

**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:

01/31/2019

Submitted Date:

02/01/2019

Document Number:

682504467**FIELD INSPECTION FORM**Loc ID 425541 Inspector Name: Trujillo, Aaron On-Site Inspection ☐ 2A Doc Num: _____**Operator Information:**OGCC Operator Number: 10651Name of Operator: VERDAD RESOURCES LLCAddress: 5950 CEDAR SPRINGS ROADCity: DALLAS State: TX Zip: 75235**Status Summary:**☐ THIS IS A FOLLOW UP INSPECTION☒ FOLLOW UP INSPECTION REQUIRED☐ NO FOLLOW UP INSPECTION REQUIRED**Findings:**12 Number of Comments4 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	
Axelson, John		john.axelson@state.co.us	

Inspected Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status
425545	WELL	PR	06/01/2017	OW	123-34430	HEMBERGER 1-26-34-8-60	RI
429492	WELL	PR	12/07/2012	OW	123-35812	Hemberger 2-26-34-8-60	RI
429494	WELL	PR	09/01/2012	OW	123-35814	Hemberger 3-26-34-8-60	RI

General Comment:

This is an Interim Reclamation and Stormwater Inspection.

This inspection is being entered for notification and documentation only and is not intended to provide the Operator the opportunity to resolve the alleged violations without the imposition of a penalty, pursuant to Rule 522.c.

LocationOverall Good: ☐

Emergency Contact Number:

Comment: Corrective Action: Date: **Good Housekeeping:**

Type	WEEDS		
Comment:	Staff observed unmanaged Russian thistle (<i>Salsola tragus</i>) weed establishment along portions of the well pad perimeter and weed debris along the perimeter of the location. Russian thistle is a troublesome annual nonnative weed that easily breaks off at the stem and becomes a tumbleweed. Operator failed to control and manage weeds to prevent weed waste and prevent the spread of seeds onto adjacent lands.		
Corrective Action:	Operator shall implement Best Management Practices per Rule 603.f. to control and manage weeds to prevent weed waste and to prevent the spread of dispersing seeds onto adjacent lands.		Date: 02/14/2019

Overall Good: ☐**Spills:**

Type	Area	Volume		
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In Containment: No

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

Yes/No			
Comment:			
Corrective Action:		Date:	

Flaring:

Type		
Comment:		
Corrective Action:		Date:

Location Construction

Location ID: 425541 CDP: _____

Comment: A disturbance area of 13.3 acres was mapped on 01/31/2019; this DOES NOT appear to be in compliance with the approved Form 2A for the permitted disturbance area of 4.5 acres.

Corrective Action: _____ Date: _____

Form 2A COAs:

Comment: _____ Date: _____

Corrective Action: _____ Date: _____

Wildlife BMPs:

Comment: _____ Date: _____

Corrective Action: _____ Date: _____

Comment: _____ Date: _____

Corrective Action: _____ Date: _____

On Site Inspection (305):

Surface Owner Contact Information:

Name: _____ Address: _____

Phone Number: _____ Cell Phone: _____

Operator Rep. Contact Information:

Landman Name: _____ Phone Number: _____

Date Onsite Request Received: _____ Date of Rule 306 Consultation: _____

Request LGD Attendance: _____

LGD Contact Information:

Name: _____ Phone Number: _____ Agreed to Attend: _____

Summary of Landowner Issues:

Summary of Operator Response to Landowner Issues:

Onsite Inspection Memorandum Summarizing Discussions at Inspection as Attachment:

Inspected Facilities										
Facility ID:	425545	Type:	WELL	API Number:	123-34430	Status:	PR	Insp. Status:	RI	
Producing Well										
Comment:	PR Well, Interim reclamation and stormwater inspection									
Corrective Action:									Date:	
Facility ID:	429492	Type:	WELL	API Number:	123-35812	Status:	PR	Insp. Status:	RI	
Producing Well										
Comment:	PR Well, Interim reclamation and stormwater inspection									
Corrective Action:									Date:	
Facility ID:	429494	Type:	WELL	API Number:	123-35814	Status:	PR	Insp. Status:	RI	
Producing Well										
Comment:	PR Well, Interim reclamation and stormwater inspection									
Corrective Action:									Date:	

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

Date Interim Reclamation Started: _____ Date Interim Reclamation Completed: _____

Land Use: CRP, 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 _____

After the Operator performs Interim Reclamation activities, COGCC Staff recommends leaving enough topsoil stockpiled for Final Reclamation.

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? Fail

Comment _____

Water pit remains open.

Corrective Action _____

See "Interim Reclamation" comments and corrective action.

Date **12/31/2018**

Guy line anchors marked? _____

Comment _____

Corrective Action _____

Date _____

- 1003b. Area no longer in use? Fail 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 Fail Recontoured Fail 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 is not in compliance with Rule 1003, as the Operator has failed to close pit and perform interim reclamation activities to reduce disturbance to areas only needed for production operations. Note: This Location/pit received an approved 502.b variance to delay interim reclamation of the location for three (3) years. The 502.b variance was approved until 12/31/2018

Corrective Action

Submit form 27 for pit closure and comply with Rule 1003. Corrective action date is being back dated to when Interim Reclamation activities should have been completed.

Date 12/31/2018

Overall Interim Reclamation

Final Reclamation/ Abandoned Location:

Date Final Reclamation Started: _____ Date Final Reclamation Completed: _____

Final Land Use: CRP, 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 <input type="checkbox"/>		Multi-Well Location <input type="checkbox"/>		

Storm Water:

Loc Erosion BMPs	BMP Maintenance	Lease Road Erosion BMPs	Lease BMP Maintenance	Chemical BMPs	Chemical BMP Maintenance	Comment
		Culverts	Fail			

Comment: Culvert at access road on the northeast end of the location has filled with sediment and is no longer in proper functioning condition.

Corrective Action: Install or repair required BMPs per Rule 1002.f.

Date: 03/01/2019

Pits: ☐ NO SURFACE INDICATION OF PIT

COGCC Comments

Comment	User	Date
Permitted 2A doc. #400578424 states disturbance area for location to be 4.50 acres, reduced to 2.60 acres post interim reclamation.	trujilloam	02/01/2019
There are portions of the perimeter ditch on the south end of the location that travels beyond the constructed perimeter fence. See photo 7. This is being documented for future reclamation.	trujilloam	02/01/2019

Attached Documents

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

Document Num	Description	URL
401926550	INSPECTION SUBMITTED	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=4722547
682504468	Inspection Photos	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=4722536