

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:

10/18/2023

Submitted Date:

10/31/2023

Document Number:

713900027

FIELD INSPECTION FORM

Loc ID 472202 Inspector Name: Hansen, Logan On-Site Inspection 2A Doc Num: _____

Status Summary:

- THIS IS A FOLLOW UP INSPECTION
 FOLLOW UP INSPECTION REQUIRED
 NO FOLLOW UP INSPECTION REQUIRED

Operator Information:

OGCC Operator Number: 10651
 Name of Operator: VERDAD RESOURCES LLC
 Address: 1125 17TH STREET SUITE 550
 City: DENVER State: CO Zip: 80202

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
Binschus, Chris		chris.binschus@state.co.us	
Heibel, Krystal		krystal.heibel@state.co.us	
Cugnetti, Mike		MCugnetti@verdadresources.com	
		Regulatory@verdadoil.com	

Inspected Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status
477734	WELL	PR	09/01/2022	OW	123-51202	Timbro Fed 1931 01H	RI
477735	WELL	PR	10/01/2022	OW	123-51203	Timbro Fed 1931 06H	RI
477736	WELL	PR	10/01/2022	OW	123-51204	Timbro Fed 1931 07H	RI
477737	WELL	PR	10/01/2022	OW	123-51205	Timbro Fed 1931 04H	RI
477738	WELL	PR	10/01/2022	OW	123-51206	Timbro Fed 1931 08H	RI
477739	WELL	PR	01/05/2023	OW	123-51207	Timbro Fed 1931 03H	RI
477740	WELL	PR	10/01/2022	OW	123-51208	Timbro Fed 1931 05H	RI
477741	WELL	PR	09/01/2022	OW	123-51209	Timbro Fed 1931 02H	RI

General Comment:

This is an interim reclamation and stormwater inspection.

Location

Overall Good:

Emergency Contact Number:

Comment:

Corrective Action:

Date: _____

Good Housekeeping:

Type

WEEDS

Comment:

Undesirable plants (kochia/russian thistle) were observed accross the location in stormwater ditches and on a gravel pile on site.

Corrective Action:

Date:

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:

Inspected Facilities

Facility ID: <u>477734</u>	Type: <u>WELL</u>	API Number: <u>123-51202</u>	Status: <u>PR</u>	Insp. Status: <u>RI</u>
Facility ID: <u>477735</u>	Type: <u>WELL</u>	API Number: <u>123-51203</u>	Status: <u>PR</u>	Insp. Status: <u>RI</u>
Facility ID: <u>477736</u>	Type: <u>WELL</u>	API Number: <u>123-51204</u>	Status: <u>PR</u>	Insp. Status: <u>RI</u>
Facility ID: <u>477737</u>	Type: <u>WELL</u>	API Number: <u>123-51205</u>	Status: <u>PR</u>	Insp. Status: <u>RI</u>
Facility ID: <u>477738</u>	Type: <u>WELL</u>	API Number: <u>123-51206</u>	Status: <u>PR</u>	Insp. Status: <u>RI</u>
Facility ID: <u>477739</u>	Type: <u>WELL</u>	API Number: <u>123-51207</u>	Status: <u>PR</u>	Insp. Status: <u>RI</u>
Facility ID: <u>477740</u>	Type: <u>WELL</u>	API Number: <u>123-51208</u>	Status: <u>PR</u>	Insp. Status: <u>RI</u>
Facility ID: <u>477741</u>	Type: <u>WELL</u>	API Number: <u>123-51209</u>	Status: <u>PR</u>	Insp. Status: <u>RI</u>

Environmental

Spills/Releases:

Type of Spill: PRODUCED WATER Estimated Spill Volume: _____

Comment: At the time of inspection a produced water spill was observed within the secondary containment of the tank batteries. The emergency number was called by the inspector on 10/18/23 and the operator was made aware of the issue.

Corrective Action: Control and contain spills/releases, conduct maintenance on equipment and clean up per Rule 912.a. The corrective date is the date the location was observed out of compliance.

Date: 10/17/2023

Reportable: _____ GPS: Lat _____ Long _____

Proximity to Surface Water: _____ Depth to Ground Water: _____

Water Well Complaint:

Lat _____ Long _____

DWR Receipt Num: _____ Owner Name: _____ GPS : _____

Field Parameters:

Sample Location: _____ Comment: _____

Reclamation - Storm Water - Pit

Interim Reclamation:

Date Interim Reclamation Started: 01/01/2023 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 In Process

Comment Topsoil piles should be reseeded and stabilized for stormwater. They should also not be used for fill material on location and the ECMC inspector would suggest marking the topsoil pile.

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? Fail

Comment This location does not comply with Rule 1003.e. Wellheads were not fully encircled by fencing though some was present on site near them.

Corrective Action Cover and fence all rat holes, mouse holes, and cellars with materials sufficient to prevent accidental access by people, livestock, or wildlife according to Rule 1003.a.

Date 10/17/2023

Guy line anchors marked? _____

Comment _____

Corrective Action _____

Date _____

1003b. Area no longer in use? Pass Production areas stabilized ? Pass
 1003c. Compacted areas have been cross ripped? Pass
 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? Pass Segregated soils have been replaced? Pass

RESTORATION AND REVEGETATION

Cropland

Top soil replaced _____ Recontoured _____ Perennial forage re-established _____

Non-Cropland

Top soil replaced Pass Recontoured Pass 80% Revegetation In

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? F

Comment Appears interim reclamation activities have been performed to reduce disturbance areas only needed for production operations. Vegetation throughout the interim areas has not met Rule 1003 standards and will remain IN-PROCESS. Triticale and some other introduced grasses were observed and the interim areas were mowed during the site visit therefore the site will remain IN-PROCESS.

Operator shall continue to monitor and manage this site until the location meets Rule 1003 standards, including stormwater and weed management. Operator shall submit a Form 4 Interim Reclamation Complete notice when the location meets Rule 1003 standards. COGCC may conduct inspections prior to receiving said notice to ensure compliance with Rule 1003.

Corrective Action _____ Date _____

Overall Interim Reclamation In Process

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:

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
403579674	INSPECTION SUBMITTED	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6305025
713900057	Inspection photos	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6305015