

**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:

01/25/2024

Submitted Date:

01/30/2024

Document Number:

700901975**FIELD INSPECTION FORM**Loc ID 320462 Inspector Name: Finkenbinder, Chane 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:**10 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 |
|--------------|-------|--------------------------|---------------------------------|
| , | | Regulatory@verdadoil.com | All inspections |

Inspected Facilities:

| Facility ID | Type | Status | Status Date | Well Class | API Num | Facility Name | Insp Status |
|-------------|------|--------|-------------|------------|-----------|-----------------|-------------|
| 203823 | WELL | PR | 10/01/2023 | GW | 001-09383 | BOX ELDER 32-20 | PR |

General Comment:

| | | | | | |
|--|--|----------|-----------|---------|-----------------------|
| Location | | | | | |
| Overall Good: <input checked="" type="checkbox"/> | | | | | |
| Emergency Contact Number: | | | | | |
| Comment: | | Adequate | | | Date: _____ |
| Corrective Action: | | | | | |
| Overall Good: <input checked="" type="checkbox"/> | | | | | |
| Spills: | | | | | |
| Type | Area | Volume | | | |
| In Containment: No | | | | | |
| Comment: | | | | | |
| <input type="checkbox"/> Multiple Spills and Releases? | | | | | |
| Fencing/: | | | | | |
| Type | TANK BATTERY | | | | |
| Comment: | Chainlink | | | | |
| Corrective Action: | | | | | Date: |
| Equipment: | | | | | |
| Type: Ancillary equipment | # 1 | | | | corrective date |
| Comment: | RTU | | | | |
| Corrective Action: | | | | | Date: |
| Type: Bradenhead | # 1 | | | | |
| Comment: | | | | | |
| Corrective Action: | | | | | Date: |
| Type: Gas Meter Run | # 1 | | | | |
| Comment: | | | | | |
| Corrective Action: | | | | | Date: |
| Type: Plunger Lift | # 1 | | | | |
| Comment: | | | | | |
| Corrective Action: | | | | | Date: |
| Type: Horizontal Heated Separator | # 1 | | | | |
| Comment: | | | | | |
| Corrective Action: | | | | | Date: |
| Type: Bird Protectors | # 2 | | | | |
| Comment: | Rule 608.a.(13) Open Top Tank Netting. Corrective Action Date 2/9/2024, See attached photo #4. | | | | |
| Corrective Action: | | | | | Date: |
| Tanks and Berms: | | | | | |
| Contents | # | Capacity | Type | Tank ID | SE GPS |
| CRUDE OIL | 1 | 300 BBLS | STEEL AST | | 39.953371,-104.679804 |
| Comment: | Rule 603 (i): Load lines. | | | | |

| | | | |
|--------------------|--|-------|------------|
| Corrective Action: | All load lines will be bull plugged or capped. Corrective Action Date 2/29/2024. See attached photo # 2. | Date: | 02/29/2024 |
|--------------------|--|-------|------------|

Paint

| | | |
|------------------|----------|--|
| Condition | Adequate | |
| Other (Content) | | |
| Other (Capacity) | | |
| Other (Type) | | |

Berms

| | | | | |
|--------------------|----------|---------------------|---------------------|-------------|
| Type | Capacity | Permeability (Wall) | Permeability (Base) | Maintenance |
| Earth | Adequate | Walls Sufficent | Base Sufficent | Adequate |
| Comment: | | | | |
| Corrective Action: | | | | |
| | | | | Date: |

| | | | | | |
|--------------------|---|----------|----------|---------|--------|
| Contents | # | Capacity | Type | Tank ID | SE GPS |
| PRODUCED WATER | 1 | 100 BBLs | Open Top | | , |
| Comment: | Rule 608.a.(13) Open Top Tank Netting. | | | | |
| Corrective Action: | Corrective Action Date 2/9/2024, See attached photo #4. | | | | |
| | | | | | Date: |

Paint

| | | |
|------------------|----------|--|
| Condition | Adequate | |
| Other (Content) | | |
| Other (Capacity) | | |
| Other (Type) | | |

Berms

| | | | | |
|--------------------|----------|---------------------|---------------------|-------------|
| Type | Capacity | Permeability (Wall) | Permeability (Base) | Maintenance |
| Earth | Adequate | Walls Sufficent | Base Sufficent | Adequate |
| Comment: | | | | |
| Corrective Action: | | | | |
| | | | | Date: |

Wells Served By Facilities AboveAirsID

| | | |
|------------|------------|--------|
| API Number | API Number | AirsID |
| 001-09383 | | |

Venting:

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

Flaring:

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

Inspected FacilitiesFacility ID: 203823 Type: WELL API Number: 001-09383 Status: PR Insp. Status: PR**Producing Well**Comment: PR

Corrective Action:

Date:

BradenHeadDate of Last Brhd Test: 11/15/2023 Annual Brhd Completed? YesLast Brhd Test Results Initial Surf Csg Pressure: 0 Fluid Type: _____End Surf Csg Pressure: 0Comment: Appeared to be plumbed to the surface

Corrective Action:

Date:

COGCC Comments

| Comment | User | Date |
|--|----------|------------|
| CECMC Inspection Report Summary On Thursday January 25th, 2024 at approximately 12:30pm I, Inspector Chane Finkenbinder, conducted an on-site inspection. Operator: VERDAD RESOURCES Location name: BOX ELDER 32-20 API # 001-09383 Location ID #: 320462 County: Adams While there, I observed a Producing well. During this inspection the following possible compliance issues were observed: Rule 603 (i): Load lines. All load lines will be bull plugged or capped. Corrective Action Date 2/29/2024. See attached photo # 2. Rule 608.a.(13) Open Top Tank Netting. Corrective Action Date 2/9/2024, See attached photo #4. A follow up on this site inspection needs to be conducted to ensure the compliance issues have been corrected to comply with COGCC rules. This is a summary of inspection report. | finkenbc | 01/30/2024 |

Attached DocumentsYou can go to COGCC Images (<https://cogcc.state.co.us/weblink/>) and search by document number:

| Document Num | Description | URL |
|--------------|-------------------|---|
| 700901976 | Inspection photos | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6413394 |