

**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:

12/11/2017

Submitted Date:

12/11/2017

Document Number:

680602287**FIELD INSPECTION FORM**Loc ID 428191 Inspector Name: ROY, CATHERINE 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:**5 Number of Comments2 Number of Corrective Actions☒ Corrective Action Response Requested**Contact Information:**

Contact Name	Phone	Email	Comment
,		inspection@sginterests.com	All Inspections
Stranathan, Thane		tstranat@blm.gov	Gunnison County Inspections
Kellerby, Shaun		shaun.kellerby@state.co.us	
Arthur, Denise		denise.arthur@state.co.us	
Conklin, Curtis		curtis.conklin@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
428189	WELL	PR	06/01/2017	SI	051-06106	HUGHES 11-90-26 2	RI
441484	WELL	XX	04/12/2015	LO	051-06140	Hughes 11-90-26 3	RI

General Comment:

This is a followup inspection for inspection numbe 680602114. COGCC staff met with SG Interests' representatives to discuss future planning and operations at this location, on this day. Any corrective actions not addressed from previous inspections are still applicable.

Inspected Facilities									
Facility ID:	<u>428189</u>	Type:	<u>WELL</u>	API Number:	<u>051-06106</u>	Status:	<u>PR</u>	Insp. Status:	<u>RI</u>
Facility ID:	<u>441484</u>	Type:	<u>WELL</u>	API Number:	<u>051-06140</u>	Status:	<u>XX</u>	Insp. Status:	<u>RI</u>

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

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

Land Use: OTHER, 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 _____

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 _____

Frac tanks identified during the October 2017 inspection are removed.

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? _____ 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? _____

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 _____ Recontoured _____ 80% Revegetation _____

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 _____

Corrective Action _____

Corrective action for weeds from October 2017 stands until addressed and will be evaluated after the corrective action date documented on the inspection.

Date **06/30/2018**

Overall Interim Reclamation _____

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 _____

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
<p>Comment: Maintenance along the access road has occurred in response to corrective actions in October 2017 inspection. Sediment was scraped from culverts and roadside ditches, and placed on hillside where it is smothering vegetation, is exposed, and will rapidly erode. This is not an effective sediment management practice. See attached photos.</p> <p>Corrective Action: Sediment piles on slopes along the access road and above culverts needs to be removed and properly disposed of. If vegetation is damaged, then re-seeding is required.</p>						Date: 01/12/2018
Pits: <input checked="" type="checkbox"/> 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
401482508	INSPECTION SUBMITTED	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=4322888
680602288	Inspection Photos	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=4322887