

**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:

11/19/2020

Submitted Date:

11/23/2020

Document Number:

696202041**FIELD INSPECTION FORM**Loc ID 429333 Inspector Name: Trujillo, Aaron 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**ANY CORRECTIVE ACTION(S) FROM
PREVIOUS INSPECTIONS THAT HAVE NOT
BEEN ADDRESSED ARE STILL APPLICABLE****Contact Information:**

Contact Name	Phone	Email	Comment
,		inspection@sginterests.com	All Inspections

Inspected Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status
429333	LOCATION	AC			-	Federal 12-89-7 1	RI

General Comment:

On 11/19/2020, Reclamation Specialist Trujillo conducted an interim reclamation and stormwater inspection at SG interests Federal 12-89-7 1 location in Gunnison County, Colorado.

The following compliance issues were observed during this inspection:
§34-60-121(1)(a), C.R.S.: Form 4 condition requirements- Signage
1002.f: Stabilization of the Location

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.

LocationOverall Good: ☐**Signs/Marker:**

Type OTHER

Comment: Pursuant to conditions within the 502.b Delayed Interim Reclamation NTO document #401721716, Operator was required to post a sign at the location entrance stating the following: " A COGCC variance has been approved to delay the commencement of interim reclamation to no later than 5/1/2023".

It was observed in this inspection that signage has not been installed at the Location entrance in accordance with Form 4 conditions.

Corrective Action: Comply with Form 4 #401721716 and post a sign at the location entrance stating the following: " A COGCC variance has been approved to delay the commencement of interim reclamation to no later than 5/1/2023". A CA date of 9/12/2019 is being provided as this was when the sundry variance and conditions were approved.

Date: 09/12/2019

Emergency Contact Number:

Comment:

Corrective Action:

Date: _____

Overall Good: ☐**Spills:**

Type	Area	Volume

In Containment: No

Comment:

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

Yes/No

Comment:

Corrective Action:

Date:

Flaring:

Type

Comment:

Corrective Action:

Date:

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

Loc Erosion BMPs	BMP Maintenance	Lease Road Erosion BMPs	Lease BMP Maintenance	Chemical BMPs	Chemical BMP Maintenance	Comment
<p>Comment: Inspection #693900449 dated 6/18/2019 observed erosion degradation on the cut slopes of the Location. Operator submitted FIRR #402127071 stating the cutslope was "scheduled for seeding and hydromulch".</p> <p>It was observed in this inspection that hydromulch had been applied to the cutslopes; BMP showing signs of degradation, maintenance advised prior to failure of the stabilization control.</p> <p>See "COGCC Comments" for additional stormwater comments.</p>						
<p>Corrective Action: Original Corrective Action has not been addressed in its entirety and remains applicable.</p> <p>Comply with Rule 1002.f. Stormwater and erosion controls need to be installed to stabilize erosion on the Location. Cracking in berms needs to be monitored and stabilization measures employed if cracks deepen or slipping occurs. Stormwater controls need to be installed using good engineering practices such as those described in CDOT manuals for stormwater and erosion control.</p>						<p>Date: 07/19/2019</p>
<p>Pits: <input type="checkbox"/> NO SURFACE INDICATION OF PIT</p>						

COGCC Comments

Comment	User	Date
<p>STORMWATER COMMENTS</p> <p>Inspection #693900449 dated 6/18/2019 observed "cracking up to 10 inches deep" in the outer well pad berms". Operator was required to implement stormwater and erosion controls to stabilize erosion, and to "monitor cracking and implement stabilization measures if cracks deepen or slipping occurs" by 7/19/2019. Operator submitted resolution #402127071 stating "Monitoring of the cracking in the berm continues, however the cracks have been fixed".</p> <p>It was observed in this inspection that cracking and stabilization concerns on the outer well pad berms and slopes remain evident; It does not appear as though the cracks were repaired as indicated within Resolution #402127071. Cracks were observed to exceed 30 inches in depth in areas. The required monitoring efforts and implementation of additional stabilization measures per the corrective action have been insufficient to stabilize the Location.</p>	trujilloam	11/23/2020

Attached Documents

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

Document Num	Description	URL
402538717	INSPECTION SUBMITTED	http://ogccwebblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=5296741
696202048	Inspection Photos	http://ogccwebblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=5296736