

**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:

10/26/2017

Submitted Date:

10/26/2017

Document Number:

680602114**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:**6 Number of Comments3 Number of Corrective Actions☒ Corrective Action Response Requested**Contact Information:**

Contact Name	Phone	Email	Comment
,		inspection@sginterests.com	All Inspections
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 an interim reclamation and stormwater inspection. Any corrective actions not addressed from previous inspections are still applicable. Operator has applied for a variance to extend the interim reclamation timeline on the location. This request is under administrative review at this time.

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: Project area is surrounded by open sagebrush shrubland. Revegetation is progressing within outer revegetation areas.

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? Pass

Comment _____

Corrective Action _____

Date _____

Unused or unneeded equipment onsite? _____

Comment The eastern and western portions of the well pad are lined with frac tanks. It is not apparent whether the tanks are on location to support drilling of the permitted 051-06140 well, or if they are stored on location.

Corrective Action Provide documentation as to the use of the frac tanks on location via field inspection report resolution (FIRR) form. This documentation should describe what the tanks are being used for, why they are on location, and how long they are expected to remain. If the tanks are not on location to facilitate a well on the well pad, they need to be removed by November 26, 2017.

Date 11/02/2017

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? _____

Comment Approximately 100 musk thistles were observed in the outer revegetation areas. Many have flowered and dispersed seed. See attached photos.

Corrective Action It is expected that seeded musk thistles will support new weeds in 2018, and thistle rosettes are in place. Weeds need to be controlled at the appropriate time in 2018, but no later than June 30, 2018.

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

Comment: [Stormwater erosion on the well pad appears to be stabilized at this time. Many rock check dams along the access road are full of sediment and need maintenance. See attached photos.](#)

Corrective Action: [Maintain stormwater controls along the access road.](#)

Date: 11/26/2017

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
680602115	Inspection Photos	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=4284723