

Kubeczko, Dave

From: Kubeczko, Dave
Sent: Wednesday, July 14, 2010 9:19 AM
To: Kubeczko, Dave
Subject: FW: True Oil, JW Federal 31-25, NWNE Sec 25 T12N R97W, Moffat County, Form 2A (#1791615) Review

Scan No 2033257 CORRESPONDENCE 2A#1791615

From: Erich Schmidt [mailto:eschmidt@truecos.com]
Sent: Thursday, July 08, 2010 1:56 PM
To: Kubeczko, Dave
Subject: RE: True Oil, JW Federal 31-25, NWNE Sec 25 T12N R97W, Moffat County, Form 2A (#1791615) Review

Dave,

In response to your request for clarifications.

- 1) Facilities - I would like to have the flare pit marked as a special purpose pit. Do I need to send in a Form 15 or will you do that for me?
- 2) Constructions –
COA 11 -Reserve pit will have a minimum 12 mil liner installed.
COA 12 -Production pit will be lined if utilized.
- 3) I must have made a mistake on the form, the closest surface water is ~500 ft, could you please make that change. Will that change the assessment? The production tanks will have 110% secondary containment as standard practice
- 4) General -
COA 38 – moisture of pits will be as low as practical and Table 910-1 requirements will be conformed to
COA 39- Entirety of all pits will be in cut, COA will be followed regarding construction and lining of pits

I left voice mail with you as well.

Could you please give me a call at (307) 266-0243 to discuss.

Thank you,

Erich Schmidt
True Oil LLC
Office 307 266-0243
Cell 307 267-8302

From: Kubeczko, Dave [mailto:Dave.Kubeczko@state.co.us]
Sent: Thursday, July 08, 2010 1:24 PM
To: eschmidt@truecos.com
Subject: True Oil, JW Federal 31-25, NWNE Sec 25 T12N R97W, Moffat County, Form 2A (#1791615) Review

Erich,

I have been reviewing the JW Federal 31-25 **Form 2A** (#1791615). COGCC requests the following clarifications regarding the data True Oil has submitted on or attached to the Form 2A prior to passing the Oil and Gas Location Assessment (OGLA).

1. **Facilities (Section 5):** The location layout drawing indicates there will be a separate flare pit located east of the cuttings pit. This flare pit needs to be marked as a special purpose pit and a Form 15 (Earthen Pit Report/Permit) needs to be submitted. I can make the change if you send an email with this request.
2. **Construction (Section 6):** The box answering the question will salt (>15,000 ppm TDS Cl) or oil based muds be used? has been marked **Yes**; therefore the following conditions of approval (COAs) will apply:
 - COA 11** - Either a lined drilling pit or closed loop system must be implemented.
 - COA 12** - Production pits (if constructed) must be lined.
3. **Water Resources (Section 14):** Form 2A indicates the distance to the nearest surface water is 50 feet. COGCC guidelines require designating all locations within close proximity to surface water a **sensitive area** (which True Oil has already indicated on the Form 2A). The following conditions of approval (COAs) will apply:
 - COA 4** - Location is in a sensitive area because of proximity to surface water; therefore, operator must ensure 110 percent secondary containment for any volume of fluids contained at well site during drilling and completion operations.
 - COA 5** - Operator must implement best management practices to contain any unintentional release of fluids.
4. **General:** The following conditions of approval (COAs) will also apply:
 - COA 38** - The moisture content of any drill cuttings in a cuttings pit, trench, or pile shall be as low as practicable to prevent accumulation of liquids greater than de minimis amounts. At the time of closure, the drill cuttings must also meet the applicable standards of table 910-1.
 - COA 39** - No portion of any pit that will be used to hold liquids shall be constructed on fill material, unless the pit and fill slope are designed and certified by a professional engineer, subject to review and approval by the director prior to construction of the pit. The construction and lining of the pit shall be supervised by a professional engineer or their agent. The entire base of the pit must be in cut.

COGCC would appreciate your concurrence with attaching these COAs to the Form 2A permit prior to passing the OGLA review. The other issues also need to be addressed prior to permit approval. If you have any questions, please do not hesitate to call me at (970) 309-2514 (cell), or email. Thanks.

Dave

David A. Kubeczko, PG
Oil and Gas Location Assessment Specialist

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