

State of Colorado
Oil and Gas Conservation Commission

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Document Number:

402649884

Date Received:

06/21/2021

FIR RESOLUTION FORM

Overall Status: CAC

CA Summary:

1 of 1 CAs from the FIR responded to on this Form

1 CA Completed
0 Factual Review Request

OPERATOR INFORMATION

OGCC Operator Number: 77330

Name of Operator: SG INTERESTS I LTD

Address: 100 WAUGH DR SUITE 400

City: HOUSTON State: TX Zip: 77007

Contact Name and Telephone:

Name: _____

Phone: () _____ Fax: () _____

Email: _____

Additional Operator Contact:

Contact Name	Phone	Email
<u>Arthur, Denise</u>		<u>denise.arthur@state.co.us</u>
<u>'</u>	<u>970-385-0696</u>	<u>inspection@sginterests.com</u>
<u>'</u>		<u>dnr_cogccenforcement@state.co.us</u>

COGCC INSPECTION SUMMARY:

FIR Document Number: 696202524

Inspection Date: 03/31/2021

FIR Submit Date: 04/02/2021

FIR Status: _____

Inspected Operator Information:

Company Name: SG INTERESTS I LTD

Company Number: 77330

Address: 100 WAUGH DR SUITE 400

City: HOUSTON State: TX Zip: 77007

LOCATION - Location ID: 418697

Location Name: VOLK Number: 12-89-21 #1 County: _____

Qtrqtr: SENW Sec: 21 Twp: 12S Range: 89W Meridian: 6

Latitude: 39.002890 Longitude: -107.341720

FACILITY - API Number: 05-051-00 Facility ID: 418697

Facility Name: VOLK Number: 12-89-21 #1

Qtrqtr: SENW Sec: 21 Twp: 12S Range: 89W Meridian: 6

Latitude: 39.002890 Longitude: -107.341720

CORRECTIVE ACTIONS:

1 CA# 147983

Corrective Action: Install or repair required BMPs in accordance with good engineering practices per Rule 1002.f.(2)C. Conduct revegetation/reseeding activities on the slopes and install erosion controls to stabilize the seeded soil.

Date: 06/11/2020

Response: CA COMPLETED

Date of Completion: 03/10/2021

SG has conducted on-going stormwater maintenance and reclamation activities on this location since COGCC approved the surface owner variance for final reclamation. As COGCC is aware, SG has sent numerous email

Operator
Comment:

updates to the COGCC inspector and staff (with no substantive responses) regarding the work SG continues to conduct related to stormwater and reclamation issues and efforts on this location. SG continues to be diligent in conducting work directly related to these stormwater and reclamation corrective actions. The inspection photos from the most recent inspection (696202652) on 5/6/2021 show many of these previous CA's have in fact been implemented, but the inspection form does not make reference to the fact that many CA's have been addressed. It should also be noted in several correspondence with COGCC staff that one of the reasons SG requested a landowner variance request for this location was due to historical areas void of vegetation, prior to well development, in addition to landowner requests to continue to flood irrigate his property. Surface owner is however, satisfied with SG's stormwater and reclamation efforts. The following is a partial list of items SG has addressed, but may not be all inclusive due to unclear and ever-changing nature of the CA's required by each new inspection:

696201320: All of these CA's have been addressed for quite some time, SG continues to conduct on-going maintenance, repairs and modifications. However Inspection photos from 696202652 on 5/6/21 show a major difference from these two inspection reports. Is it possible for COGCC to recognize the major efforts that have gone into this location?

696201669: Reseeding, soils roughening, and mulching on the slopes occurred immediately after dirt work and following this inspection on 8/24/2020 with 15 lbs of seed. Seed takes some time to germinate, but based on continued inspections to seed, SG reseeded it again on May 21, 2021 with 18.9 lbs seed combined with soil roughening and mulching to aid in seed stabilization. Several email and phone conversations occurred with staff following this inspection.

696202023: Cut and fill slopes were stabilized with heavy equipment in the fall of 2020 and maintained in the spring of 2021 after snowmelt; stormwater ditch BMP's were amended again in June 2021, and outlet protection was modified in June 2021. SG's outlet protection stipulation from CDOT was used for this outlet so the note on the photos from 696202716 stating "rock used is very large and not properly sized per good engineering practices" does not reflect the engineered CDOT stipulation used.

696202524: This inspection was conducted during snowmelt. As every stormwater BMP is designed, these ditches needed maintenance after winter snowmelt. Every CA discussed in this inspection report was repaired as soon as practicable, and as represented in several photos from inspection 696202652. Photo #1 says "Armoring has been constructed with different sized aggregate and lined with geotextile." This photo, as well as other photos in inspection 696202652 discuss the measures of ditches being constructed to manage run-on. Please acknowledge these CA's as complete.

696202652: As shown in several photos in this inspection report, many of the previous inspection items have been corrected. It also shows grass growing, which is expected this timeframe as seeding was done in the fall and again in May 2021. The photos that show where seeding and stabilization is still needed was conveyed to Aaron via email with plans to bring in topsoil. SG will not seed under topsoil, but rather on top. Topsoil is scheduled to be applied on the area west of the well pad on Monday June 21, 2021. This area will be seeded after topsoil is applied. Additionally, portions of the NE cut slope will be seeded with hydro-mulch applied as soon as the hydromulch subcontractor can schedule to be at this location.

696202716: This inspection report shows the exact reason for the landowner variance. The inspection captured what overland irrigation looks like as preferred by the landowner. SG continues to maintain BMPs as preferred by the landowner, and as approved in the variance request. However, SG has also tried extremely hard to appease COGCC, but conversations have been unsuccessful.

Rule 1002f.(2) clearly states "Oil and Gas operator shall implement and maintain BMP's to control stormwater runoff in a manner that minimizes erosion, transport of sediment offsite, and site degradation...". SG has conducted extensive work to achieve this standard, and has in fact achieved this standard. Erosion has been minimized so that sediment has not passed beyond installed stormwater bmp's. SG recently had a third party contractor conduct a stormwater inspection. The third-party inspection, from a seasoned and experienced contractor, had one corrective action, "Minor repairs needed to tack silt fence back up". This is an example of a corrective action that is specific and achievable. COGCC inspection reports intentionally no longer provide any such specific guidance, which would allow SG to maintain compliance and achieve goals of the corrective actions.

COGCC Decision: _____

COGCC
Representative: _____

OPERATOR COMMENT AND SUBMITTAL

Comment: SG has had several email exchanges with COGCC over the last few months giving updates with progression of stormwater maintenance. On-going communication with the landowner is also occurring as irrigation flooding is being conducted at the same time.

I hereby certify that the statements made in this form are, to the best of my knowledge, true, correct, and complete.

Print Name: Eric Sanford

Signed: _____

Title: Land

Date: 6/21/2021 10:20:50 AM

ATTACHMENT LIST

View Attachments in Imaged Documents on COGCC website (<http://ogccweblink.state.co.us/>) - Search by Document Number.

<u>Document Number</u>	<u>Description</u>
402714437	Diversion Ditch stabilized
402714442	Diversion Ditch Stabilized
402714445	Diversion Ditch and outlet Stabilized

Total Attach: 3 Files