

Dave Kubeczko - DNR

From: Dave Kubeczko - DNR
Sent: Wednesday, January 30, 2013 2:59 PM
To: dave.kubeczko@state.co.us
Subject: FW: KGH Operating Company, Meagher 14-1H Pad, SWNE Sec 14 T1S R104W, Rio Blanco County, Form 2A #400359202 Review

Scan No 2106502 CORRESPONDENCE 2A#400359202

From: tkproduc@180com.net [mailto:tkproduc@180com.net]
Sent: Wednesday, January 30, 2013 2:57 PM
To: Kubeczko - DNR, Dave
Subject: Re: KGH Operating Company, Meagher 14-1H Pad, SWNE Sec 14 T1S R104W, Rio Blanco County, Form 2A #400359202 Review

Dave,

Thank you for the information, we agree to all COA's as outlined.

From: [Kubeczko - DNR, Dave](#)
Sent: Wednesday, January 30, 2013 2:13 PM
To: tkproduc@180com.net
Subject: KGH Operating Company, Meagher 14-1H Pad, SWNE Sec 14 T1S R104W, Rio Blanco County, Form 2A #400359202 Review

Thomas,

I have been reviewing the Meagher 14-1H Pad **Form 2A** (#400359202). COGCC will attach the following conditions of approval (COAs) based on the data KGH Operating Company has submitted on or attached to the Form 2A prior to passing the Oil and Gas Location Assessment (OGLA) review

General: 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 23 - Operator must ensure 110 percent secondary containment for any volume of fluids contained at frac tank water transfer/storage site during completion operations (as shown on the Construction Layout Drawings and the Location Drawing attachments); 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 location will be stabilized, inspected at regular intervals (every 14 days at a minimum during the construction phase and at least every 30 days during operations period), and maintained in good condition.

COA 5 - Operator must implement best management practices to contain any unintentional release of fluids, including any fluids conveyed via temporary surface pipelines or permanent buried pipelines. Additional containment shall be required where temporary or permanent pumps and other necessary equipment or chemicals are located.

COA 61 - Operator shall pressure test pipelines in accordance with Rule 1101.e.(1) prior to putting into initial service any reconfiguration of the pipeline network. Operator shall maintain pipeline pressure testing records throughout operations of the water transfer facility. The records will be made available to COGCC upon request.

COA 25 - Flowback and stimulation fluids must be sent to tanks, separators, or other containment/filtering equipment on each individual well pad 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 must be placed on the frac pad in an area with additional downgradient perimeter berming and must be constructed to be sufficiently impervious to contain any spilled or released material. The site will be manned 24/7 during completion operations and period visual checks will be conducted to provide overflow monitoring of the tanks during flowback.

COA 49 - For pits containing fluids other than freshwater only; the pit must be fenced. If the pit is not drained, or closure has not begun within 30 days after last use for well completion, the pit must be netted. The operator must maintain the fencing and netting until the pit is closed.

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

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.

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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