Nelson 17-44-9-60	PR
430685	WELL	SI	12/01/2019	OW	123-36256	Nelson 1-20-9-60	SI

General Comment:

LocationOverall Good: ☒

Signs/Marker:			
Type	BATTERY		
Comment:	Adequate		
Corrective Action:		Date:	
Type	CONTAINERS		
Comment:	Adequate		
Corrective Action:		Date:	
Type	TANK LABELS/PLACARDS		
Comment:	Adequate		
Corrective Action:		Date:	
Type	WELLHEAD		
Comment:	Adequate		
Corrective Action:		Date:	

Emergency Contact Number:

Comment:

Corrective Action:

Date: _____

Good Housekeeping:

Type	WEEDS		
Comment:	Weeds are abundant in Reclamation area, see photos		
Corrective Action:	Comply with Rules 603.f. and 1003.f	Date:	09/10/2020

Overall Good: ☐

Spills:				
Type	Area	Volume		

In Containment: No

Comment:

☐ Multiple Spills and Releases?**Fencing/:**

Type	LOCATION		
Comment:	Barbed Wire		
Corrective Action:		Date:	

Equipment:

			corrective date
Type: Vertical Separator	# 2		
Comment:			
Corrective Action:		Date:	
Type: Bradenhead	# 2		
Comment:	Appear to be plumbed to surface		
Corrective Action:		Date:	

Type: Pump Jack	# 2		
Comment:			
Corrective Action:			Date:
Type: Gas Meter Run	# 2		
Comment:			
Corrective Action:			Date:
Type: Vertical Heater Treater	# 2		
Comment:			
Corrective Action:			Date:
Type: Emission Control Device	# 1		
Comment:			
Corrective Action:			Date:

Tanks and Berms:

Contents	#	Capacity	Type	Tank ID	SE GPS
PRODUCED WATER	1	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 Crude Oil Tanks			
Corrective Action:				Date:

Contents	#	Capacity	Type	Tank ID	SE GPS
PRODUCED WATER	1	100 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 Crude Oil Tanks			

Corrective Action:					Date:	
Contents	#	Capacity	Type	Tank ID	SE GPS	
CRUDE OIL	4	400 BBLs	STEEL AST		40.743040,-104.108820	
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	NO	
Comment:		
Corrective Action:		Date:

Flaring:

Type	
Comment:	
Corrective Action:	Date:

Inspected FacilitiesFacility ID: 422743 Type: WELL API Number: 123-33368 Status: PR Insp. Status: PR**Producing Well**Comment: PR

Corrective Action:

Date:

Facility ID: 430685 Type: WELL API Number: 123-36256 Status: SI Insp. Status: SI**Idle Well**Purpose: ☒ Shut In☐ Temporarily Abandoned

Reminder: _____

Comment: SI

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
<p>COGCC Inspection Report Summary</p> <p>On Tuesday 08/04/2020 at approximately 14:07, I, Inspector Erica Petrie, conducted a Field Inspection at Verdad Resources LLC, Nelson 17-44-9-60 PAD/Facility, at Location #422744 in Weld County, Colorado.</p> <p>While there, I observed Production Operations</p> <p>During this inspection the following possible compliance issues were observed:</p> <p>Weeds are abundant in the Reclamation area. Control weeds per Rules 603.f. and 1003.f.</p> <p>Corrective Action Date 09.10.2020.</p> <p>No other Corrective Actions were observed at the time of this Field Inspection.</p> <p>A follow up on this site inspection will be conducted to ensure the compliance issues have been corrected to comply with COGCC rules. This is a summary of the Inspection Report.</p> <p>COGCC Inspection Report Summary</p>	petrie	08/10/2020

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

Document Num	Description	URL
402463237	INSPECTION SUBMITTED	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=5220451
696302245	Photos	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=5220449