

**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:

05/17/2023

Submitted Date:

05/22/2023

Document Number:

708200266

FIELD INSPECTION FORMLoc ID 468967 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:**

8 Number of Comments

4 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 |
|-------------|----------|--------|-------------|------------|-----------|-----------------|-------------|
| 468966 | WELL | PR | 08/01/2022 | OW | 123-50613 | Timbro 1717 09H | RI |
| 468967 | LOCATION | AC | | | - | TIMBRO 1717 | RI |
| 468968 | WELL | PR | 09/01/2022 | OW | 123-50614 | Timbro 1717 13H | RI |
| 468969 | WELL | PR | 09/01/2022 | OW | 123-50615 | Timbro 1717 12H | RI |
| 468970 | WELL | PR | 08/01/2022 | OW | 123-50616 | Timbro 1717 10H | RI |
| 468971 | WELL | PR | 09/01/2022 | OW | 123-50617 | Timbro 1717 14H | RI |
| 468972 | WELL | PR | 09/01/2022 | OW | 123-50618 | Timbro 1717 11H | RI |
| 468973 | WELL | PR | 08/01/2022 | OW | 123-50619 | Timbro 1717 08H | RI |

General Comment:

This is an Interim Reclamation and Stormwater Inspection for Location ID 468967.

LocationOverall Good: ☐

Emergency Contact Number:

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

| | | | |
|--------------------|---|-------|------------|
| Type | STORAGE OF SUPL | | |
| Comment: | Road drag/maintainer observed being stored on location. Storage of equipment, parts, supplies, etc on location is prohibited. | | |
| Corrective Action: | Comply with Rule 606. | Date: | 05/30/2023 |
| Type | WEEDS | | |
| Comment: | Undesirable weedy vegetation was observed throughout portions of the stormwater ditch system and will need to be managed for. | | |
| Corrective Action: | Comply with Rule 606 and manage weedy vegetation. | Date: | 05/30/2023 |

Overall Good: ☐**Spills:**

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

In Containment: No

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

| | | | |
|--------------------|---|-------|-----------------|
| | | | corrective date |
| Type: Other | # | | |
| Comment: | No netting on open top tank/secondary containment. Refer to attached inspection photos. | | |
| Corrective Action: | Install or repair wildlife protection equipment per Rule 608.a.(13). | Date: | 05/28/2023 |

Venting:

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

Flaring:

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

| Inspected Facilities | | | | |
|----------------------------|-----------------------|------------------------------|-------------------|-------------------------|
| Facility ID: <u>468966</u> | Type: <u>WELL</u> | API Number: <u>123-50613</u> | Status: <u>PR</u> | Insp. Status: <u>RI</u> |
| Facility ID: <u>468967</u> | Type: <u>LOCATION</u> | API Number: <u>-</u> | Status: <u>AC</u> | Insp. Status: <u>RI</u> |
| Facility ID: <u>468968</u> | Type: <u>WELL</u> | API Number: <u>123-50614</u> | Status: <u>PR</u> | Insp. Status: <u>RI</u> |
| Facility ID: <u>468969</u> | Type: <u>WELL</u> | API Number: <u>123-50615</u> | Status: <u>PR</u> | Insp. Status: <u>RI</u> |
| Facility ID: <u>468970</u> | Type: <u>WELL</u> | API Number: <u>123-50616</u> | Status: <u>PR</u> | Insp. Status: <u>RI</u> |
| Facility ID: <u>468971</u> | Type: <u>WELL</u> | API Number: <u>123-50617</u> | Status: <u>PR</u> | Insp. Status: <u>RI</u> |
| Facility ID: <u>468972</u> | Type: <u>WELL</u> | API Number: <u>123-50618</u> | Status: <u>PR</u> | Insp. Status: <u>RI</u> |
| Facility ID: <u>468973</u> | Type: <u>WELL</u> | API Number: <u>123-50619</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
SEGREGATION _____

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 _____

Corrective Action _____

Date _____

Unused or unneeded equipment onsite? _____

Comment _____

Corrective Action _____

Date _____

Pit, cellars, rat holes and other bores closed? _____

Comment _____

Corrective Action _____

Date _____

Guy line anchors marked? _____

Comment _____

Corrective Action _____

Date _____

| | | |
|---------------------------|--|--|
| Corrective Action: | | Date |
| Overall Final Reclamation | Well Release on Active Location <input type="checkbox"/> | Multi-Well Location <input type="checkbox"/> |

Storm Water:

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

Comment: This location does not comply with Rule 1002.f. At the time of this inspection, Staff observed that portions of the production area do not appear stabilized with evidence of rill erosion and sediment deposition in the stormwater ditches. Areas identified in the inspection photos will need to be stabilized and maintenance is advised for sediment in ditch to ensure it is properly functioning.

Corrective Action: Install or repair required BMPs per Rule 1002.f.(2)C.

Date: 05/24/2023

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 |
|--------------|-------------------|---|
| 708200274 | Inspection Photos | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6121258 |