

Sensitive Area Determination Checklist
SG Interests I, Ltd.

Person(s) conducting inspection	Brett Francois	11/08/2012
Site Information		
Location:	Federal 8-89-31 #1 well site	Time: 2:00 pm
Type of Facility:	Natural gas well	
Environmental Conditions	Clear, calm	
Temperature	≈48°F	

Has the proposed, new or existing location been designated as a sensitive area?

Yes X No

Depth to groundwater has not been determined, but is estimated at 30'.

SURFACE WATER

- 1) Are there any surface water features or SWSAs adjacent to or within ¼ mile of the proposed/new facility?

Yes X No

If yes, list type of surface water feature(s), i.e. rivers, creeks, streams, seeps, springs, wetlands:

Drainage courses may be dry or they may contain intermittent, ephemeral, or perennial running water, which may feed an isolated wetland near the proposed location. At this time the wetland appears to be non-jurisdictional.

- 2) Could a potential release from the facility reach surface water features?

Yes No X

If yes, describe the pathway a release from the facility would likely follow to determine if the potential to impact surface water is high or low.

- 3) Is the potential to impact surface waters from a facility release high or low?

High Low X

GROUNDWATER

- 1) Will the proposed/new or existing facility have any pits that will contain hydrocarbons and chlorides or other E&P wastes?

Yes X No

If yes, list the pit type(s): Drilling pits that will be lined and temporary.

- 2) Is the hydraulic conductivity of the underlying soil or geologic material $\leq 1.0 \times 10^{-7}$ cm/sec?

Yes No X

The Forest Service describes this soil type's drainage class as "somewhat excessively" drained.

3) Is the proposed facility located within 1/8 mile of domestic water well or 1/4 mile of a public water supply well which would use the same aquifer?

Yes _____

No X (Nearest domestic water well [#29081] is 9784' ft away.)

4) Is the proposed facility located within a 100-year floodplain?

Yes _____

No X

5) Is the depth to groundwater known?

Yes _____ (If yes, follow instructions provided in 5(a) of this section.)

No X (If no, follow instructions provided in 5(b) of this section.)

(a) If yes, could a potential release from the proposed facility reach groundwater?

Yes _____ If yes, explain:

No _____

(b) If no: (i) Evaluate surrounding soils, topography, and vegetation which may suggest the presence of shallow groundwater. (ii) Gather information from surrounding well data in order to determine a depth to groundwater, i.e. State Engineer's Office.

The closest water well was drilled to 30' ft, but this is about 9784' ft from the project. The Forest Service notes that the depth to the seasonal high water table is greater than 6'. Also, revegetation is limited by slope and "low available water capacity". Sunlight Ski area owns and operates six (6) domestic water wells, which are located 1.5-2 miles from the proposed Federal 8-89-7 #1 location. Static water levels ranged from 20-85 ft in depth. Total elevation depths of the water wells ranged from 58-360 ft in depth.

6) Is the potential to impact groundwater from the facility in the event of a release high or low?

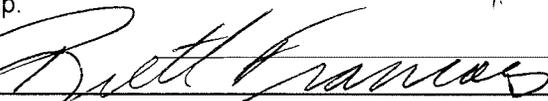
High _____

Low X

The drilling pits will be lined to prevent contact between pit contents and groundwater. They will be removed and backfilled following the drilling operations.

Additional Comments: All equipment should arrive on site clean and free of leaks or other maintenance needs that could result in a spill. Proper containment should be used by contractors when delivering or working with liquids that could spill. Spills during operations must be stopped and cleaned up immediately to prevent migration of that material toward groundwater or surface waters. Secondary containment of any fluids stored on site during operations will prevent leaks from containers from reaching surface or ground waters. The well pad should be bermed around the outside edge to prevent a spill on the pad from draining off before it can be cleaned up.

Signature



Date: January 22, 2013