

**FORM
INSP**Rev
X/20**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:

11/01/2022

Submitted Date:

11/04/2022

Document Number:

696204288**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
444450	WELL	EP	11/29/2019	LO	051-06150	Federal 12-89-7 4	ND
444451	WELL	AP	03/29/2022	LO	051-06151	Federal 12-89-7 2	ND
444452	WELL	AP	03/29/2022	LO	051-06152	Federal 12-89-7 3	ND

General Comment:

On 11/1/2022, Reclamation Specialist Trujillo inspected SG Interests' Federal 12-89-7 1 location in Gunnison County, Colorado.

The following compliance issues were observed during this inspection:

-Stormwater

Refer to the "Stormwater" section 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 inspection on this site 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 attached to Form 4 #401721716, Operator is required to post a sign at the location entrance identifying that a variance has been approved to delay reclamation on the Location.

Pursuant to Form 4 #403094304, the delayed interim reclamation variance has been extended, with reclamation required no later than September 11, 2024; variance signage at location entrance requires updating to reflect new termination date.

Corrective Action: Update variance signage to reflect new termination date.

Date: 12/02/2022

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:

Inspected Facilities

Facility ID:	<u>444450</u>	Type:	<u>WELL</u>	API Number:	<u>051-06150</u>	Status:	<u>EP</u>	Insp. Status:	<u>ND</u>
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Facility ID:	<u>444451</u>	Type:	<u>WELL</u>	API Number:	<u>051-06151</u>	Status:	<u>AP</u>	Insp. Status:	<u>ND</u>
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Facility ID:	<u>444452</u>	Type:	<u>WELL</u>	API Number:	<u>051-06152</u>	Status:	<u>AP</u>	Insp. Status:	<u>ND</u>
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Reclamation - Storm Water - Pit**Interim Reclamation:**

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

Land Use: RANGELAND

Comment: _____

1002 SITE PREPARATION AND STABILIZATION

1002a. FENCING _____

Comment _____

Corrective Action _____

Date _____

1002b. SOIL REMOVAL AND _____

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 ? _____ In _____
- 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

Previous inspections observed stabilization concerns along the slopes of the Location, resulting in large crack formations and soils sloughing.

It was observed in this location that cracks along the perimeter of the Location are beginning to re-develop.

Continue to monitor slopes, conduct work as necessary to ensure slopes remain stabilized and mass soil migration is mitigated.

Corrective Action

Date _____

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 <input type="checkbox"/>	Multi-Well Location <input type="checkbox"/>

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 there are areas where Operator appears to have installed a slope drain. Soils on the slopes have been left bare and at risk to erosion degradation. Temporary BMPs required to ensure slopes remain stabilized, until long-term stabilization is achieved. See photo 3.	
Corrective Action:	Comply with 1002.f and install stormwater and erosion control BMPs at bare slopes of the Location. Ensure controls are installed per good engineering practices, and maintained in proper functioning condition.	Date: 11/11/2022

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
403219345	INSPECTION SUBMITTED	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=5905662
696204289	Inspection Photo	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=5905659