

Dave Kubeczko - DNR

From: Dave Kubeczko - DNR
Sent: Thursday, July 11, 2013 12:49 PM
To: dave.kubeczko@state.co.us
Subject: FW: PROPOSED COGCC CONDITIONS OF APPROVAL FOR THE Waters 34-12-32 1H Pad, SWNW Sec 32 T34N R12W, La Plata County, Form 2A #400403083 Review - SWIFT INITIAL COMMENTS ON WATER STUDY CONDITIONS OF APPROVAL
Attachments: Niobrara COGCC Permitting for Waters Wellsite Attachment Emergency Response Statement 2013 06 28.pdf
Importance: High
Categories: Operator Correspondence

Scan No 2106698 CORRESPONDENCE 2A#400403083

From: Redweik, Bob [mailto:Robert.Redweik@swiftenergy.com]
Sent: Friday, June 28, 2013 9:52 AM
To: Dave Kubeczko - DNR
Cc: Greg Deranleau - DNR; Stenjem@ecosphere-services.com; Janet Wolf (wolf@ecosphere-services.com); Spray - DNR, Karen (karen.spray@state.co.us); Butch.Knowlton@co.laplata.co.us; Garrett Vogel (gvogel@flmfire.org)
Subject: RE: PROPOSED COGCC CONDITIONS OF APPROVAL FOR THE Waters 34-12-32 1H Pad, SWNW Sec 32 T34N R12W, La Plata County, Form 2A #400403083 Review - SWIFT INITIAL COMMENTS ON WATER STUDY CONDITIONS OF APPROVAL
Importance: High

See my comments below in RED. Note that Swift concurs except as noted below. Thanks for working with us on this language.

Also, please see the attached Statement Regarding Emergency Response Planning which Swift requests be attached to our permit application.

Thanks,

Bob Redweik



Swift Energy Operating, LLC
Corporate Manager - Health, Safety, and Environment
(281) 874-2570 (Office)
(713) 702-7534 (Mobile)

"No job is so urgent that you can't do it safely."

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From: Dave Kubeczko - DNR [mailto:dave.kubeczko@state.co.us]
Sent: Thursday, June 27, 2013 3:14 PM
To: Redweik, Bob

Cc: Greg Deranleau - DNR; Stenjem@ecosphere-services.com

Subject: RE: PROPOSED COGCC CONDITIONS OF APPROVAL FOR THE Waters 34-12-32 1H Pad, SWNW Sec 32 T34N R12W, La Plata County, Form 2A #400403083 Review - SWIFT INITIAL COMMENTS ON WATER STUDY CONDITIONS OF APPROVAL

Bob,

COGCC agrees to the edits below. We would like Swift Energy's concurrence for the remainder of the COAs (see below):

I have been reviewing the Waters 34-12-32 1H Pad **Form 2A** (#400403083). COGCC would like to attach the following conditions of approval (COAs) based on the information and data Swift Energy has submitted on or attached to the Form 2A prior to passing the Oil and Gas Location Assessment (OGLA) review.

General: The following previously attached 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 pipelines or buried permanent pipelines.

COA 23 - Operator must ensure secondary containment for any volume of fluids contained at well site during drilling and completion operations (as shown on the Proposed BMPs attachment); 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 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 48 - The surface soils and materials are fine-grained and moderately unconsolidated; therefore the access road and pad shall be constructed as quickly as possible and appropriate BMPs need to be in place both during and after well pad construction completion, as well as during all operations. Standard stormwater BMPs must be implemented at this location to insure compliance with CDPHE and COGCC requirements and to prevent any stormwater run-on and /or stormwater runoff.

COA 76 - Strategically apply fugitive dust control measures, ~~including enforcing established speed limits on private roads,~~ to reduce fugitive dust and coating of vegetation and deposition in water sources. **In accordance with Swift's ongoing discussions with the La Plata County Director of Emergency Management and the Fort Lewis Mesa Fire Department (see attached statement regarding Emergency Response), Swift has volunteered to provide periodic "off-duty" Sheriff patrols during periods of high volume traffic (e.g., construction, drilling, and completion phases) ensure compliance with speed limits on state, county, and private roads and to ensure approved access routes are followed.**

COA 24 - Operator shall stabilize exposed soils and slopes as an interim measure during drilling and completion operations at this well pad.

COA 38 - The moisture content of any 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 - If the well is to be hydraulically stimulated, then 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 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.

Groundwater Baseline Sampling: The following COA will also apply (if sampling is allowed by the applicable owner):

COA 9 - Prior to drilling, operator shall sample water wells located around the proposed oil and gas location in accordance with Rule 609. Statewide Groundwater Baseline Sampling and Monitoring and as described below:

- 1) Permit No. 168615 – Janzen, David & Betsy; domestic; TD – 525’ bgs; SWL – 390’ bgs; FM – bedrock; located approximately 2705’ to the E-NE (upgradient). This well is located outside of the regulatory area of interest but Swift has agreed to include sampling and monitoring of this well under Swift’s voluntary program following the Rule 609 protocol if sampling is allowed by the owner.
- 2) Permit No. 140579 – Southern Ute Indian Tribe; domestic; TD - 430’ bgs; SWL - 150’ bgs; FM - bedrock; located approximately 3397’ to the SW (downgradient-crossgradient). This well is located outside of the regulatory area of interest but Swift has agreed to include sampling and monitoring of this well under Swift’s voluntary program following the Rule 609 protocol if sampling is allowed by the owner. *NOTE THAT DWR AND LA PLATA COUNTY HAVE DIFFERENT LOCATIONS FOR THIS WELL. SEE BOTH WELL LOCATIONS IDENTIFIED ON THE ATTACHED SWIFT GENERATED MAP (ONE IN BLUE TO THE SOUTH OF THE WELL AND ONE IN RED TO THE NW OF THE WELL). THIS DISCREPANCY NEEDS TO BE RESOLVED.*
- 3) Permit No. 212487 – Brown, Richard W; domestic/stock; TD - 500’ bgs; SWL - 305’ bgs; bedrock; located approximately 2026’ to the W-SW (downgradient). This well is located within the regulatory area of interest and will be subject to mandatory sampling and monitoring by Swift following Rule 609 protocol if sampling is allowed by the owner.
- 4) Permit No. 218540 – Caldwell, Ronald J; domestic; TD - 500’ bgs; SWL - 233’ bgs; FM - bedrock; located approximately 4028’ to the W (downgradient). This well is located outside of the regulatory area of interest but Swift has agreed to include sampling and monitoring of this well under Swift’s voluntary program following the Rule 609 protocol if sampling is allowed by the owner.
- 5) Permit No. 212488 – Brown, Richard W; domestic/stock; TD – 500’ bgs; SWL – 346’ bgs; FM - bedrock; located approximately 4024’ to the W-NW (downgradient-crossgradient). This well is located outside of the regulatory area of interest but Swift has agreed to include sampling and monitoring of this well under Swift’s voluntary program following the Rule 609 protocol if sampling is allowed by the owner.
- 6) At Swift’s discretion, other water wells may also be included in voluntary sampling and monitoring program.

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](tel:9703092514) (cell), or email. Thanks.

Dave

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

Colorado Oil & Gas Conservation Commission
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Rifle, CO 81650
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 Please consider the environment before printing this e-mail

From: Redweik, Bob [mailto:Robert.Redweik@swiftenergy.com]

Sent: Tuesday, June 18, 2013 11:48 PM

To: dave.kubeczko@state.co.us

Cc: Spray - DNR, Karen (karen.spray@state.co.us); Stenjem@ecosphere-services.com; Ashley Ager; Janet Wolf (wolf@ecosphere-services.com)

Subject: PROPOSED COGCC CONDITIONS OF APPROVAL FOR THE Waters 34-12-32 1H Pad, SWNW Sec 32 T34N R12W, La Plata County, Form 2A #400403083 Review - SWIFT INITIAL COMMENTS ON WATER STUDY CONDITIONS OF APPROVAL

Importance: High

As discussed below, Swift disagrees with the COGCC proposal to make water wells outside of the regulatory defined area of interest around the wellbore to be mandatory under Rule 609. Statewide Groundwater Baseline Sampling and Monitoring requirements since there is no regulatory requirement to include these wells under this rule. However, as discussed with Karen Spray, Swift's water study will have two separate portions – one to cover the mandatory wells under Rule 609 and one to be a voluntary program following Rule 609 protocol. Of the five (5) water wells listed below, four (4) were already included in our voluntary program and one (1) was already included in our mandatory program. Therefore, Swift is counter-proposing the following language for this Condition of Approval:

Groundwater Baseline Sampling: The following COA will also apply (if sampling is allowed by the applicable owner):

~~**COA 9 - Operator shall comply with Rule 609. STATEWIDE GROUNDWATER BASELINE SAMPLING AND**~~

~~**MONITORING.**~~ Prior to drilling, operator shall sample the following five (5) water wells located around the proposed oil and gas location (~~starting to the east-northeast and rotating clockwise~~) in accordance with Rule 609. Statewide Groundwater Baseline Sampling and Monitoring and as described below:

- 1) Permit No. 168615 – Janzen, David & Betsy; domestic; TD – 525' bgs; SWL – 390' bgs; FM – bedrock; located approximately 2705' to the E-NE (upgradient). This well is located outside of the regulatory area of interest but Swift has agreed to include sampling and monitoring of this well under Swift's voluntary program following the Rule 609 protocol if sampling is allowed by the owner.
- 2) Permit No. 140579 – Southern Ute Indian Tribe; domestic; TD - 430' bgs; SWL - 150' bgs; FM - bedrock; located approximately 3397' to the SW (downgradient-crossgradient). This well is located outside of the regulatory area of interest but Swift has agreed to include sampling and monitoring of this well under Swift's voluntary program following the Rule 609 protocol if sampling is allowed by the owner. *NOTE THAT DWR AND LA PLATA COUNTY HAVE DIFFERENT LOCATIONS FOR THIS WELL. SEE BOTH WELL LOCATIONS IDENTIFIED ON THE ATTACHED SWIFT GENERATED MAP (ONE IN BLUE TO THE SOUTH OF THE WELL AND ONE IN RED TO THE NW OF THE WELL). THIS DISCREPANCY NEEDS TO BE RESOLVED.*
- 3) Permit No. 212487 – Brown, Richard W; domestic/stock; TD - 500' bgs; SWL - 305' bgs; bedrock; located approximately 2026' to the W-SW (downgradient). This well is located within the regulatory area of interest and will be subject to mandatory sampling and monitoring by Swift following Rule 609 protocol if sampling is allowed by the owner.
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- 5) Permit No. 212488 – Brown, Richard W; domestic/stock; TD – 500' bgs; SWL – 346' bgs; FM - bedrock; located approximately 4024' to the W-NW (downgradient-crossgradient). This well is located outside of the regulatory area of interest but Swift has agreed to include sampling and monitoring of this well under Swift's voluntary program following the Rule 609 protocol if sampling is allowed by the owner.
- 6) At Swift's discretion, other water wells may also be included in voluntary sampling and monitoring program.

If you have any questions or comments, please let me know.

Thanks,

Bob Redweik



Swift Energy Operating, LLC
Corporate Manager - Health, Safety, and Environment
(281) 874-2570 (Office)
(713) 702-7534 (Mobile)

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SWIFT ENERGY OPERATING, LLC
ATTACHMENT TO THE WATERS WELL PERMIT APPLICATION
STATEMENT REGARDING EMERGENCY RESPONSE PLANNING

Further to Swift's Corporate commitment to Health, Safety, and Environmental compliance and our stewardship value, Swift has been working with the following:

- La Plata County Planning
- La Plata County Emergency Management
- La Plata County Public Works (Traffic Study)
- Colorado Department of Transportation
- La Plata County Sheriff Department
- Fort Lewis Mesa Fire Department
- Colorado Oil and Gas Commission
- Bureau of Land Management (only as an interested party – not a regulating agency)

since the beginning of the permitting process (as earlier as January 2013 for some of the above) in order to ensure proposed operations are safe and protective of the environment. Additionally, Swift is a member of the La Plata County Energy Council and supports their "Good Neighbor" pledge.

Based on the above communications, Swift is committed to the following:

- Providing periodic "off-duty" Sheriff patrols during periods of heavy traffic such as during the construction, drilling, and completion operation phases to ensure compliance with speed limits on state, county, and private roads and to ensure approved access routes are followed.
- Providing awareness training for the Fort Lewis Mesa Fire Department and Sheriff's Department staff prior to start of operations and site visits as needed to ensure personnel are familiar with our facilities and the hazards which may exist. Note that the first awareness training session was completed on June 13, 2013 in Hesperus.
- Providing freshwater onsite in a storage tank in case of emergency should they have a need for additional fire fighting water while in proximity to our wellsite.
- Providing a stand-by water truck with a load of freshwater during periods of extended production testing flaring to assist with fire fighting if needed.
- Requesting periodic inspections by the Fire Department to ensure fire hazards are minimized – particularly during the periods of extended production testing flaring.
- Placement of fire extinguishers onsite to allow Swift to fight incipient fires in accordance with our health, safety, and environmental guidance.
- Storage of an oil spill response trailer onsite during periods of heavy traffic such as during the construction, drilling, and completion operation phases to ensure Swift is able to quickly response in case of a release event. Swift has also contracted with an oil spill response organization in Farmington, NM who can assist in case of an emergency event.
- Applicable emergency response documents and plans shall be in place during all operations (e.g., Stormwater Management Plan, Emergency Action Plan, SPCC Plan, etc.
- Voluntary water well study to ensure a baseline can be established prior to any drilling operations.
- Continuing ongoing and open discussions with emergency response personnel regarding the above and any other issues which might arise.