

**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:

11/02/2023

Submitted Date:

11/09/2023

Document Number:

708200681**FIELD INSPECTION FORM**Loc ID 422744 Inspector Name: Edwardson, Dylan On-Site Inspection ☐ 2A Doc Num: _____**Operator Information:**OGCC Operator Number: 10651Name of Operator: VERDAD RESOURCES LLCAddress: 1125 17TH STREET SUITE 550City: DENVER State: CO Zip: 80202**Status Summary:**☐ THIS IS A FOLLOW UP INSPECTION☒ FOLLOW UP INSPECTION REQUIRED☐ NO FOLLOW UP INSPECTION REQUIRED**Findings:**6 Number of Comments2 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
422743	WELL	SI	02/01/2023	OW	123-33368	Nelson 17-44-9-60	RI
422744	LOCATION	AC			-	Nelson 17-44-9-60	RI
430685	WELL	PR	02/01/2022	OW	123-36256	Nelson 1-20-9-60	RI

General Comment:[This is an Interim Reclamation and Stormwater Inspection for Location ID \(422744\).](#)

LocationOverall Good: ☐

Emergency Contact Number:

Comment: Corrective Action: Date: Overall Good: ☐**Spills:**

Type	Area	Volume		
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In Containment: No

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

Type: Other	#		corrective date
Comment:	Telemetry equipment not properly anchored; anchor wires are broken. Refer to attached inspection photos.		
Corrective Action:	Anchor equipment ensuring anchors are engineered to ensure the equipment will resist flotation, collapse, lateral movement, or subsidence per Rule 607. The location will remain out of compliance until the corrective action has been resolved.		Date: <u>11/02/2023</u>

Venting:

Yes/No		
Comment:		
Corrective Action:		Date: <input type="text"/>

Flaring:

Type		
Comment:		
Corrective Action:		Date: <input type="text"/>

Inspected Facilities									
Facility ID:	<u>422743</u>	Type:	<u>WELL</u>	API Number:	<u>123-33368</u>	Status:	<u>SI</u>	Insp. Status:	<u>RI</u>
Facility ID:	<u>422744</u>	Type:	<u>LOCATION</u>	API Number:	<u>-</u>	Status:	<u>AC</u>	Insp. Status:	<u>RI</u>
Facility ID:	<u>430685</u>	Type:	<u>WELL</u>	API Number:	<u>123-36256</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 _____

1003b. Area no longer in use? Fail Production areas stabilized ? Pass

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? Fail

Production areas have been stabilized? Pass Segregated soils have been replaced? _____

RESTORATION AND REVEGETATIONCropland

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

Non-Cropland

Top soil replaced _____ Recontoured _____ 80% Revegetation Fail

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 **This location does not comply with Rule 1003. During this inspection, it was observed that the interim reclaimed areas are not progressing towards reclamation standards as the location is not reflective of adjacent reference areas. Undesirable vegetation (e.g. kochia, smooth brome, crested wheatgrass) were observed throughout the interim areas, though the interim areas appear to have been recently mowed. Additionally, a small population of Colorado List B Noxious weed- canada thistle- was observed east of the pump jack electrical panel; the Operator shall eradicate and monitor this species during the next growing season. Refer to attached inspection photos.**

Corrective Action **Perform reclamation in accordance to Rule 1003 for the interim areas and pit area. Establish vegetation with total perennial, non-invasive uniform plant cover of at least eighty (80) percent of reference area levels. Ensure erosion controls are implemented to stabilize the seeded soil, and continue to monitor and manage this site until the location meets Rule 1003 standards. Operator shall submit a Form 4 Interim Reclamation Complete notice when the location meets Rule 1003 standards. ECMC may conduct inspections prior to receiving said notice to ensure compliance with Rule 1003.**

Date 11/02/2023

The location will remain out of compliance until the corrective action has been resolved.

Overall Interim Reclamation Fail

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: [At the time of this inspection, no stormwater erosion issues were observed at the location or along the access road.](#)

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
403591660	INSPECTION SUBMITTED	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6317716
708200688	Inspection Photos	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6317699