

**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: _____

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:

- 8 Number of Comments
- 5 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 \(427480\).](#)

Location

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

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 REVEGETATION

Cropland

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.

Corrective Action: Comply with Rule 1002.f. The location will remain out of compliance until the corrective action has been resolved. Date: 01/12/2024

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
403660936	INSPECTION SUBMITTED	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6400171
708200884	Inspection Photos	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6400164