

**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:

10/16/2019

Submitted Date:

10/22/2019

Document Number:

688800641**FIELD INSPECTION FORM**

Loc ID _____ Inspector Name: _____ On-Site Inspection ☐
423375 _____ Hughes, Jim _____ 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:**10 Number of Comments1 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 |
|------------------|-------|----------------------------|---------------------------------|
| Inspections, All | | inspection@sginterests.com | All Inspections |
| Fischer, Alex | | alex.fischer@state.co.us | |
| Heil, John | | john.heil@state.co.us | |

Inspected Facilities:

| Facility ID | Type | Status | Status Date | Well Class | API Num | Facility Name | Insp Status |
|-------------|-------------------------------------|--------|-------------|------------|---------|--|-------------|
| 418790 | PIT | AC | | | - | MCINTYRE FLOWBACK 4 | EI |
| 418791 | PIT | AC | | | - | MCINTYRE FLOWBACK 3 | EI |
| 421066 | CENTRALIZED EP WASTE MGMT FAC | AC | 01/04/2011 | | - | McIntyre Flowback Pits #3 and #4 421066 | EI |

General Comment:

[On October 16, 2019 COGCC SW EPS Jim Hughes conducted an environmental field inspection of the SG Interests McIntyre Flowback Pits #3 and #4. For the most recent field inspection report of this facility, please refer to document #693900469.](#)

Location

| | | | |
|--------------------|--------|-------|--|
| Lease Road: | | | |
| Type | Access | | |
| comment: | | | |
| Corrective Action | L | Date: | |

Overall Good: ☒

| | | | |
|----------------------|--|-------|--|
| Signs/Marker: | | | |
| Type | OTHER | | |
| Comment: | Location sign mounted to perimeter fence near access gate. | | |
| Corrective Action: | | Date: | |

| | | | |
|---------------------------|--------------------------|-------|--|
| Emergency Contact Number: | | | |
| Comment: | Posted on location sign. | | |
| Corrective Action: | | Date: | |

| | | | |
|---------------------------|---|-------|--|
| Good Housekeeping: | | | |
| Type | STORAGE OF SUPL | | |
| Comment: | Production equipment from SG Federal 11-90-26 #1 stored in the SW corner of the facility, per Form 4 document #401538826. All equipment has been labeled "temporarily decommissioned" | | |
| Corrective Action: | | Date: | |

Overall Good: ☒

| | | | | |
|----------------|------|--------|--|--|
| Spills: | | | | |
| Type | Area | Volume | | |

In Containment: No

Comment: ☐ Multiple Spills and Releases?

| | | | |
|--------------------|---|-------|--|
| Fencing/: | | | |
| Type | LOCATION | | |
| Comment: | Perimeter fencing around location. | | |
| Corrective Action: | | Date: | |
| Type | PIT | | |
| Comment: | Pit Facility ID #418790 and #418791 are both fenced/netted. | | |
| Corrective Action: | | Date: | |

| | | | |
|--------------------|--|-------|--|
| Venting: | | | |
| Yes/No | | | |
| Comment: | | | |
| Corrective Action: | | Date: | |

| | | | |
|--------------------|--|-------|--|
| Flaring: | | | |
| Type | | | |
| Comment: | | | |
| Corrective Action: | | Date: | |

| Inspected Facilities | | | | | | | | |
|----------------------|---------------|-------|-------------------|----------------------|---------|-----------|---------------|-----------|
| Facility ID: | <u>418790</u> | Type: | <u>PIT</u> | API Number: <u>-</u> | Status: | <u>AC</u> | Insp. Status: | <u>EI</u> |
| | | | | | | | | |
| Facility ID: | <u>418791</u> | Type: | <u>PIT</u> | API Number: <u>-</u> | Status: | <u>AC</u> | Insp. Status: | <u>EI</u> |
| | | | | | | | | |
| Facility ID: | <u>421066</u> | Type: | <u>CENTRALIZE</u> | API Number: <u>-</u> | Status: | <u>AC</u> | Insp. Status: | <u>EI</u> |
| | | | | | | | | |

Reclamation - Storm Water - Pit

Storm Water:

| Loc Erosion BMPs | BMP Maintenance | Lease Road Erosion BMPs | Lease BMP Maintenance | Chemical BMPs | Chemical BMP Maintenance | Comment |
|------------------|-----------------|-------------------------|-----------------------|---------------|--------------------------|---------|
| Rip Rap | Pass | Compaction | Pass | | | |
| Berms | Pass | | | | | |
| Sediment Traps | Pass | Gravel | Pass | | | |

Comment: Corrective Action: Date: **Pits:** ☐ NO SURFACE INDICATION OF PITType: Multiwell Reuse/ RecyclingLined: YESPit ID: 418791Lat: 39.076340Long: -107.413600Reference Point: OTHEROther: CenterLength: Width: **Lining:**Liner Type: HDPELiner Condition: AdequateComment: Lower Pit (#3)Corrective Action: Date: **Fencing:**Fencing Type: Netting/Fence comFencing Condition: AdequateComment: Corrective Action: Date: **Netting:**Netting Type: Fence/Net ComboNetting Condition: HolesComment: Several holes observed in netting during this inspection. Previously repaired areas require attention.Corrective Action: Date: 10/23/2019Anchor Trench Present: YESOil Accumulation: NO2+ feet Freeboard: YESComment: Corrective Action: Date: Type: Multiwell Reuse/ RecyclingLined: YESPit ID: 418790Lat: 39.077050Long: -107.413200Reference Point: OTHEROther: CenterLength: Width: **Lining:**Liner Type: HDPELiner Condition: AdequateComment: Corrective Action: Date: **Fencing:**Fencing Type: Netting/Fence comFencing Condition: AdequateComment: Corrective Action: Date:

Netting:Netting Type: Fence/Net ComboNetting Condition: Good

Comment:

Corrective
Action

Date:

Anchor Trench Present: YESOil Accumulation: NO2+ feet Freeboard: YES

Comment:

Corrective

Date:

| Permit: | Facility ID | Permit Num | Expiration Date |
|---------|-------------|------------|-----------------|
| | 418791 | 2590052 | |
| | 418791 | 2590052 | |
| | 418790 | 2583738 | |

COGCC Comments

| Comment | User | Date |
|---|----------|------------|
| On October 16, 2019 COGCC SW EPS Jim Hughes conducted an environmental field inspection of the SG Interests McIntyre Flowback Pits #3 and #4. For the most recent field inspection report of this facility, please refer to document #693900469. During this inspection it was observed that both pits are netted. A repaired area in the lower pit netting has holes in it again. Several small holes were observed in the netting of the lower pit. The bird deterrent pennants are sagging into the contents of the lower pit. | hughesjo | 10/22/2019 |

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

| Document Num | Description | URL |
|--------------|-------------------|---|
| 688800642 | Inspection Photos | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=4969636 |