

**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:

10/31/2017

Submitted Date:

11/02/2017

Document Number:

689400576**FIELD INSPECTION FORM**Loc ID 428191 Inspector Name: CONKLIN, CURTIS 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:14 Number of Comments3 Number of Corrective Actions☒ Corrective Action Response Requested**Contact Information:**

Contact Name	Phone	Email	Comment
Freeman, Sarah		sarah.freeman@state.co.us	NW Permitting
SG Interests		inspections@sginterests.com	All Inspections
Labowskie, Steve		steve.labowskie@state.co.us	
Kellerby, Shaun		shaun.kellerby@state.co.us	NW Supervisor
Arthur, Denise		denise.arthur@state.co.us	
Engineering		dnr_cogccengineering@state.co.us	All Engineering
Ash, Margaret		margaret.ash@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	TA
441484	WELL	XX	04/12/2015	LO	051-06140	Hughes 11-90-26 3	ND

General Comment:

This is a routine field inspection, any corrective actions not addressed from previous inspections are still applicable.

LocationOverall Good: ☒**Signs/Marker:**

Type	TANK LABELS/PLACARDS		
Comment:	Frack tanks do not have correct labels. See attached photos		
Corrective Action:	Install sign to comply with Rule 210.c.	Date:	12/02/2017

Emergency Contact Number:

Comment:	(866) 261-9766		
Corrective Action:		Date:	

Good Housekeeping:

Type	UNUSED EQUIPMENT		
Comment:	53 frack tanks on location. Reference Inspection Doc#680602114 for original corrective actions and dates.		
Corrective Action:		Date:	

Overall Good: ☐**Spills:**

Type	Area	Volume		
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In Containment: No

Comment:

☐ Multiple Spills and Releases?**Fencing/:**

Type	LOCATION		
Comment:	Wire fence		
Corrective Action:		Date:	

Equipment:

Type: Gas Meter Run	# 1		corrective date
Comment:			
Corrective Action:		Date:	
Type: Deadman # & Marked	# 4		
Comment:			
Corrective Action:		Date:	
Type: Horizontal Heated Separator	# 1		
Comment:			
Corrective Action:		Date:	

Tanks and Berms:

Contents	#	Capacity	Type	Tank ID	SE GPS	
PRODUCED WATER		500 BBLS	STEEL AST		,	
Comment:	53 Frack tanks on location. See sign section of inspection. Hatches open at time of inspection with no active operation on site. See attached photos.					
Corrective Action:	Close gauge hatches when not accessing tank per Rule 605.a.(9).					Date: 11/04/2017

<u>Paint</u>						
Condition	Adequate					
Other (Content)						
Other (Capacity)						
Other (Type)						
<u>Berms</u>						
Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance		
Comment:	Location appears to have sufficient down gradient perimeter berms for stored tanks.					
Corrective Action:						Date:
Contents	#	Capacity	Type	Tank ID	SE GPS	
CONDENSATE	1	400 BBLs	STEEL AST		,	
Comment:						
Corrective Action:						Date:
<u>Paint</u>						
Condition	Adequate					
Other (Content)						
Other (Capacity)						
Other (Type)						
<u>Berms</u>						
Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance		
Metal	Adequate	Walls Sufficient	Base Sufficient	Adequate		
Comment:						
Corrective Action:						Date:
Contents	#	Capacity	Type	Tank ID	SE GPS	
PRODUCED WATER	2	400 BBLs	HEATED STEEL AST		,	
Comment:						
Corrective Action:						Date:
<u>Paint</u>						
Condition	Adequate					
Other (Content)						
Other (Capacity)						
Other (Type)						
<u>Berms</u>						
Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance		
Metal	Adequate	Walls Sufficient	Base Sufficient	Adequate		
Comment:						
Corrective Action:						Date:
<u>Venting:</u>						
Yes/No						

Comment:			
Corrective Action:		Date:	
Flaring:			
Type			
Comment:			
Corrective Action:		Date:	

Inspected FacilitiesFacility ID: 428189 Type: WELL API Number: 051-06106 Status: PR Insp. Status: TA**Idle Well**Purpose: ☐ Shut In ☒ Temporarily Abandoned Reminder: EQUIPMENT PRESENT/DISCONNECTEDComment: Well has been disconnected. MIT Doc#401408425 in process. No form 4 on file.Corrective Action: A Sundry Notice, Form 4, shall be submitted annually stating the method the well is closed to the atmosphere and plans for future operation.Date: 12/02/2017Facility ID: 441484 Type: WELL API Number: 051-06140 Status: XX Insp. Status: ND**Workover**Comment: Permit expired 4/11/17.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

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. Reference Inspection Doc#680602114 for original corrective actions and dates.

Corrective Action:

Date: _____

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
689400577	Hughes 11-90-26 2	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=4292282