

Dave Kubeczko - DNR

From: Dave Kubeczko - DNR
Sent: Thursday, December 26, 2013 9:19 AM
To: dave.kubeczko@state.co.us
Subject: FW: Black Diamond Minerals LLC, TPR Well Pad 36A Pad, SWNE Sec 36 T7S R94W, Garfield County, Form 2A #400505289 and Form 15 #400509505 Review

Categories: Operator Correspondence

Scan No 2106824 **CORRESPONDENCE** **2A#400505289**
Scan No 2106825 **CORRESPONDENCE** **15#400509505**

From: Dave Kubeczko - DNR [mailto:dave.kubeczko@state.co.us]
Sent: Thursday, December 12, 2013 9:56 AM
To: Mary Griggs
Cc: Anthony Sayre; Jamey Brumley; Scott Hall
Subject: RE: Black Diamond Minerals LLC, TPR Well Pad 36A Pad, SWNE Sec 36 T7S R94W, Garfield County, Form 2A #400505289 and Form 15 #400509505 Review

Mary,

I have reworded COAs 61 and 62 below. Please review as It now relates only if flowback or produced water are sent back to these tanks. I think this will work better in case Black Diamond needs to utilize these tanks differently.

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
Western Colorado

Colorado Oil & Gas Conservation Commission
Northwest Area Office
796 Megan Avenue, Suite 201
Rifle, CO 81650
FAX: (970) 625-5682
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dave.kubeczko@state.co.us

 *Please consider the environment before printing this e-mail*

From: Mary Griggs [mailto:mgriggs@badminerals.com]
Sent: Wednesday, December 11, 2013 6:27 PM
To: 'Dave Kubeczko - DNR'
Cc: 'Anthony Sayre'; 'Jamey Brumley'; 'Scott Hall'
Subject: RE: Black Diamond Minerals LLC, TPR Well Pad 36A Pad, SWNE Sec 36 T7S R94W, Garfield County, Form 2A #400505289 and Form 15 #400509505 Review

Dave,

We would like to get clarification on whether COA 62 pertains if ONLY fresh water tanks are on the PAD.

Thanks,
Mary

Mary Griggs, P.E.
Regulatory/Environmental Compliance
Black Diamond Minerals, LLC

From: Dave Kubeczko - DNR [<mailto:dave.kubeczko@state.co.us>]
Sent: Tuesday, December 10, 2013 12:53 PM
To: Mary Griggs
Cc: Anthony Sayre; Jamey Brumley
Subject: RE: Black Diamond Minerals LLC, TPR Well Pad 36A Pad, SWNE Sec 36 T7S R94W, Garfield County, Form 2A #400505289 and Form 15 #400509505 Review

Mary,

As long as the COAs are followed, Black Diamond Minerals LLC can use the frac tanks as needed (freshwater, frac fluid, flowback), as long as flowback from the wells on the TPR Well Pad 25A Pad is initially placed into frac tanks onsite to remove solids prior to being placed into any pipeline back to the TPR Well Pad 36A Pad.

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
Western Colorado

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 *Please consider the environment before printing this e-mail*

From: Mary Griggs [<mailto:mgriggs@badminerals.com>]
Sent: Tuesday, December 10, 2013 12:33 PM
To: 'Dave Kubeczko - DNR'
Cc: 'Anthony Sayre'; 'Jamey Brumley'
Subject: RE: Black Diamond Minerals LLC, TPR Well Pad 36A Pad, SWNE Sec 36 T7S R94W, Garfield County, Form 2A #400505289 and Form 15 #400509505 Review

Dave,

I wanted to clarify that we can put frac tanks (with frac fluid for completions) on the pad. Our Form 2A application says 80 frac tanks.

Thanks,
Mary

Mary Griggs, P.E.

Regulatory/Environmental Compliance

Black Diamond Minerals, LLC

From: Dave Kubeczko - DNR [<mailto:dave.kubeczko@state.co.us>]

Sent: Friday, December 06, 2013 11:36 AM

To: Mary Griggs

Subject: Black Diamond Minerals LLC, TPR Well Pad 36A Pad, SWNE Sec 36 T7S R94W, Garfield County, Form 2A #400505289 and Form 15 #400509505 Review

Mary,

I have been reviewing the TPR Well Pad 36A Pad **Form 2A** #400505289 and **Form 15** #400509505. COGCC would like to attach the following conditions of approval (COAs) based on COGCC's review of the location through our online GIS mapping tool and the data Black Diamond Minerals LLC (Black Diamond) has submitted on the Form 2A and Form 15 prior to passing the Oil and Gas Location Assessment (OGLA) review.

Planning: The following conditions of approval (COAs) will apply:

COA 91a - Notify the COGCC 48 hours prior to start of temporary frac pad reconstruction/regrading and pipeline testing, using Form 42 (the appropriate COGCC individuals will automatically be email notified, including the LGD for hydraulic stimulation operations).

COA 91b - Notify the COGCC 48 hours prior to start of hydraulic stimulation operations supported by this frac pad, using Form 42 (the appropriate COGCC individuals will automatically be email notified, including the LGD for hydraulic stimulation operations).

COA 92 - Surface Water Testing. When sufficient water exists in Beaver Creek, collection of baseline surface water data consisting of a pre-completion activities surface water sample collected immediately downgradient of the oil and gas location (frac pad) and follow-up surface water data consisting of a sample collected at the same location three (3) months after the conclusion of any completion activities. The sample parameters shall include: pH; alkalinity; specific conductance; major cations/anions (chloride, fluoride, sulfate, sodium); total dissolved solids (TDS); benzene, toluene, ethylbenzene, total xylenes (BTEX); gasoline range organics (GRO); diesel range organics (DRO); total petroleum hydrocarbons (TPH); polyaromatic hydrocarbons (PAH's [including benzo(a)pyrene]); and metals (arsenic, barium, calcium, chromium, iron, magnesium, selenium). Copies of all test results described above shall be provided to the Commission. The sample location shall be surveyed in accordance with Rule 215. In addition, the analytical results and surveyed sample locations shall be submitted to the COGCC in an electronic data deliverable format to the COGCC.

COA 72 - Operator shall prepare an emergency spill response program that includes employee training, safety, and maintenance provisions. In the event of a spill or release, the operator shall immediately implement the emergency response procedures in the above-described emergency response program. If a spill or release impacts or threatens to impact an PWS, the operator shall notify the COGCC & CDPHE immediately following discovery of the release, and the spill or release shall be reported to the Commission in accordance with Rule 906.b.(3), and to the Environmental Release/Incident Report Hotline (1-877-518-5608) in accordance with Rule 906.b.(4).

Construction: The following conditions of approval (COAs) will apply:

COA 44 - The access road will be maintained to prevent sediment migration from the access road to nearby surface water or any drainages leading to other nearby surface waters.

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

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.

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

COA 61 - Because of proximity of the frac pad to Beaver Creek, operator shall, to the extent practical, grade the well pad surface to slope towards the southeast, away from the edges of the fill slope side. In addition, tertiary containment will be required at the well pad location consisting of two lateral collection trenches/ditches **(requiring lining if flowback fluids or produced water are sent to the frac tanks)** along the west and north sides of the pad (outside of the well pad berm/ditches). The trenches will be graded to flow into an oversized catchment basin **(requiring lining if flowback fluids or produced water are sent to the frac tanks)** located near the northwest corner of the well pad. This basin will be surrounded by additional stormwater controls (i.e., straw waddle and/or silt fencing, or equivalent).

Drilling/Completions: The following conditions of approval (COAs) will apply:

COA 62 - **If flowback fluids or produced water are to be sent back to the tanks on this temporary frac pad location, then a** spill response trailer will be on location 24 hours a day, 7 days a week during completion operations to facilitate a timely response to any spills that may occur.

COA 63 - Appropriate heavy equipment (e.g., a backhoe) will be staged at the location during all drilling and completion operations so that any emergency diversions or pits to contain spills can be built immediately upon discovery.

COA 73a - All personnel working at the location during all drilling and completion operations will receive training on spill response and reporting. Documentation of this training will be maintained in the operator's office/onsite trailer.

COA 73b - At a minimum, weekly spill prevention meetings will be held identifying staff responsibilities in order to provide a quick and effective response to a spill. Appropriate documentation will be maintained in the operator's office/onsite trailer.

COA 73c - Operator will conduct daily inspections of equipment for leaks and equipment problems with appropriate documentation retained in the operator's office/onsite trailer. All equipment deficiencies shall be corrected. Daily monitoring should end approximately 14 days after well completion and/or after production has been stabilized; however, timely inspections should continue during the production phase.

COA 73d - Operator shall have trained personnel present at the frac tanks during water transfer into or out of tanks; personnel shall be able to shut off transfer pumps or close valves as necessary in response to upset conditions.

COA 6 - Additional containment shall be required where temporary or permanent pumps and other necessary equipment or chemicals are located on the frac pad site.

COA 74 - Operator will use adequately sized containment devices for all hazardous chemicals and/or materials stored or used on location.

COA 40 - Operator will implement measures to ensure that adequate separation of hydrocarbons from the influent occurs to minimize accumulation of oil on the surface of stored fluids. Operator shall also employ a method for monitoring buildup of phase-separated hydrocarbons on the surface of stored fluids.

Material Handling and Spill Prevention: The following conditions of approval (COAs) will apply to the Form 2A if any temporary surface/buried (poly/steel) pipelines are used during operations at the temporary frac pad location or nearby well pads:

COA 45 - Operator shall pressure test pipelines in accordance with Rule 1101.e.(1) prior to putting into initial service any temporary surface or permanent buried (steel/poly) pipelines and following any reconfiguration of the pipeline network. Operator shall notify the COGCC Oil and Gas Location Assessment (OGLA) Specialist for Western Colorado (Dave Kubeczko; email dave.kubeczko@state.co.us) and the COGCC Field Inspection Supervisor for Northwest Colorado (Shaun Kellerby; email shaun.kellerby@state.co.us) 48 hours prior to testing surface or buried steel/poly pipelines.

COA 48 - Operator must implement best management practices to contain any unintentional release of fluids along all portions of the surface pipeline route where temporary pumps and other necessary equipment are located.

COA 49 - Operator must routinely inspect the entire length of the surface pipeline to ensure integrity. Operator shall conduct daily inspections of surface poly pipeline routes for leaks during active transfer of fluids. Inspections shall be conducted by viewing the length of the pipeline; operator will endeavor to minimize surface disturbance during pipeline monitoring. The operator shall maintain records of inspections, findings and repairs, if necessary, for the life of the pipelines.

COA 54 - Operator must ensure appropriate secondary containment for volume of fluids that may be released before pump shut down from the surface pipeline at all stream, intermittent stream, ditch, and drainage crossings. Catchment basins, if needed, should be sized to contain the volume between pump stations or between the nearest pump station and the frac pad being used for this well pad location. Pump stations along the surface poly or steel pipeline route will be continuously monitored when operating in order to swiftly respond to such a failure.

COA 55 - Operator will utilize, to the extent practical, all existing access and other public roads, and/or existing pipeline right-of-ways, when placing/routing the surface pipelines.

Form 15 Pit Permit COAs: The following conditions of approval (COAs) will apply to both the Form 2A Permit and the Form 15 Pit Permit:

COA 26 - Notify COGCC Oil and Gas Location Assessment (OGLA) Specialist for Western Colorado (Dave Kubeczko; email dave.kubeczko@state.co.us) and the COGCC Field Inspection Supervisor for Northwest Colorado (Shaun Kellerby; email shaun.kellerby@state.co.us) 48 hours prior to start of reconstruction/regarding (if necessary) of the well/frac pad, start of construction of the pit (if different), pit liner installation, and start of fracing operations at nearby well pads (via Form 42).

COA 47 - The completions pit must be double-lined. The pit will also require a leak detection system (Rule 904.e).

COA 66 - Delivery and vacuum truck hoses will not be allowed to be placed directly onto the pit liner. Operator will construct a loading/unloading station (or equivalent delivery/retrieval system) located next to the pit, to deliver fluids to or remove fluids from the pit by truck. The loading/unloading station shall be designed and utilized to prevent hoses from being dropped into the pits and dragged over the liner, which could lead to liner damage. The loading/unloading station will be the only permitted access for manual fluids transfers to or from the pit. Vehicles will not be allowed to approach the pit any closer than the loading/unloading station. Each station will have a catch basin in case a leak occurs while operations personnel are connecting or disconnecting hoses. Signs clearly marking the truck loading/unloading station shall be provided and maintained by the operator.

COA 48 - Operator must submit as-built drawings (plan view and cross-sections) of the completion pit within 14 calendar days of construction.

COA 22 - After installation of the uppermost liner and prior to operating the pit, the synthetic liner(s) shall be tested by filling the pit with at least 75 percent of operating capacity of water, measured from the base of the pit (not to exceed the 2-foot freeboard requirement). The operator shall monitor the pit for leaks for a period of 72 hours prior to draining the pit and commencing operations. The leak detection system must also be monitored during the entire test. Operator shall notify the COGCC Oil and Gas Location Assessment (OGLA) Specialist for Western Colorado (Dave Kubeczko; email dave.kubeczko@state.co.us) 48 hours prior to start of the hydrotest. Hydrotest monitoring results must be maintained by the operator for the life of the pit and provided to COGCC prior to using the pit.

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.

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 27 - Submit additional disposal facilities (wells, pits, etc.), if necessary (i.e., if original disposal option changes), for pit liquid contents to COGCC via a Form 4 Sundry prior to disposal.

COA 28 - Pits used exclusively for drilling shall be closed in accordance with the 1000-Series Rules. Any pit(s) used for purposes other than drilling shall be closed in accordance with Rule 905. Closure of Pits, and Buried or Partially Buried Produced Water Vessels; with an approved Site Investigation and Remediation Workplan, Form 27.

COA 29 - At the time of pit closure, operator must submit disposal information for solids, if necessary, via a Form 4 Sundry Notice to the COGCC Location Specialist for Western Colorado (Dave Kubeczko; email dave.kubeczko@state.co.us). The disposal method will need to be approved prior to operator starting pit closure.

COGCC would appreciate your concurrence with attaching these COAs to the Form 2A and Form 15 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

Colorado Oil & Gas Conservation Commission
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