



September 16, 2013

Mrs. Kathy Vertiz
143 Diamond Ave
Parachute, CO 81635

RE: Huggard 2-13API #05-045-07170, COGCC Facility # 211410, Location ID # 323984
NENW Section 2: TWP: 7s Range: 94w Garfield County Colorado

Dear Mrs. Vertiz:

The Colorado Oil and Gas Conservation Commission (COGCC) are referring Notice of Alleged Violation (NOAV) Doc#200361992 for further enforcement. COGCC staff conducted follow up inspections on 11/13/12 and 8/21/13 Field Inspection Document numbers 668100129,668100225.

During the 8/27/12 inspection staff observed erosion occurring along the lease road. A corrective action date of 11/18/12 was given to install and maintain storm water BMP on the lease road. NOAV Doc# 200361992 was issued in conjunction with inspection 668100129, due to erosion along the lease road. A corrective action date of 11/18/12 was given to install and maintain storm water BMP along the lease road used to access Location # 323984

On 11/19/12 COGCC staff conducted a follow up inspection Doc# 668100143. COGCC staff observed that evidence of erosion was still evident along the lease road used to access Location # 323984, see attached photographs 1, 2, 3, &4. A corrective action date of 12/14/12 was given to provide a detailed time line of all planned work with completion dates. On 11/30/12 North West Inspection Unit Supervisor Shaun Kellerby, met with Encana staff at the parachute office of Encana, to discuss NOAV # 200361992. On 12/14/12 Encana provided a work plan to meet corrective actions required on COGCC NOAV Doc# 200361992 see attached work plan. Approval was given to Encana to implement all corrective actions listed on the Encana work plan. Completion date for all work was agreed upon as 7/31/2013.

On 9/3/13 COGCC staff conducted a follow up inspection Doc# 668100225. COGCC staff observed that all corrective actions listed on the Encana work plan were not complete; see attached photographs 5-12. Staff observed evidence of erosion during inspection of the lease road used to access Location # 323984. NOAV Doc # 668100129 has been referred for hearing.

The Colorado Oil and Gas Conservation Commission look forward to working with Encana Oil & Gas (USA) INC to bring this site into compliance. If you have any questions or comments please contact me at (970) 285.7235 or at Shaun.Kellerby@state.co.us

Sincerely,

A handwritten signature in black ink, appearing to read 'Shaun Kellerby', with a long, sweeping horizontal line extending to the right.

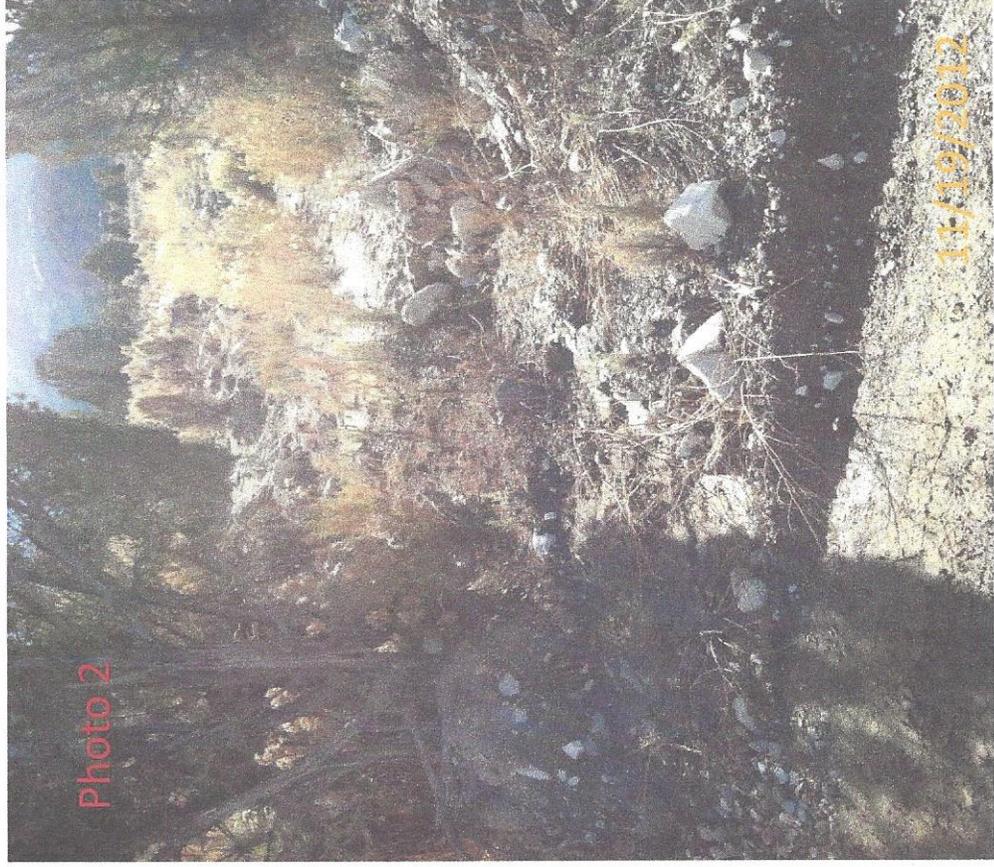
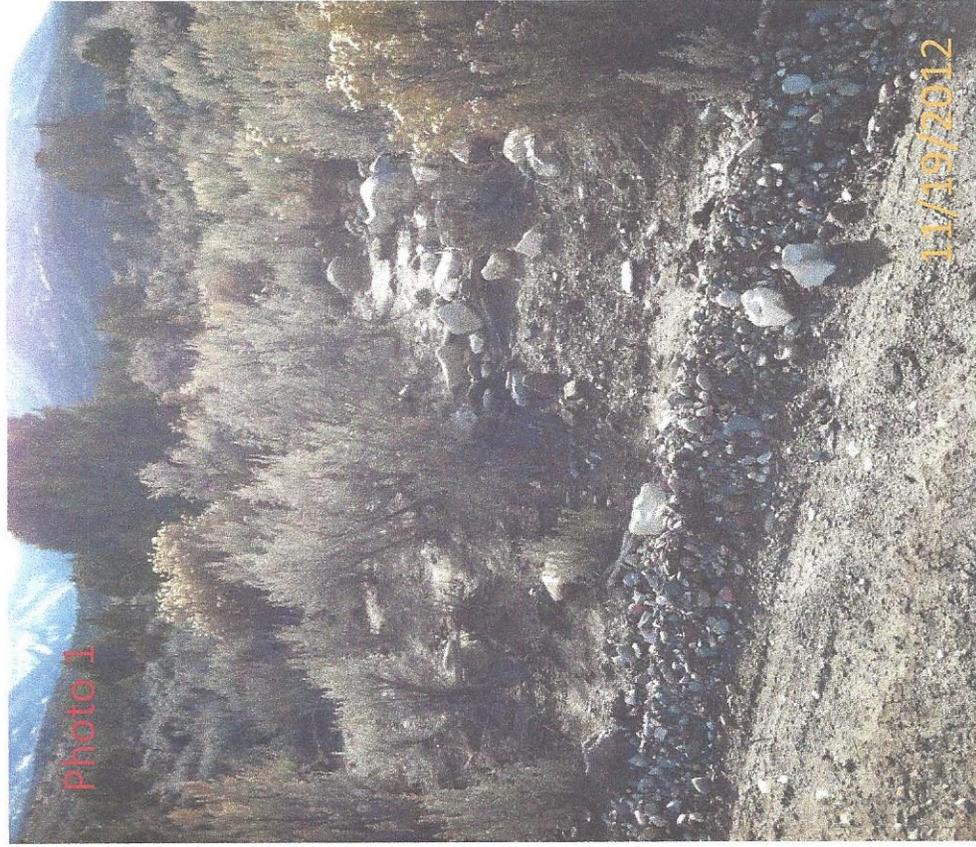
Shaun Kellerby
North West Colorado Field Inspection Supervisor
Colorado Oil and Gas Conservation Commission

Cc: Peter Gowen, COGCC Enforcement Officer

Attachments: Encana work plan
Photographs

November 19, 2012 Lease Road

Location 323984

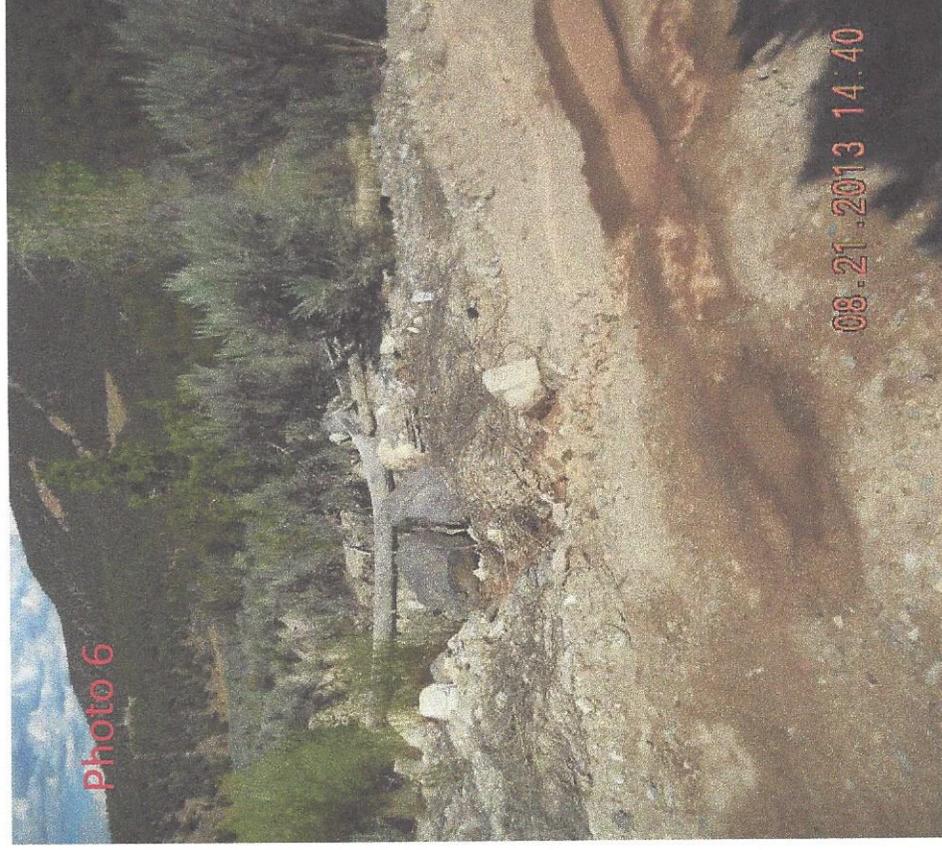
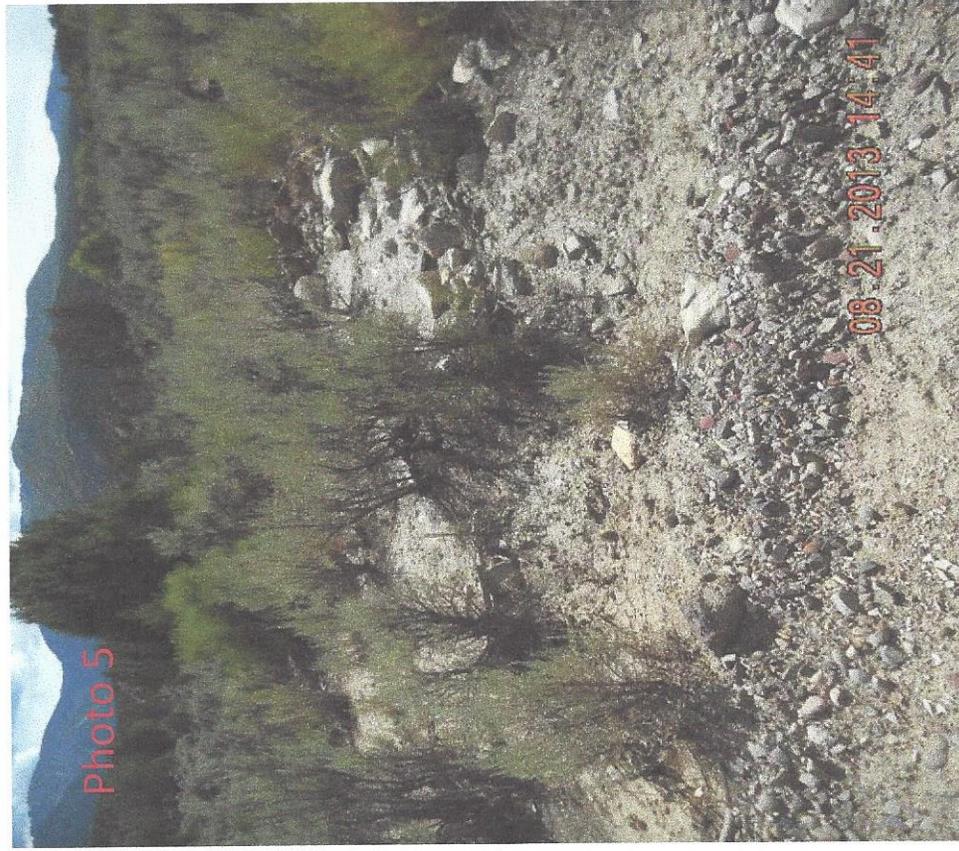


November 19, 2012 Lease Road

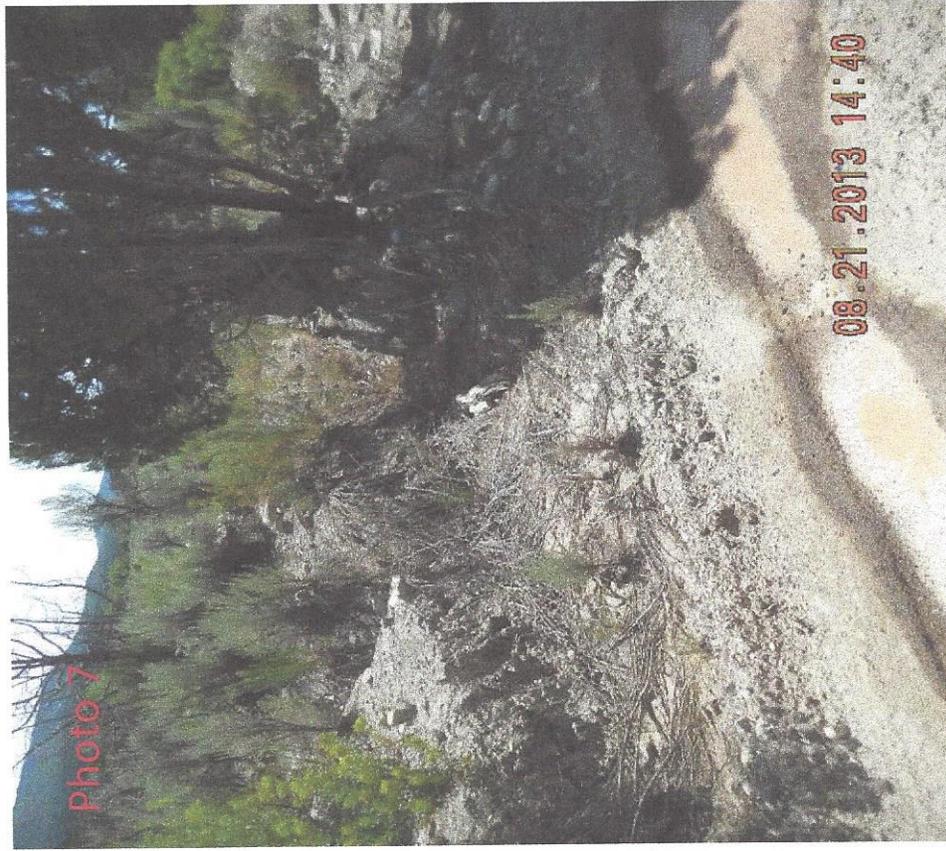
Location 323984



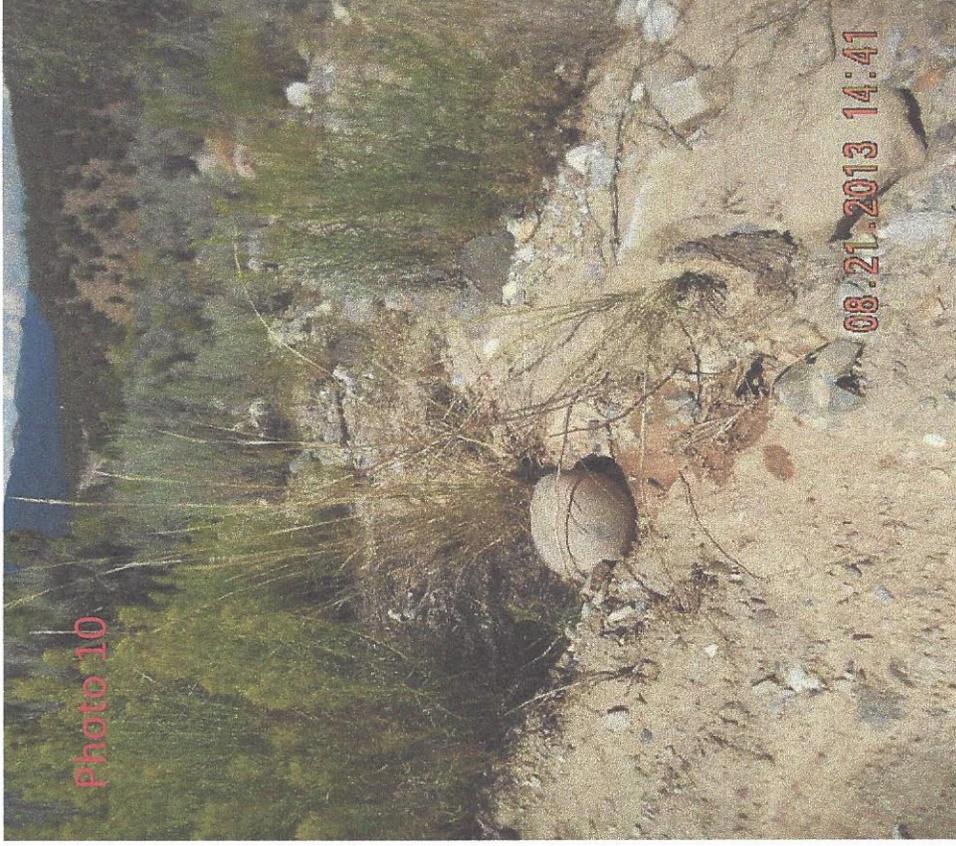
Lease Road Location 323984



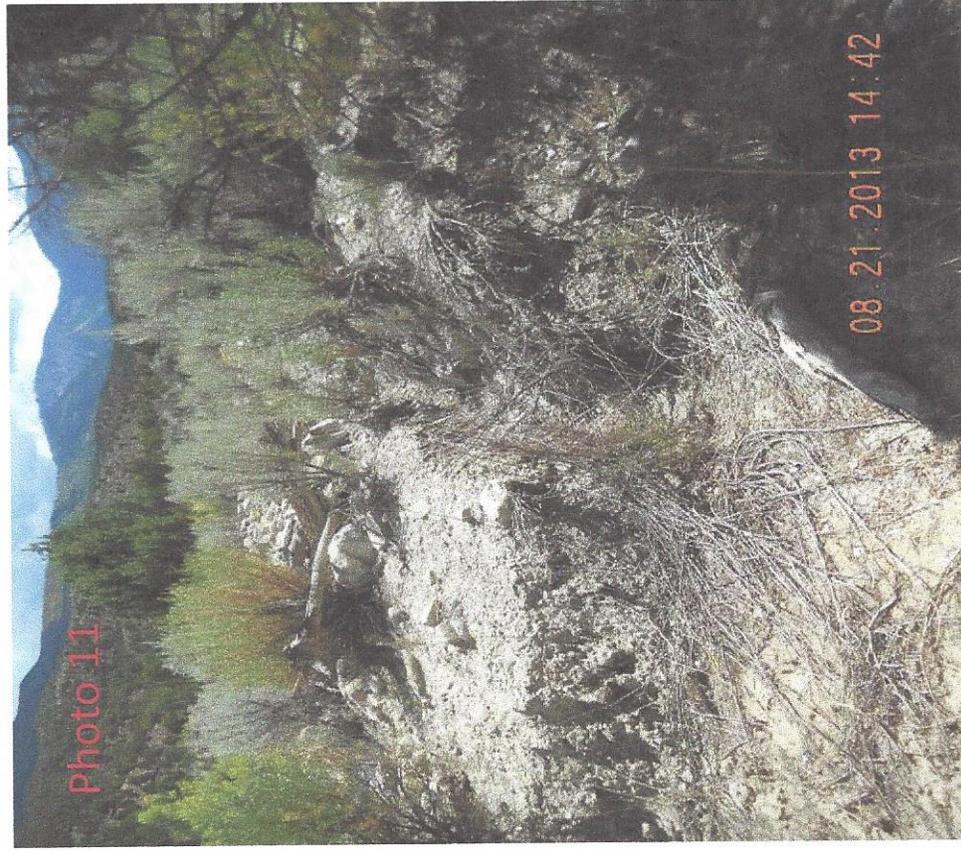
Lease Road Location 323984



Lease Road Location 323984



Lease Road Location 323984



December 14, 2012

State of Colorado
Oil and Gas Conservation Commission
Attention: Mr. Shaun Kellerby
NW Colorado Field Inspection Supervisor
707 Wapiti Court, Suite 204
Rifle, CO 81650

Dear Mr. Kellerby:

RE: Field Inspection 668100143, Violation Huggard 2-13

Encana Oil & Gas (USA) Inc. (Encana) is submitting the following response to the Field Inspection 668100143 Violation for the Huggard 2-13 access road inspected on November 19, 2012. The inspection stated that all corrective actions have not been completed from the NOAV (Doc # 200361992 issued on September 4, 2012) corrective action due date of November 18, 2012. Within the Field Inspection Form, Encana was asked to provide a detailed time line, with completion dates, of all planned work, in writing to COGCC by December 14, 2012. The responses contained in this letter demonstrate Encana's commitment and planned corrective action for the remaining work. All steps and planned work are listed below with completion dates:

1. No Stormwater Best Management Practices (BMPs) observed on the lease road.

Between September 27 and October 5, 2012 Encana has built the road up to allow for the installation of additional drainage controls, which has created positive drainage into the newly installed roadside ditches. The ditches convey concentrated runoff from the road to surface waters and surrounding areas by way of stabilized outlets.

On November 16, 2012 Encana seeded and hydro-mulched the areas that were disturbed during this maintenance activity. The revegetation reduces erosion and sedimentation by stabilizing disturbed areas in a manner that is economical, and adaptable to varying site conditions.

By December 21, 2012 Encana will install Rock Check Dams in the roadside ditch. The Rock Check Dams will help to reduce erosional down cutting in the roadside ditch by dissipating energy. They will also allow retention time for sediment to settle out before discharging into roadside culverts.

Before May 2013, Encana will have researched the best, most cost effective impervious material to be installed in the original Porcupine drainage area. This material will serve to protect the road and maintain the original drainage. The area to be addressed is approximately 90' x 12'.

By July 2013, Encana will have installed the preferred impervious material addressing the need for BMPs in the original Porcupine drainage area.

Encana Oil & Gas (USA) Inc.

143 Diamond Avenue Parachute CO 81635 USA 970.285.2600 encana.com

2. No Stormwater BMPs observed at the intermittent creek crossings.

Between September 27 and October 5, 2012 Encana has installed culverts at the intermittent creek crossings.

By December 21, 2012 Encana will have installed Rock Armored Inlet/Outlet protection on the culverts conveying flows for the intermittent drainages, not to include the privately owned irrigation ditch. Wattles will be installed at the privately owned irrigation ditch to prevent the possibility of splash from the road entering the waterway.

3. Erosion channels were observed along the edge and in the middle of the road way. Stormwater is allowed to run along the road way, and then exit the road way causing erosion at the exit point on the road way.

On October 5, 2012 Encana capped the road with 1 1/2" screened rock which provides additional protection for the stabilized unpaved surface.

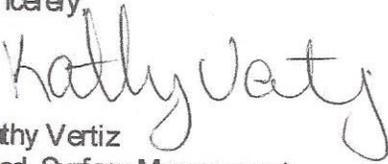
4. Concrete culvert used to cross porcupine creek shows erosion around the culvert.

On October 15 and 16, 2012 Encana applied grout in and around the rock armoring protecting the culvert. The grout sealed the voids between the rocks encouraging positive drainage into and through the culvert. The grouting was installed according to the engineered plans by High Country Engineering Inc. (please see attachment for details).

Encana has had a fully implemented Post Construction Stormwater Management Plan since August 17, 2010. It was recently updated September 2012.

Please let me know if you need any additional information. If you should have any questions please contact me at (970) 285-2626 or kathy.vertiz@encana.com

Sincerely,

A handwritten signature in cursive script that reads "Kathy Vertiz".

Kathy Vertiz
Lead, Surface Management
Piceance Basin