

**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:

05/17/2023

Submitted Date:

05/23/2023

Document Number:

708200265

**FIELD INSPECTION FORM**Loc ID 466345 Inspector Name: Edwardson, Dylan On-Site Inspection ☐ 2A Doc Num: \_\_\_\_\_**Operator Information:**

OGCC Operator Number: 10651

Name of Operator: VERDAD RESOURCES LLC

Address: 1125 17TH STREET SUITE 550

City: DENVER State: CO Zip: 80202

**Status Summary:**☐ THIS IS A FOLLOW UP INSPECTION☒ FOLLOW UP INSPECTION REQUIRED☐ NO FOLLOW UP INSPECTION REQUIRED**Findings:**

13 Number of Comments

4 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	<a href="#">All Inspections</a>
,		regulatory@verdadoil.com	<a href="#">All Inspections</a>

**Inspected Facilities:**

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status
466340	WELL	DG	07/28/2022	LO	123-50303	Boydston 3535-08H	RI
466341	WELL	DG	10/24/2022	LO	123-50304	Boydston 3535 01H	RI
466342	WELL	DG	10/24/2022	LO	123-50305	Boydston 3535-05H	RI
466343	WELL	DG	10/24/2022	LO	123-50306	Boydston 3535-02H	RI
466344	WELL	DG	07/27/2022	LO	123-50307	Boydston 3535-06H	RI
466345	LOCATION	AC			-	Boydston 3535	RI
466346	WELL	DG	10/24/2022	LO	123-50308	Boydston 3535-04H	RI
466347	WELL	DG	10/24/2022	LO	123-50309	Boydston 3535-03H	RI

**General Comment:**

This is an Interim Reclamation and Stormwater Inspection for Location ID 466345. This is also a follow-up inspection to FIR (doc #708200080) conducted on 03/31/2023.

The operator has not provided/submitted an FIRR to the previous inspection to document corrective action resolutions, therefore, any previous corrective actions that have not been addressed are still applicable.

**Location**Overall Good: ☐

Emergency Contact Number:

Comment:

Corrective Action:

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

**Good Housekeeping:**

Type	OTHER		
Comment:	<p>03/31/2023 Comment: Subsidence/open trenching was observed in the southwestern portion of the pad near the electrical boxes and transformer.</p> <p>05/17/2023 Comment: It appears the subsidence/open excavation has been corrected and filled in. No further action required at this time.</p>		
Corrective Action:		Date:	
Type	TRASH		
Comment:	<p>03/31/2023 Comment: Trash was observed throughout the location and has blown off location; this compliance issue was also observed in a previous inspection (Doc #696105527). This region and location experience severe wind and every attempt should be made to keep trash and debris from leaving location.</p> <p>05/17/2023 Comment: It appears the Operator has removed all trash from the location as none was identified at the time of this inspection. No further action required at this time.</p>		
Corrective Action:		Date:	
Type	STORAGE OF SUPL		
Comment:	<p>03/31/2023 Comment: Equipment and materials were observed parked/stored within recently seeded and reclaimed areas will need to be moved/removed.</p> <p>05/17/2023 Comment: It appears the Operator has performed the corrective action and removed the heavy equipment from the location. No further action required at this time.</p>		
Corrective Action:		Date:	
Type	OTHER		
Comment:	No netting observed on secondary containment at day tank.		
Corrective Action:	Install or repair wildlife protection equipment Per Rule 608.a.(13).	Date:	05/31/2023
Type	DEBRIS		
Comment:	<p>03/31/2023 Comment: Debris and equipment was observed within the stormwater ditch that surrounds the working pad and will need to be removed.</p> <p>05/17/2023 Comment: It appears the Operator has performed the corrective action and removed the debris previously identified. However, during this inspection a section of pipe was observed on the eastern side of the location that will need to be removed. Refer to inspection photos.</p>		
Corrective Action:	Comply with Rule 606 and remove debris.	Date:	05/31/2023

Overall Good: ☐**Spills:**

Type	Area	Volume		
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In Containment: No

Comment:

☐ Multiple Spills and Releases?**Venting:**

Yes/No			
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Comment:			
Corrective Action:		Date:	
<b>Flaring:</b>			
Type			
Comment:			
Corrective Action:		Date:	

Inspected Facilities				
Facility ID: <u>466340</u>	Type: <u>WELL</u>	API Number: <u>123-50303</u>	Status: <u>DG</u>	Insp. Status: <u>RI</u>
Facility ID: <u>466341</u>	Type: <u>WELL</u>	API Number: <u>123-50304</u>	Status: <u>DG</u>	Insp. Status: <u>RI</u>
Facility ID: <u>466342</u>	Type: <u>WELL</u>	API Number: <u>123-50305</u>	Status: <u>DG</u>	Insp. Status: <u>RI</u>
Facility ID: <u>466343</u>	Type: <u>WELL</u>	API Number: <u>123-50306</u>	Status: <u>DG</u>	Insp. Status: <u>RI</u>
Facility ID: <u>466344</u>	Type: <u>WELL</u>	API Number: <u>123-50307</u>	Status: <u>DG</u>	Insp. Status: <u>RI</u>
Facility ID: <u>466345</u>	Type: <u>LOCATION</u>	API Number: <u>-</u>	Status: <u>AC</u>	Insp. Status: <u>RI</u>
Facility ID: <u>466346</u>	Type: <u>WELL</u>	API Number: <u>123-50308</u>	Status: <u>DG</u>	Insp. Status: <u>RI</u>
Facility ID: <u>466347</u>	Type: <u>WELL</u>	API Number: <u>123-50309</u>	Status: <u>DG</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 \_\_\_\_\_ Fail \_\_\_\_\_

Comment 03/31/2023 Comment: This location does not comply with Rule 1002.b. During this inspection, it was observed that the Operator has excavated an unknown amount of material from the topsoil stockpile. There is evidence that an area approximately 40'W x 10'D x 4'H in size is missing from the stockpile. Additionally, unknown material piles were at the north and south ends of the topsoil stockpile and are not marked/identified or segregated.

05/17/2023 Comment: The Operator did not provide a response as to the missing topsoil previously identified. Therefore, this corrective action remains.

Corrective Action \_\_\_\_\_

Comply with Rule 1002.b. Operator shall report missing topsoil quantities and use, and import Date topsoil of equal or greater agronomic properties to replace the deficit. Operator shall submit soil analytical data on the imported topsoil, and from adjacent reference area, no later than 1 month before importation, via Form 4 Sundry. Operator should use the COGCC Topsoil Protection Plan guidance for agronomic properties and analyte testing (page 4) and compare those results with a topsoil assessment for reference areas to ensure equivalent topsoil is being imported. Corrective action date is the date the location was observed out of compliance.

Date **03/31/2023**

1002c. PROTECTION OF SOILS \_\_\_\_\_ In Process \_\_\_\_\_

Comment 03/31/2023 Comment: During this inspection, it was observed that the western side of the topsoil stockpile is void of protections against wind or water erosion with no evidence of temporary BMPs (e.g. equipment tracking) or longer term stabilization efforts (e.g. mulch/seeding). Storage of equipment and vehicle traffic was also observed on topsoil that has not been salvaged. All stockpiles shall be protected from degradation due to contamination, compaction and, to the extent practicable, from wind and water erosion during drilling and production operations.

05/17/2023 Comment: Staff observed on-site crews in the process of performing interim reclamation activities for long term stabilization (e.g. seeding, mulching, etc).

Corrective Action \_\_\_\_\_

Date \_\_\_\_\_

1002E. SURFACE DISTURBANCE MINIMIZATION \_\_\_\_\_ In Process \_\_\_\_\_

Comment 03/31/2023 Comment: The well pad area, access road, topsoil stockpiles, and interim areas have not been stabilized and wind erosion is evident, as dust/soil was observed blowing off location at the time of this inspection. Refer to attached inspection photos for documentation.

05/17/2023 Comment: Staff observed crews performing interim reclamation activities for long term stabilization of the location. No fugitive dust or wind erosion was identified at the time of this inspection. No further action required at this time.

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? InProduction 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? \_\_\_\_\_

Production areas have been stabilized? \_\_\_\_\_

Segregated soils have been replaced? \_\_\_\_\_

**RESTORATION AND REVEGETATION**Cropland

Top soil replaced \_\_\_\_\_

Recontoured \_\_\_\_\_

Perennial forage re-established \_\_\_\_\_

Non-CroplandTop soil replaced InRecontoured In80% Revegetation In

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

During this inspection, Staff observed that on site crews were in the process of performing interim reclamation activities. It appears that production areas were reduced in size, topsoil moved back to its relative position and recontoured, and soil amendments were being added. Staff anticipates the soil amendments will be incorporated and then the interim areas will be seeded/mulched for long term stabilization. Operator shall continue with the interim reclamation activities and timing requirements. A future site inspection will be conducted at a later date to ensure compliance with Rule 1003, therefore, this is being left "In-Process" at this time.

Corrective Action \_\_\_\_\_

Date \_\_\_\_\_

Overall Interim Reclamation In Process**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 \_\_\_\_\_

Inspector Name: Edwardson, Dylan

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. During this inspection, Staff observed that areas being actively reclaimed, and other portions of the location in the northeast corner, had evidence of rill erosion and sediment transport. No apparent stormwater controls were identified on the northeastern portion of the location. More robust stormwater BMPs should be implemented to prevent sediment laden stormwater from entering adjacent lands. A follow-up inspection will be conducted to ensure compliance with Rule 1002.f. Refer to attached inspection photos.

Corrective Action: Install or repair required BMPs per Rule 1002.f.(2)C.

Date: 05/25/2023

**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
403411304	INSPECTION SUBMITTED	<a href="http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6123707">http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6123707</a>
708200280	Inspection Photos	<a href="http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6123702">http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=6123702</a>