

**FORM  
INSP**Rev  
X/15**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:

08/07/2020

Submitted Date:

08/07/2020

Document Number:

696302235**FIELD INSPECTION FORM**Loc ID 462872 Inspector Name: PETRIE, ERICA 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:**12 Number of Comments1 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 | <a href="#">All Inspections</a> |

**Inspected Facilities:**

| Facility ID | Type | Status | Status Date | Well Class | API Num   | Facility Name  | Insp Status |
|-------------|------|--------|-------------|------------|-----------|----------------|-------------|
| 462874      | WELL | PR     | 07/01/2019  |            | 123-49839 | PEGGY 2501-02H | PR          |
| 462875      | WELL | SI     | 05/01/2020  | OW         | 123-49840 | PEGGY 2501-01H | SI          |

**General Comment:**

This is a Field Inspection ONLY. Any Corrective Actions from Construction and Stormwater Inspection FIR #682504821 regarding area of disturbance that have not been addressed are still applicable.

**Location**Overall Good: ☒

|                      |                      |       |  |
|----------------------|----------------------|-------|--|
| <b>Signs/Marker:</b> |                      |       |  |
| Type                 | WELLHEAD             |       |  |
| Comment:             | Adequate (x2)        |       |  |
| Corrective Action:   |                      | Date: |  |
| Type                 | CONTAINERS           |       |  |
| Comment:             | Adequate             |       |  |
| Corrective Action:   |                      | Date: |  |
| Type                 | BATTERY              |       |  |
| Comment:             | Adequate             |       |  |
| Corrective Action:   |                      | Date: |  |
| Type                 | TANK LABELS/PLACARDS |       |  |
| Comment:             | Adequate             |       |  |
| Corrective Action:   |                      | Date: |  |

Emergency Contact Number:

Comment:

Corrective Action:

Date: \_\_\_\_\_

**Good Housekeeping:**

|                    |  |       |            |
|--------------------|--|-------|------------|
| Type               | OTHER  |       |            |
| Comment:           | Stained Soil at Wellheads, see photos  |       |            |
| Corrective Action: | For localized stained soils or oily waste - "Properly dispose of oily waste in accordance with 907.e." | Date: | 08/24/2020 |

Overall Good: ☐

|                |      |        |  |
|----------------|------|--------|--|
| <b>Spills:</b> |      |        |  |
| Type           | Area | Volume |  |

In Containment: No

Comment:

☐ Multiple Spills and Releases?

|                    |             |       |  |
|--------------------|-------------|-------|--|
| <b>Fencing/:</b>   |             |       |  |
| Type               | LOCATION    |       |  |
| Comment:           | Barbed Wire |       |  |
| Corrective Action: |             | Date: |  |

|                               |     |       |                 |
|-------------------------------|-----|-------|-----------------|
| <b>Equipment:</b>             |     |       | corrective date |
| Type: Emission Control Device | # 1 |       |                 |
| Comment:                      |     |       |                 |
| Corrective Action:            |     | Date: |                 |
| Type: Gas Meter Run           | # 7 |       |                 |
| Comment:                      |     |       |                 |
| Corrective Action:            |     | Date: |                 |

|                                   |                                 |  |       |
|-----------------------------------|---------------------------------|--|-------|
| Type: LACT                        | # 1                             |  |       |
| Comment:                          |                                 |  |       |
| Corrective Action:                |                                 |  | Date: |
| Type: Compressor                  | # 1                             |  |       |
| Comment:                          |                                 |  |       |
| Corrective Action:                |                                 |  | Date: |
| Type: Bradenhead                  | # 2                             |  |       |
| Comment:                          | Appear to be plumbed to surface |  |       |
| Corrective Action:                |                                 |  | Date: |
| Type: Horizontal Heated Separator | # 2                             |  |       |
| Comment:                          |                                 |  |       |
| Corrective Action:                |                                 |  | Date: |
| Type: VRU                         | # 1                             |  |       |
| Comment:                          |                                 |  |       |
| Corrective Action:                |                                 |  | Date: |
| Type: Vertical Heater Treater     | # 2                             |  |       |
| Comment:                          |                                 |  |       |
| Corrective Action:                |                                 |  | Date: |
| Type: Plunger Lift                | # 2                             |  |       |
| Comment:                          |                                 |  |       |
| Corrective Action:                |                                 |  | Date: |

**Tanks and Berms:**

|                    |   |          |           |         |                       |       |
|--------------------|---|----------|-----------|---------|-----------------------|-------|
| Contents           | # | Capacity | Type      | Tank ID | SE GPS                |       |
| CRUDE OIL          | 8 | 400 BBLs | STEEL AST |         | 40.715110,-104.040870 |       |
| Comment:           |   |          |           |         |                       |       |
| Corrective Action: |   |          |           |         |                       | Date: |

**Paint**

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

**Berms**

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

**Venting:**

|          |    |  |
|----------|----|--|
| Yes/No   | NO |  |
| Comment: |    |  |

|                    |  |       |  |
|--------------------|--|-------|--|
| Corrective Action: |  | Date: |  |
| <b>Flaring:</b>    |  |       |  |
| Type               |  |       |  |
| Comment:           |  |       |  |
| Corrective Action: |  | Date: |  |

**Inspected Facilities**Facility ID: 462874 Type: WELL API Number: 123-49839 Status: PR Insp. Status: PR**Producing Well**Comment: PR

Corrective Action:

Date:

Facility ID: 462875 Type: WELL API Number: 123-49840 Status: SI Insp. Status: SI**Idle Well**Purpose: ☒ Shut In ☐ Temporarily Abandoned

Reminder: \_\_\_\_\_

Comment: SI

Corrective Action:

Date: \_\_\_\_\_

**Reclamation - Storm Water - Pit****Storm Water:**

| Loc Erosion BMPs | BMP Maintenance | Lease Road Erosion BMPs | Lease BMP Maintenance | Chemical BMPs | Chemical BMP Maintenance | Comment |
|------------------|-----------------|-------------------------|-----------------------|---------------|--------------------------|---------|
| Gravel           |                 | Gravel                  |                       |               |                          |         |

Comment: Corrective Action: Date: **Pits:** ☒ NO SURFACE INDICATION OF PIT**COGCC Comments**

| Comment  | User   | Date       |
|--|--------|------------|
| <a href="#">Routine Field Inspection. Stained Soil at Wellheads.</a><br><a href="#">Any Corrective Actions from Construction and Stormwater Inspection FIR #682504821 regarding area of disturbance that have not been addressed are still applicable.</a> | petrie | 08/07/2020 |

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

| Document Num | Description          | URL   |
|--------------|----------------------|---|
| 402462155    | INSPECTION SUBMITTED | <a href="http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=5219399">http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=5219399</a> |
| 696302236    | Photos               | <a href="http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=5219396">http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=5219396</a> |