

**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:

01/24/2023

Submitted Date:

01/27/2023

Document Number:

696105694

**FIELD INSPECTION FORM**
 Loc ID 432694 Inspector Name: Edwardson, Dylan On-Site Inspection ☐ 2A Doc Num:
**Operator Information:**

OGCC 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:**

12 Number of Comments

6 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		Mcugnetti@verdadoil.com	
,		regulatory@verdadoil.com	All Inspections

**Inspected Facilities:**

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status
432694	LOCATION	AC			-	Shull 1-35-9-60 PAD	RI
432695	WELL	PR	08/01/2019	OW	123-37237	Shull 2-35-9-60	RI
432697	WELL	PR	09/01/2019	OW	123-37239	Shull 1-35-9-60	RI
438512	WELL	PR	05/01/2021	OW	123-40028	Shull 3-35-9-60	RI

**General Comment:**

This is an Interim Reclamation and Stormwater Inspection for Location ID (432694).

**Location**Overall Good: ☐

Emergency Contact Number:

Comment: Corrective Action: Date: **Good Housekeeping:**

Type	WEEDS		
Comment:	Undesirable vegetation (e.g. russian thistle and kochia) was observed throughout the location and is now considered debris and needs to be removed from location. Refer to attached inspection photos.		
Corrective Action:	Comply with Rule 606.	Date:	02/06/2023
Type	TRASH		
Comment:	Trash was observed throughout the location. Refer to attached inspection photos.		
Corrective Action:	Comply with Rule 606.	Date:	02/06/2023
Type	UNUSED EQUIPMENT		
Comment:	Unused equipment (e.g. pipe and cattle panels) were observed near the well heads. Refer to attached inspection photos.		
Corrective Action:	Comply with Rule 606 and remove any unused equipment.	Date:	02/06/2023

Overall Good: ☐**Spills:**

Type	Area	Volume		
Other		<= 1 bbl		
Comment:	Compressor station has an apparent antifreeze spill; unsure if leaking underneath the unit. Oil stained soil was also observed around the engine skid unit. Refer to attached inspection photos.  Spoke with Operator on 01/27/2023 to notify of leak; Operator stated they would get someone out there to clean up ASAP.			
Corrective Action:	Control and contain spills/releases and clean up per Rule 912.a.		Date:	02/27/2023
Other	Tank	<= 1 bbl		
Comment:	Unkown fluid leaking from tank near well head. Refer to attached inspection photos.			
Corrective Action:	Control and contain spills/releases and clean up per Rule 912.a.		Date:	02/27/2023

In Containment: No

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

Type			
Comment:	Wildlife protection devices not adequate. No exclusion fencing or door around compressor station where antifreeze spill was identified; this presents a hazard to wildlife and should be protected from wildlife entry/contact. Refer to attached inspection photos.		
Corrective Action:	Install or repair wildlife protection equipment per Rule 902.b. Operator shall install temporary exclusion devices (e.g. snow fence or similar) to exclude wildlife from coming in contact with antifreeze immediately and consider a more permanent exclusion device to prevent future contact.		Date: 02/08/2023

**Venting:**

Yes/No			
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Comment:			
Corrective Action:		Date:	
<b>Flaring:</b>			
Type			
Comment:			
Corrective Action:		Date:	

**Inspected Facilities**

Facility ID: <u>432694</u>	Type: <u>LOCATION</u>	API Number: <u>-</u>	Status: <u>AC</u>	Insp. Status: <u>RI</u>
Facility ID: <u>432695</u>	Type: <u>WELL</u>	API Number: <u>123-37237</u>	Status: <u>PR</u>	Insp. Status: <u>RI</u>
Facility ID: <u>432697</u>	Type: <u>WELL</u>	API Number: <u>123-37239</u>	Status: <u>PR</u>	Insp. Status: <u>RI</u>
Facility ID: <u>438512</u>	Type: <u>WELL</u>	API Number: <u>123-40028</u>	Status: <u>PR</u>	Insp. Status: <u>RI</u>

**Reclamation - Storm Water - Pit****Interim Reclamation:**

Date Interim Reclamation Started: \_\_\_\_\_ Date Interim Reclamation Completed: \_\_\_\_\_

Land Use: RANGELAND

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

**1002 SITE PREPARATION AND STABILIZATION**

1002a. FENCING \_\_\_\_\_

Comment \_\_\_\_\_

Corrective Action \_\_\_\_\_

Date \_\_\_\_\_

1002b. SOIL REMOVAL AND \_\_\_\_\_

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 [See "Good Housekeeping" section comments.](#)

Corrective Action \_\_\_\_\_

Date \_\_\_\_\_

Unused or unneeded equipment onsite? \_\_\_\_\_

Comment [See "Good Housekeeping" section comments.](#)

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 Undesirable vegetation (e.g. russian thistle and kochia) was observed throughout the location and needs to be managed in the future. An inspection will be conducted at a later date to ensure compliance with 1003 Rules.

Corrective Action  Date \_\_\_\_\_

**Overall Interim Reclamation****Final Reclamation/ Abandoned Location:**

Date Final Reclamation Started: \_\_\_\_\_ Date Final Reclamation Completed: \_\_\_\_\_

Final Land Use: RANGELAND \_\_\_\_\_

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

Comment:

Well plugged \_\_\_\_\_ Pit mouse/rat holes, cellars backfilled \_\_\_\_\_

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

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

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

Location and associated production facilities reclaimed \_\_\_\_\_ Locations, facilities, roads, recontoured \_\_\_\_\_

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:

Corrective Action:  Date \_\_\_\_\_

Overall Final Reclamation	Well Release on Active Location <input type="checkbox"/>	Multi-Well Location <input type="checkbox"/>
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**Storm Water:**

Loc Erosion BMPs	BMP Maintenance	Lease Road Erosion BMPs	Lease BMP Maintenance	Chemical BMPs	Chemical BMP Maintenance	Comment

Comment: At the time of this inspection, no erosion issues were observed at location or along the access road.

Operator shall continue to monitor and manage this site for stormwater run on and runoff in a manner that minimizes erosion, transport of sediment offsite, and site degradation until the facility is abandoned and final reclamation is achieved pursuant to Rule 1004.

Corrective Action:

Date: \_\_\_\_\_

**Pits:** ☐ NO SURFACE INDICATION OF PIT

**Attached Documents**

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

Document Num	Description	URL
403304995	INSPECTION SUBMITTED	<a href="http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6000713">http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6000713</a>
696105703	Inspection Photos	<a href="http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6000712">http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6000712</a>