

**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:

01/12/2024

Submitted Date:

01/16/2024

Document Number:

708200877**FIELD INSPECTION FORM**Loc ID 427480 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:**8 Number of Comments5 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	All Inspections
CUGNETTI, MIKE	303-704-8856	mcugnetti@verdadoil.com	All Inspections

Inspected Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status
427480	LOCATION	AC			-	Castor 36-11-9-59	RI
427481	WELL	PR	03/01/2023	OW	123-35005	Castor 2-36-11-9-59	RI
431038	WELL	SI	09/01/2022	OW	123-36390	Castor 1-36-11-9-59	RI
431407	PIT	CL			-	Castor 36-31-9-59	RI
432358	WELL	PR	04/01/2023	OW	123-37073	Castor 3-36-11-9-59	RI

General Comment:[This is an Interim Reclamation and Stormwater Inspection for Location ID \(427480\).](#)

LocationOverall Good: ☐

Signs/Marker:			
Type	TANK LABELS/PLACARDS		
Comment:	Tank labels are peeling, faded or cracked and require replacement. Refer to attached inspection photos for examples.		
Corrective Action:	Install sign to comply with Rule 605.g. The location will remain out of compliance until the corrective action has been resolved.	Date:	01/12/2024

Emergency Contact Number:

Comment:

Corrective Action: Date:

Good Housekeeping:

Type	OTHER		
Comment:	Stained soil observed near compressor station and at tank battery loadout lines. Refer to attached inspection photos.		
Corrective Action:	Properly dispose of oily waste in accordance with Rule 905.e. The location will remain out of compliance until the corrective action has been resolved.	Date:	01/12/2024
Type	UNUSED EQUIPMENT		
Comment:	Unused equipment (pipe stand near flare, and pipe near tank battery) observed during this inspection. Refer to attached inspection photos.		
Corrective Action:	Comply with Rule 606 and remove unused equipment. The location will remain out of compliance until the corrective action has been resolved.	Date:	01/12/2024

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:	427480	Type:	LOCATION	API Number:	-	Status:	AC	Insp. Status:	RI
Facility ID:	427481	Type:	WELL	API Number:	123-35005	Status:	PR	Insp. Status:	RI
Facility ID:	431038	Type:	WELL	API Number:	123-36390	Status:	SI	Insp. Status:	RI
Facility ID:	431407	Type:	PIT	API Number:	-	Status:	CL	Insp. Status:	RI
Facility ID:	432358	Type:	WELL	API Number:	123-37073	Status:	PR	Insp. Status:	RI

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? _____ 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? **Fail**
- 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 **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? _____

Comment

This location does not comply with Rule 1003. During this inspection, Staff observed that interim areas are not progressing towards Rule 1003 standards and regulations as the predominant vegetative cover was undesirable vegetation (e.g. russian thistle, kochia, crested wheatgrass, smooth brome). It does not appear the location has been previously managed for weedy vegetation and will require management to prevent tumbleweeds from migrating and dispersing seed off location. Additional reclamation activities are required. Refer to attached inspection photos.

Corrective Action

Comply with Rule 1003. The location will remain out of compliance until the corrective action has been resolved.

Date **01/12/2024**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:	This location does not comply with Rule 1002.f. Erosion degradation (e.g. rilling and gullyng) was observed throughout the access road. Stormwater control measures/BMPs do not appear adequate or are missing for this location. Additional maintenance of access road and/or implementation of stormwater control measures is required. Refer to attached inspection photos.					Date: 01/12/2024
Corrective Action:	Comply with Rule 1002.f. The location will remain out of compliance until the corrective action has been resolved.					
Pits:	<input type="checkbox"/> 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
403660936	INSPECTION SUBMITTED	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6400171
708200884	Inspection Photos	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6400164