

**FORM INSP**  
Rev 05/11

**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:  
03/09/2016  
Document Number:  
680400388  
Overall Inspection:  
SATISFACTORY

**FIELD INSPECTION FORM**

|                     |               |               |                        |                          |             |
|---------------------|---------------|---------------|------------------------|--------------------------|-------------|
| Location Identifier | Facility ID   | Loc ID        | Inspector Name:        | On-Site Inspection       | 2A Doc Num: |
|                     | <u>283608</u> | <u>324480</u> | <u>BROWNING, CHUCK</u> | <input type="checkbox"/> |             |

**Operator Information:**

OGCC Operator Number: 77330  
Name of Operator: SG INTERESTS I LTD  
Address: 922 EAST 2ND AVENUE  
City: DURANGO State: CO Zip: 81301

- THIS IS A FOLLOW UP INSPECTION
- FOLLOW UP INSPECTION REQUIRED
- NO FOLLOW UP INSPECTION REQUIRED
- INSPECTOR REQUESTS FORM 42 WHEN CORRECTIVE ACTIONS ARE COMPLETED

**Contact Information:**

| Contact Name    | Phone        | Email                       | Comment         |
|-----------------|--------------|-----------------------------|-----------------|
| Browning, Chuck | 970-433-4139 | chuck.browning@state.co.us  | Field Inspector |
| ,               | 970-385-0696 | inspections@sginterests.com | All Inspections |

**Compliance Summary:**

QtrQtr: SWNE Sec: 24 Twp: 11S Range: 90W

| Insp. Date | Doc Num   | Insp. Type | Insp Status | Satisfactory /Action Required | PA P/F/I | Pas/Fail (P/F) | Violation (Y/N) |
|------------|-----------|------------|-------------|-------------------------------|----------|----------------|-----------------|
| 11/12/2015 | 680400311 | PR         | PR          | SATISFACTORY                  |          |                | No              |
| 03/19/2013 | 670400010 | PR         | PR          | SATISFACTORY                  |          |                | No              |
| 05/26/2011 | 200316860 | PR         | SI          | SATISFACTORY                  |          |                | No              |
| 01/30/2007 | 200110534 | ES         | AO          | <b>ACTION REQUIRED</b>        |          |                |                 |

**Inspector Comment:**

**Related Facilities:**

| Facility ID | Type | Status | Status Date | Well Class | API Num   | Facility Name        | Insp Status                            |
|-------------|------|--------|-------------|------------|-----------|----------------------|--|
| 283608      | WELL | PR     | 08/01/2014  | GW         | 051-06069 | FEDERAL 11-90-24 #1A | PR <input checked="" type="checkbox"/> |

**Equipment:**

Location Inventory

|                              |                        |                     |                         |
|------------------------------|------------------------|---------------------|-------------------------|
| Special Purpose Pits: _____  | Drilling Pits: _____   | Wells: _____        | Production Pits: _____  |
| Condensate Tanks: _____      | Water Tanks: _____     | Separators: _____   | Electric Motors: _____  |
| Gas or Diesel Mortors: _____ | Cavity Pumps: _____    | LACT Unit: _____    | Pump Jacks: _____       |
| Electric Generators: _____   | Gas Pipeline: _____    | Oil Pipeline: _____ | Water Pipeline: _____   |
| Gas Compressors: _____       | VOC Combustor: _____   | Oil Tanks: _____    | Dehydrator Units: _____ |
| Multi-Well Pits: _____       | Pigging Station: _____ | Flare: _____        | Fuel Tanks: _____       |

**Location**

| <b>Lease Road:</b> |                              |         |                   |      |
|--------------------|------------------------------|---------|-------------------|------|
| Type               | Satisfactory/Action Required | comment | Corrective Action | Date |
| Access             | SATISFACTORY                 |         |                   |      |
| Main               | SATISFACTORY                 |         |                   |      |

| <b>Signs/Marker:</b> |                              |         |                   |         |
|----------------------|------------------------------|---------|-------------------|---------|
| Type                 | Satisfactory/Action Required | Comment | Corrective Action | CA Date |
| BATTERY              | SATISFACTORY                 |         |                   |         |
| TANK LABELS/PLACARDS | SATISFACTORY                 |         |                   |         |
| WELLHEAD             | SATISFACTORY                 |         |                   |         |

Emergency Contact Number (S/AR): SATISFACTORY Corrective Date: \_\_\_\_\_

Comment: \_\_\_\_\_

Corrective Action: \_\_\_\_\_

| <b>Good Housekeeping:</b> |                              |         |                   |         |
|---------------------------|------------------------------|---------|-------------------|---------|
| Type                      | Satisfactory/Action Required | Comment | Corrective Action | CA Date |
|                           |                              |         |                   |         |

| <b>Spills:</b>   |      |        |                   |         |
|--|------|--------|-------------------|---------|
| Type   | Area | Volume | Corrective action | CA Date |
| <input type="checkbox"/> Multiple Spills and Releases? |      |        |                   |         |

| <b>Fencing/:</b> |                              |         |                   |         |
|------------------|------------------------------|---------|-------------------|---------|
| Type             | Satisfactory/Action Required | Comment | Corrective Action | CA Date |
| WELLHEAD         | SATISFACTORY                 |         |                   |         |
| TANK BATTERY     | SATISFACTORY                 |         |                   |         |
| SEPARATOR        | SATISFACTORY                 |         |                   |         |

| <b>Equipment:</b>                 |     |  |  |       |
|-----------------------------------|-----|--|--|-------|
| Type: Gas Meter Run               | # 1 | Satisfactory/Action Required: SATISFACTORY |  |       |
| Comment                           |     |  |  |       |
| Corrective Action                 |     |  |  | Date: |
| Type: Horizontal Heated Separator | # 1 | Satisfactory/Action Required: SATISFACTORY |  |       |
| Comment                           |     |  |  |       |
| Corrective Action                 |     |  |  | Date: |

| <b>Facilities:</b>                |              |                |           |                       |
|-----------------------------------|--------------|----------------|-----------|-----------------------|
| <input type="checkbox"/> New Tank |              | Tank ID: _____ |           |                       |
| Contents                          | #            | Capacity       | Type      | SE GPS                |
| PRODUCED WATER                    | 2            | 400 BBLS       | STEEL AST | 39.085833,-107.394659 |
| S/AR                              | SATISFACTORY | Comment:       |           |                       |
| Corrective Action:                |              |                |           | Corrective Date:      |

| <b>Paint</b> |          |
|--------------|----------|
| Condition    | Adequate |

Inspector Name: BROWNING, CHUCK

Other (Content) \_\_\_\_\_  
Other (Capacity) \_\_\_\_\_  
Other (Type) \_\_\_\_\_

**Berms**

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

**Venting:**

|         |    |
|---------|----|
| Yes/No  | NO |
| Comment |    |

**Flaring:**

| Type               | Satisfactory/Action Required |
|--------------------|------------------------------|
| Comment:           |                              |
| Corrective Action: | Correct Action Date:         |

**Predrill**

Location ID: 283608

**Site Preparation:**

Lease Road Adeq.: \_\_\_\_\_ Pads: \_\_\_\_\_ Soil Stockpile: \_\_\_\_\_

**S/AR:** \_\_\_\_\_

Corrective Action: \_\_\_\_\_ Date: \_\_\_\_\_ CDP Num.: \_\_\_\_\_

**Form 2A COAs:**

**S/AR:** \_\_\_\_\_ **Comment:** \_\_\_\_\_

**CA:** \_\_\_\_\_ **Date:** \_\_\_\_\_

**Wildlife BMPs:**

**S/AR:** \_\_\_\_\_ **Comment:** \_\_\_\_\_

**CA:** \_\_\_\_\_ **Date:** \_\_\_\_\_

**Comment:** \_\_\_\_\_

**Staking:**

**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:

\_\_\_\_\_

**Facility**

Facility ID: 283608 Type: WELL API Number: 051-06069 Status: PR Insp. Status: PR

**Producing Well**

Comment: **Flowing**

**Environmental**

**Spills/Releases:**

Type of Spill: \_\_\_\_\_ Description: \_\_\_\_\_ Estimated Spill Volume: \_\_\_\_\_

Comment: \_\_\_\_\_

Corrective Action: \_\_\_\_\_ Date: \_\_\_\_\_

Reportable: \_\_\_\_\_ GPS: Lat \_\_\_\_\_ Long \_\_\_\_\_

Proximity to Surface Water: \_\_\_\_\_ Depth to Ground Water: \_\_\_\_\_

|                                      |                   |  |       |
|--------------------------------------|-------------------|--|-------|
| <b>Water Well:</b>                   |                   | Lat  | Long  |
| DWR Receipt Num: _____               | Owner Name: _____ | GPS : _____  | _____ |
| <b>Field Parameters:</b>             |                   |  |       |
| Sample Location: _____               |                   |  |       |
| Emission Control Burner (ECB): _____ |                   |  |       |
| Comment: _____                       |                   |  |       |
| Pilot: _____                         |                   | Wildlife Protection Devices (fired vessels): _____ |       |

**Reclamation - Storm Water - Pit**

**Interim Reclamation:**

Date Interim Reclamation Started: \_\_\_\_\_ Date Interim Reclamation Completed: \_\_\_\_\_

Land Use: \_\_\_\_\_

Comment: \_\_\_\_\_

1003a. Waste and Debris removed? Pass

CM \_\_\_\_\_

CA \_\_\_\_\_ CA Date \_\_\_\_\_

Unused or unneeded equipment onsite? Pass

CM \_\_\_\_\_

CA \_\_\_\_\_ CA Date \_\_\_\_\_

Pit, cellars, rat holes and other bores closed? Pass

CM \_\_\_\_\_

CA \_\_\_\_\_ CA Date \_\_\_\_\_

Guy line anchors marked? \_\_\_\_\_

CM \_\_\_\_\_

CA \_\_\_\_\_ CA Date \_\_\_\_\_

1003b. Area no longer in use? Pass Production areas stabilized ? Pass

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? Pass 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 \_\_\_\_\_

1003 f. Weeds Noxious weeds? P

Comment: \_\_\_\_\_

Overall Interim Reclamation \_\_\_\_\_

**Final Reclamation/ Abandoned Location:**

Date Final Reclamation Started: \_\_\_\_\_ Date Final Reclamation Completed: \_\_\_\_\_

Final Land Use: \_\_\_\_\_

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 \_\_\_\_\_

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 |
|------------------|-----------------|-------------------------|-----------------------|---------------|--------------------------|---------|
| Berms            | Pass            | Gravel                  | Pass                  | MHSP          | Pass                     |         |

S/A/V: SATISFACTOR Corrective Date: \_\_\_\_\_

Y

Comment: \_\_\_\_\_

CA: \_\_\_\_\_

**Pits:**  NO SURFACE INDICATION OF PIT