

FORM  
INSPRev  
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:

03/31/2023

Submitted Date:

04/05/2023

Document Number:

708200079

### 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:**

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

**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

**General Comment:**

This is a follow-up inspection to Field Inspection Report (Doc #696105732) and Operator submitted FIRR (Doc #403342745) to document corrective action compliance.

**Location**

Overall Good:

Emergency Contact Number:

Comment:

Corrective Action:

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

**Good Housekeeping:**

Type	OTHER		
Comment:	During this inspection, Staff observed an unknown fluid within the secondary containment of an elevated storage tank and was unable to verify if fluid originated from the tank. Refer to attached inspection photos for documentation.		
Corrective Action:	Conduct maintenance on equipment, cleanup stained material (e.g. milky fluid in containment) and review self inspection processes per Rule 1002.f(2)D.	Date:	04/12/2023
Type	OTHER		
Comment:	It appears the Operator has performed the corrective action to remove the antifreeze from the engine skid and placed rags to soak up any free fluids in the containment. During this inspection, Staff observed that the rags were saturated and that residual antifreeze was still within the containment, though it appeared to be diluted. As this is an ongoing compliance issue, the Operator is being required to inspect equipment to verify that the source of the antifreeze leak is fixed to prevent further occurrences.		
Corrective Action:	Remove and properly dispose of any remaining free fluids and Securely fasten all valves, pipes, fittings, and Production Facilities to ensure good mechanical condition, inspect at regular intervals and maintain in good mechanical condition per Rule 608.e.	Date:	04/19/2023

Overall Good:

**Spills:**

Type	Area	Volume		

In Containment: No

Comment:

Multiple Spills and Releases?

**Fencing/:**

Type			
Comment:	It appears the Operator has performed the corrective action and installed wildlife exclusion devices on the engine shed. Refer to attached inspection photos.		
Corrective Action:		Date:	

**Venting:**

Yes/No			
Comment:			
Corrective Action:		Date:	

**Flaring:**

Type			
Comment:			
Corrective Action:		Date:	

**Inspected Facilities**

Facility ID: 432694 Type: LOCATION API Number: - Status: AC Insp. Status: RI

**Reclamation - Storm Water - Pit**

**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
403366372	INSPECTION SUBMITTED	<a href="http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6073493">http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6073493</a>
708200104	Inspection Photos	<a href="http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6073488">http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6073488</a>