



Kubeczko - DNR, Dave <dave.kubeczko@state.co.us>

Piceance Energy LLC, NVega Pad 5D, NWNW Sec 25 T9S R93W, Mesa County, Form 2A #400361453 Review

Kubeczko - DNR, Dave <dave.kubeczko@state.co.us>

Thu, Jan 24, 2013 at 8:10 AM

To: Dave Kubeczko - DNR <dave.kubeczko@state.co.us>

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From: **Julie Webb** <jwebb@progressivepcs.net>

Date: Wed, Jan 23, 2013 at 11:54 AM

Subject: RE: Piceance Energy LLC, NVega Pad 5D, NWNW Sec 25 T9S R93W, Mesa County, Form 2A #400361453 Review

To: "Kubeczko - DNR, Dave" <dave.kubeczko@state.co.us>

Hi Dave,

Sorry for the delay. I have read over the COA's.

Thank you.

Julie Webb
Regulatory Analyst
Progressive Consulting, Inc.
Cell: (616) 813-5063

From: Kubeczko - DNR, Dave [mailto:dave.kubeczko@state.co.us]**Sent:** Fri 1/11/2013 4:33 PM**To:** Julie Webb**Subject:** Piceance Energy LLC, NVega Pad 5D, NWNW Sec 25 T9S R93W, Mesa County, Form 2A #400361453 Review

Julie,

I have been reviewing the NVega Pad 5D **Form 2A** (#400361453). COGCC would like to attach the following conditions of approval (COAs) based on the information and data Piceance Energy has submitted on or attached to the Form 2A prior to passing the Oil and Gas Location Assessment (OGLA) review.

General Site: The following conditions of approval (COAs) will apply:

COA 91 - Notify the COGCC 48 hours prior to start of pad construction, rig mobilization, spud, and start of hydraulic stimulation operations using Form 42 (the appropriate COGCC individuals will automatically be email notified, including the LGD for hydraulic stimulation operations).

COA 5 - Operator must implement best management practices to contain any unintentional release of fluids, including any fluids conveyed via temporary surface or buried pipelines.

COA 23 - Operator must ensure secondary containment for any volume of fluids contained at well site during drilling and completion operations; including, but not limited to, construction of a berm or diversion dike, diversion/collection trenches within and/or outside of berms/dikes, site grading, or other comparable measures (i.e., best management practices (BMPs) associated with stormwater management) sufficiently protective of nearby surface water. Any berm constructed at the well pad location will be stabilized, inspected at regular intervals (at least every 14 days), and maintained in good condition.

COA 38 - The moisture content of any freshwater generated 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, if the drill cuttings are to be left onsite, they must also meet the applicable standards of table 910-1.

COA 25 - Flowback and stimulation fluids must be sent to tanks, separators, or other containment/filtering equipment before the fluids can be placed into any pipeline, storage vessel, or lined pit (only if an amended Form 2A has been submitted/approved and a

Form 15 Earthen Pit Permitted has been submitted/approved) located on the well pad; or into tanker trucks for offsite disposal. The flowback and stimulation fluid tanks, separators, or other containment/filtering equipment must be placed on the well pad in an area with additional downgradient perimeter berming. The area where flowback fluids will be stored/reused must be constructed to be sufficiently impervious to contain any spilled or released material.

COA 44 - The access road will be constructed as to not allow any sediment to migrate from the access road to nearby surface water or any drainages leading to surface water.

COA 46 - The location is in an area of moderate to high run off/run-on potential; therefore the pad shall be constructed to prevent any stormwater run-on and/or stormwater runoff.

COA 58 - Berms or other containment devices shall be constructed to be sufficiently impervious (preferably corrugated steel with poly liner) to contain any spilled or released material around crude oil, condensate, and produced water storage tanks.

Rule 303.d.(3).C.: The existing Location Drawing does not show the 400-foot buffer from the edge of the pad disturbance. A revised Location Drawing is requested. In addition, neither the Construction Layout Drawings nor the Location Drawing show the location of any proposed gas and water pipelines. These pipelines should be indicated either on one of the drawing attachments, or a statement indicating that these lines will follow the access road would be sufficient.

COGCC would appreciate your concurrence with attaching these COAs to the Form 2A permit prior to passing the OGLA review. 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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