

FORM
INSPRev
X/15State of Colorado
Oil and Gas Conservation Commission1120 Lincoln Street, Suite 801, Denver, Colorado 80203
Phone: (303) 894-2100 Fax: (303) 894-2109

Inspection Date:

05/26/2020

Submitted Date:

05/28/2020

Document Number:

696201322

FIELD INSPECTION FORM

 Loc ID 422990 Inspector Name: Trujillo, Aaron On-Site Inspection 2A Doc Num:
Operator Information:

OGCC Operator Number: 77330

Name of Operator: SG INTERESTS I LTD

Address: 100 WAUGH DR SUITE 400

City: HOUSTON State: TX Zip: 77007

Status Summary:

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

Findings:

- 4 Number of Comments
- 2 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
Arthur, Denise		denise.arthur@state.co.us	
,	970-385-0696	inspection@sginterests.com	All Inspections

Inspected Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status
422990	LOCATION	AC			-	HL 11-89-19 1	RI
422991	WELL	XX	06/05/2017	LO	051-06101	HL 11-89-19 1	RI

General Comment:

On 5/26/2020, Reclamation Specialist Trujillo conducted an interim reclamation and stormwater inspection at SG Interests' HL 11-89-19 1 location in Gunnison County, Colorado.

The following compliance issues were observed during this inspection:

1003.f: Weed Control
1002.f.(2)C: Stormwater

Refer to the "Reclamation" and "Stormwater" sections of this inspection report for additional details.

Refer to the photo-documentation of the observed compliance issues attached to this report.

Any corrective action(s) from previous inspections that have not been addressed are still applicable.

A follow up on this site inspection will be conducted to ensure the compliance issues have been corrected to comply with COGCC rules.

Inspected Facilities

Facility ID: 422990 Type: LOCATION API Number: - Status: AC Insp. Status: RI

Facility ID: 422991 Type: WELL API Number: 051-06101 Status: XX Insp. Status: RI

Reclamation - Storm Water - Pit

Interim Reclamation:

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

Land Use: IMPROVED PASTURE, IRRIGATED, OTHER

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 _____

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 REVEGETATION

Cropland

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? _____ F _____

Comment Well 051-06101 Form 2 permit 401266926 expired 7/13/2019. Operator in process of re-permitting well (Form 2 #402033650, "In Process"). Operator submitted and received a delayed IR waiver (Doc. #401293533) for 2 years, expiring 2/5/2020. Operator resubmitted a second delayed IR waiver (Doc. #402247341), requesting the full 5 years to delay interim operations; Request pending approval.

It was observed in this inspection that Location is out of compliance with Rule 1003.f "Weed Control"; Canada thistle rosettes observed within ditch on the north end of the pad. This is a Colorado state listed noxious weed that requires management. Noxious weed concerns observed in multiple inspections dating back to 2016.

Corrective Action Comply with Rule 1003.f and conduct weed management. Date 06/13/2020

Overall Interim Reclamation

Final Reclamation/ Abandoned Location:

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

Final Land Use: IMPROVED PASTURE, IRRIGATED

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

Comment: It was observed in this inspection that water discharge from a seep on the northeastern cutslope is resulting in erosion degradation on the slope; BMPs missing or insufficient to protect slope.

Corrective Action: Install or repair required BMPs in accordance with good engineering practices per Rule 1002.f.(2)C.

Date: 06/13/2020

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
402409288	INSPECTION SUBMITTED	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=5162486
696201323	Inspection Photos	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=5162475