

**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:

05/03/2023

Submitted Date:

05/08/2023

Document Number:

708200224

FIELD INSPECTION FORMLoc ID 481827 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:**

11 Number of Comments

3 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	All Inspections
,		regulatory@verdadoil.com	All Inspections

Inspected Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status
481827	LOCATION	AC			-	Peanut Fed 3403	CI

General Comment:[This is a Construction and Stormwater Inspection in response to Form 42: Notice of Construction- Document #403387343.](#)

LocationOverall Good: ☐

Emergency Contact Number:

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

Type

OTHER

Comment:

At the time of this inspection, Staff observed fugitive dust originating from heavy equipment during topsoil salvage operations. Staff spoke with on-site contractor (Kenny @ HPC) who explained that a water truck would be utilized the following day and throughout the construction phase. Refer to attached inspection photos.

Corrective Action:

Take actions to control fugitive dust per Rule 427.c. Corrective action date is the date the location was observed out of compliance.

Date: 05/03/2023

Overall Good: ☐**Spills:**

Type

Area

Volume

In Containment: No

Comment: ☐ Multiple Spills and Releases?**Venting:**

Yes/No

Comment: Corrective Action: Date: **Flaring:**

Type

Comment: Corrective Action: Date:

Location Construction

Location ID: 481827 CDP: _____

Comment: At the time of this inspection, an approved copy of the Form 2A (Doc #402613314) was not posted on location; this is not in compliance with Rule 406.c.

Corrective Action: Comply with Rule 406.c and post a copy of the approved Form 2A in a conspicuous location. Corrective action date is the date the location was observed out of compliance.

Date: 05/03/2023**Form 2A COAs:**

Comment: To ensure compliance with Wildlife BMP #2 on the approved Form 2A (Doc #402613314), and Rule 1202.a(8), staff is requesting documentation of pre-construction nesting migratory bird surveys within the approved disturbance area.

Corrective Action: Submit pre-construction nesting migratory bird survey via Form 4 Sundry Notice by COB 05/09/2023. The assumption is that this has already occurred, therefore a short corrective action date to submit the information has been applied.

Date: 05/10/2023**Wildlife BMPs:****Comment:****Corrective Action:****Date:** _____**Comment:****Corrective Action:****Date:** _____**On Site Inspection (305):**Surface Owner Contact Information:

Name: _____ Address: _____

Phone Number: _____ Cell Phone: _____

Operator Rep. Contact Information:

Landman Name: _____ Phone Number: _____

Date Onsite Request Received: _____ Date of Rule 306 Consultation: _____

Request LGD Attendance: _____

LGD Contact Information:

Name: _____ Phone Number: _____ Agreed to Attend: _____

Summary of Landowner Issues:

Summary of Operator Response to Landowner Issues:

Onsite Inspection Memorandum Summarizing Discussions at Inspection as Attachment:

Inspected Facilities									
Facility ID:	481827	Type:	LOCATION	API Number:	-	Status:	AC	Insp. Status:	CI

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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 SEGREGATION _____ In _____

Comment _____

At the time of this inspection, dirt contractors were in the process of salvaging topsoil from the disturbance area. Staff also observed that topsoil did not appear to have been salvaged from the new access road to the location which is required per Rule 1002.b. This is being left "In Process" until a follow-up inspection is conducted to ensure that all topsoil has been salvaged from the location and the access road, and to verify stockpile quantities.

Corrective Action _____

Date _____

1002c. PROTECTION OF SOILS _____ In Process _____

Comment _____

At the time of this inspection, dirt contractors were separating and storing topsoil in stockpiles located at the eastern portion of the location. Operator shall ensure that all stockpiled soils are stabilized against wind and water erosion. This is being left "In Process" until the location is inspected at a future date.

Corrective Action _____

Date _____

1002E. SURFACE DISTURBANCE MINIMIZATION _____

Comment _____

Corrective Action _____

Date _____

1003a. Waste and Debris removed? _____ Pass _____

Comment _____

Corrective Action _____

Date _____

Unused or unneeded equipment onsite? _____ Pass _____

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 REVEGETATIONCropland

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 Operator shall comply with interim reclamation timing requirements.

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 ☐ Multi-Well Location ☐

Storm Water:

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

Comment: Temporary BMPs have been installed (ditch and berm) around the entire perimeter during the construction phase of the location. More permanent BMPs should be installed upon the completion of pad construction. A follow-up stormwater inspection will be conducted at a future date to ensure compliance with Rule 1002.f. standards. Refer to the COGCC Comments section for additional stormwater compliance information.

Corrective Action: Date: _____

Pits: ☐ NO SURFACE INDICATION OF PIT

COGCC Comments

Comment	User	Date
Per Rule 1002.f., oil and gas operators shall implement and maintain Best Management Practices (BMPs) at all oil and gas locations to control stormwater runoff in a manner that minimizes erosion, transport of sediment offsite, and site degradation. BMPs shall be maintained until the facility is abandoned and final reclamation is achieved pursuant to Rule 1004. Operators shall employ BMPs, as necessary to comply with this rule, at all oil and gas locations, including, but not limited to, well pads, soil stock piles, access roads, tank batteries, compressor stations, and pipeline rights of way. BMPs shall be selected based on site specific conditions, such as slope, vegetation cover, and proximity to water bodies, and may include maintaining in-place some or all of the BMPs installed during the construction phase of the facility. Where applicable based on site-specific conditions, operators shall implement BMPs in accordance with good engineering practices.	edwardsond	05/08/2023

Attached Documents

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

Document Num	Description	URL
403397233	INSPECTION SUBMITTED	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6107660
708200234	Inspection Photos	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6107638