

Dave Kubeczko - DNR

From: Dave Kubeczko - DNR
Sent: Wednesday, March 05, 2014 9:35 AM
To: dave.kubeczko@state.co.us
Subject: FW: Elm Ridge Exploration Company LLC (Elm Ridge), IGW 122 Pad, NESE Sec 7 33N R8W, La Plata County, Form 2A#400544024 Review

Categories: Operator Correspondence

Scan No 2106924 CORRESPONDENCE 2A#400544024

Verbal acceptance from Doug Joyce on 2-12-14. Received revised attachments on 2-12-14 and 2-13-14.

From: Dave Kubeczko - DNR [mailto:dave.kubeczko@state.co.us]
Sent: Tuesday, February 11, 2014 5:56 PM
To: Terry Lindeman
Subject: Elm Ridge Exploration Company LLC (Elm Ridge), IGW 122 Pad, NESE Sec 7 33N R8W, La Plata County, Form 2A#400544024 Review

Terry,

I have been reviewing the Elm Ridge Exploration Company LLC (Elm Ridge) IGE 103 Pad **Form 2A** (#400544024). COGCC would like additional attachments (Revised Location Drawing, Reference Area Map, Reference Area Picture; as outlined below) and would like to attach the following conditions of approval (COAs) based on the information and data Elm Ridge has submitted on or attached to the Form 2A prior to passing the Oil and Gas Location Assessment (OGLA) review.

Rule 303.d.(3).F.ii.aa and bb: Since the current and future land uses are non crop land (rangeland), a reference area needs to be indicated on a topographic map. **The reference area map shows the reference area to be on the well pad. Another area needs to be identified.** In addition, four (each of the cardinal directions) color photographs taken during the growing season of the reference area are required within 12 months of the Form 2A permit application date (04/05/2011). Another option: **would be to select an area immediately adjacent (i.e., north, west, south, or east) to the well pad as the reference area and indicate this on the Submit Tab (Operator Comments and Submittal).**

Comments on the Form 2A need to indicate the direction of the Location Picture to be used for the reference area. This option requires that the selected location picture show that the reference area can be distinguished to an area off the pad. In addition, when the operator is using a location picture to define the reference area, the following statement needs to be used: "The reference area is located immediately adjacent to the well pad to the north (as shown on the north Location Picture) on undisturbed ground".

Rule 303.d.(3).D.: A scaled drawing, or scaled aerial photograph showing the approximate outline of the Oil and Gas Location and the Well or reference point use for measuring distances. The drawing shall include all visible improvements within five hundred (500) feet of the proposed Oil and Gas Location, with a horizontal distance and approximate bearing from Oil and Gas Location. Visible improvements shall include, but not be limited to, all Building Units, publicly maintained roads and trails, major above-ground utility lines, railroads, pipelines, mines, oil wells, gas wells, injection wells, water wells known to the operator and those registered with the Colorado State Engineer, known springs, plugged wells, known sewers with manholes, standing bodies of water, and natural channels including permanent canals and ditches through which water may flow. A description of surface uses within the five hundred (500) foot radius of a proposed Oil and Gas Location, if any, shall be attached to the scaled drawing. If there are no visible improvements within five hundred (500) feet of a proposed Oil and Gas Location, it shall be so noted on the Form 2A.

The Location Drawing should show the 500-foot buffer (an actual line on the drawing) measured from the edge of disturbance (not the center of the well pad) and any improvements (listed in the rule: pipelines, fences, etc) within 500-feet. This drawing should fill the entire page to allow for details to be seen.

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

COA 91 - Notify the COGCC 48 hours prior to start of pad reconstruction/regrading, 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 608. **COALBED METHANE WELLS. b. Water well sampling.**

In addition, this location has been designated a “sensitive area” due to shallow groundwater (20’ bgs) and proximity to downgradient surface water (262’).

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

COA 23 - Operator must ensure secondary containment for any volume of fluids contained at well site during drilling and completion operations; 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 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.

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

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.

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 or storage vessel 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.

Drilling/Completions: The following conditions of approval (COAs) will apply to the Form 2A Permit if any temporary surface pipelines (poly or steel) or buried (poly or steel) pipelines are used during operations at the well 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 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 Southwest Colorado (Steve Labowski; email steve.labowski@state.co.us) 48 hours prior to testing surface or buried poly/steel pipelines.

Operator shall also adhere to the BMPs listed on the Operator BMP/COA Tab as well as to the following rule:

Rule 604.c.(2). A. thru W.:

604. SETBACK AND MITIGATION MEASURES FOR OIL AND GAS FACILITIES, DRILLING, AND WELL SERVICING OPERATIONS

c. **Mitigation Measures.** The following requirements apply to an Oil and Gas Location within a Designated Setback Location and such requirements shall be incorporated into the Form 2A or associated Form 2 as Conditions of Approval.

(2) **Location Specific Requirements – Designated Setback Locations.** Subject to Rule 502.b., the following mitigation measures shall apply to any Well or Production Facility proposed to be located within a Designated Setback Location for which a Form 2 Application for Permit to Drill or Form 2A Oil and Gas Location Assessment is submitted on or after August 1, 2013: In particular:

J. **BOPE for well servicing operations.**

- R. Tank Specifications. .
- T. Well site cleared.
- U. Identification of plugged and abandoned wells.

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
Western Colorado

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