

Dave Kubeczko - DNR

From: Dave Kubeczko - DNR
Sent: Thursday, January 30, 2014 12:02 PM
To: dave.kubeczko@state.co.us
Subject: FW: EE3 LLC, Grizzly 3-32H Pad, NENW Sec 32 T8N R80W, Jackson County, Form 2A#400494658 Review

Categories: Operator Correspondence

Scan No 2106851 CORRESPONDENCE 2A#400494658

From: krodell@upstreampm.com [mailto:krodell@upstreampm.com]
Sent: Friday, January 17, 2014 12:10 PM
To: Dave Kubeczko - DNR
Subject: RE: EE3 LLC, Grizzly 3-32H Pad, NENW Sec 32 T8N R80W, Jackson County, Form 2A#400494658 Review

Thanks Dave. No comments or questions. All looks good.

Kim

From: Dave Kubeczko - DNR [mailto:dave.kubeczko@state.co.us]
Sent: Thursday, January 16, 2014 8:29 PM
To: krodell@upstreampm.com
Subject: EE3 LLC, Grizzly 3-32H Pad, NENW Sec 32 T8N R80W, Jackson County, Form 2A#400494658 Review

Kim,

I have been reviewing the Grizzly 3-32H **Form 2A** (#400494658). COGCC would like to attach the following conditions of approval (COAs) based on the data EE3 LLC (EE3) has submitted on or attached to the Form 2A prior to passing the Oil and Gas Location Assessment (OGLA) review.

Planning: 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 9 - As required for Groundwater Baseline Sampling; Operator shall comply with Rule **609. STATEWIDE GROUNDWATER BASELINE SAMPLING AND MONITORING.**

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

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 described in and 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 and maintained as to not allow any sediment to migrate from the access road to nearby surface water or any drainages leading to surface water.

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

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

COA 11 - A closed loop system (which operator has indicated on the Form 2A) must be implemented during drilling.

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 - 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.

Based on the information provided in the Form 2A by EE3, COGCC will attach these COAs to the Form 2A permit, EE3 does not need to respond, unless you have questions or concerns with details in this email. 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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