

**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:

10/31/2017

Submitted Date:

11/02/2017

Document Number:

689400570**FIELD INSPECTION FORM**Loc ID 324490 Inspector Name: CONKLIN, CURTIS On-Site Inspection ☐ 2A Doc Num: _____**Operator Information:**OGCC Operator Number: 77330Name of Operator: SG INTERESTS I LTDAddress: 100 WAUGH DR SUITE 400City: HOUSTON State: TX Zip: 77007**Status Summary:**

- ☐ THIS IS A FOLLOW UP INSPECTION
- ☐ FOLLOW UP INSPECTION REQUIRED
- ☐ NO FOLLOW UP INSPECTION REQUIRED

Findings:11 Number of Comments4 Number of Corrective Actions☒ Corrective Action Response Requested**Contact Information:**

| Contact Name | Phone | Email | Comment |
|------------------|-------|-----------------------------|---------------------------------|
| SG Interests | | inspections@sginterests.com | All Inspections |
| Kellerby, Shaun | | shaun.kellerby@state.co.us | NW Supervisor |
| Ash, Margaret | | margaret.ash@state.co.us | |
| Arthur, Denise | | denise.arthur@state.co.us | |
| Labowskie, Steve | | steve.labowskie@state.co.us | |

Inspected Facilities:

| Facility ID | Type | Status | Status Date | Well Class | API Num | Facility Name | Insp Status |
|-------------|------|--------|-------------|------------|-----------|------------------|-------------|
| 295631 | WELL | IJ | 06/01/2012 | DSPW | 051-06084 | FEDERAL 24-2 WDW | AC |

General Comment:

This is a routine field inspection, any corrective actions not addressed from previous inspections are still applicable. Copy of inspection will be sent to BLM.

LocationOverall Good: ☒

| | | | |
|----------------------|---|-------|------------|
| Signs/Marker: | | | |
| Type | TANK LABELS/PLACARDS | | |
| Comment: | No labels on frack tanks near tank battery. See attached photo. | | |
| Corrective Action: | Install sign to comply with Rule 210.d. | Date: | 12/15/2017 |

Emergency Contact Number:

Comment: (866) 261-9766

Corrective Action:

Date: _____

Good Housekeeping:

| | | | |
|--------------------|---|-------|------------|
| Type | OTHER | | |
| Comment: | Staining at frac tanks. See attached photo. | | |
| Corrective Action: | Control and contain spills/releases and clean up per Rule 906.a. | Date: | 12/02/2017 |
| Type | TRASH | | |
| Comment: | Trash container on location | | |
| Corrective Action: | | Date: | |
| Type | STORAGE OF SUPL | | |
| Comment: | Hoses stored at tank battery. One spill response trailer. Multiple used oil containers. Reference Inspection Doc#680602112 for original corrective actions and dates. | | |
| Corrective Action: | | Date: | |

Overall Good: ☐

| | | | | | |
|----------------|------|--------|--|--|--|
| Spills: | | | | | |
| Type | Area | Volume | | | |

In Containment: No

Comment:

☐ Multiple Spills and Releases?**Tanks and Berms:**

| Contents | # | Capacity | Type | Tank ID | SE GPS |
|--------------------|---|----------|-----------|---------|--------|
| CONDENSATE | 1 | 200 BBLS | STEEL AST | | , |
| Comment: | | | | | |
| Corrective Action: | | | | | Date: |

Paint

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

Berms

| Type | Capacity | Permeability (Wall) | Permeability (Base) | Maintenance |
|-------|----------|---------------------|---------------------|-------------|
| Earth | Adequate | Walls Sufficient | Base Sufficient | Adequate |

| | | | | | | | | |
|--------------------|---|--|-----------|---------|--------|-------|--|------------|
| Comment: | | | | | | Date: | | |
| Corrective Action: | | | | | | Date: | | |
| Contents | # | Capacity | Type | Tank ID | SE GPS | | | |
| | 2 | 500 BBLs | STEEL AST | | , | | | |
| Comment: | | Contents of tanks unknown. No labels on tanks. See sign section of inspection. Hatch open on tank at time of inspection. | | | | | | |
| Corrective Action: | | Close gauge hatches when not accessing tank per Rule 605.a.(9). | | | | Date: | | 11/04/2017 |

Paint

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

Berms

| | | | | | | | | |
|--------------------|----------|---|---------------------|-------------|--|-------|--|------------|
| Type | Capacity | Permeability (Wall) | Permeability (Base) | Maintenance | | | | |
| | | | | | | | | |
| Comment: | | No containment around tanks. Tanks appear to be used for storage of produced water. See attached photo. | | | | | | |
| Corrective Action: | | Install berms or other secondary containment devices per Rule 906.d.(1). | | | | Date: | | 12/02/2017 |

| | | | | | | | | |
|--------------------|---|----------|------------------|---------|--------|-------|--|--|
| Contents | # | Capacity | Type | Tank ID | SE GPS | | | |
| PRODUCED WATER | 8 | 400 BBLs | HEATED STEEL AST | | , | | | |
| Comment: | | | | | | | | |
| Corrective Action: | | | | | | Date: | | |

Paint

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

Berms

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

Venting:

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

Flaring:

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

Location Construction

Location ID: 295631 CDP: _____

Comment: _____

Corrective Action: _____

Date: _____

Form 2A COAs:

Comment: _____

Corrective Action: _____

Date: _____

Wildlife BMPs:

Comment: _____

Corrective Action: _____

Date: _____

Comment: _____

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:

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

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

Comment: [Stormwater erosion appears to be controlled on the location at this time.](#)

Corrective Action:

Date: _____

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 |
|--------------|----------------------|---|
| 401448896 | INSPECTION SUBMITTED | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=4292286 |
| 689400571 | Federal 24-2 WDW | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=4292279 |