

**STATE OF
COLORADO**

Andrews - DNR, Doug <doug.andrews@state.co.us>

COGCC Form 2A review of Bill Barrett's Fiducial 6-62-34_35 NWSW location - Doc #4005743316 messages

Andrews - DNR, Doug <doug.andrews@state.co.us>

Thu, Mar 27, 2014 at 1:30 PM

To: Mary Pobuda <mpobuda@billbarrettcorp.com>

Mary,

I have reviewed the referenced Form 2A Oil & Gas Location Assessment and have the following comments.

1) In the Construction section you have indicated the date planned to commence construction is 5/1/14 and the estimated date that interim reclamation will begin as 4/1/15. This is not in compliance with COGCC Rule 1003.b. Why will it take 11 months before interim reclamation will begin on this proposed oil and gas location when only two wells will be drilled and no production facilities will be constructed? Please provide a revised date that interim reclamation will begin.

2) A review of your Reference Area Map indicates your chosen Reference Area is where your proposed Fiducial 6-62-34_35 SWSW oil and gas location (Form 2A Doc #400578049) will be constructed. I'm referring to the proposed well pad located in the SWNW quarter-quarter of Section 34. This is not an acceptable location for a Reference Area. Please provide me with a revised Reference Area Map and Reference Area Pictures for a Reference Area that will not be disturbed by oil and gas operations.

3) Because there are two Modular Large Volume Tanks (MLVTs) to be utilized at this oil and gas location, I would like to add the following Conditions of Approval:

1. MLVTs may only be utilized for the storage of freshwater. E&P wastes, including produced water, treated E&P wastes, and flowback from hydraulic fracturing operations, are not allowed.
2. MLVTs shall be constructed and operated in accordance with a design certified and sealed by a Colorado Licensed Professional Engineer.
3. Site preparation and MLVT installation oversight shall be provided by a manufacturer representative either designated or otherwise certified to affirm that the site preparation and MLVT installation was completed in accordance with design specifications. Construction and installation of the tank structure, liner and sub-grade shall meet or exceed the manufacturer specifications.
4. COGCC Rules 604.a. and 605.a.(2,3,5,6,7, and 8), as applicable to tank setbacks at the time of installation shall apply to the siting of MLVTs.
5. All MLVT liner seams shall be welded at the liner manufacturers facility; field welded liners shall not be used. Liners shall not be reused.
6. Signs shall be posted on the MLVT to indicate contents are freshwater and that no E&P waste fluids are allowed. Location and additional signage shall conform to Rule 210.
7. MLVTs shall be operated with a minimum of 1 foot freeboard.
8. Operator shall be onsite and inspect for leaks during the initial filling of the MLVT. If

leaks are observed, filling shall cease and the leaks be repaired and the integrity of the tank evaluated.

9. Once in operation, the MLVT shall be inspected daily and any deficiencies repaired as soon as practicable.

10. Access to the MLVT shall be limited to operational personnel.

11. Operators employing MLVTs on their Oil & Gas Locations shall develop and comply with a written standard operating procedure.

12. Should a failure of MLVT integrity occur, operator shall notify COGCC upon discovery, report the incident to COGCC on a Form 22-Accident Report within 10 days, and shall conduct a root cause analysis and provide it to the COGCC on a Form 4-Sundry Notice within 30 days of the failure.

Please respond to this correspondence by April 27, 2014. If you have any questions, please feel free to contact me. Thank you.

—

Doug Andrews

Oil & Gas Location Assessment Specialist - Northeast Area



1120 Lincoln St., Suite 801
Denver, CO 80203
doug.andrews@state.co.us
303-894-2100 Ext. 5180

Mary Pobuda <mpobuda@billbarrettcorp.com>
To: "Andrews - DNR, Doug" <doug.andrews@state.co.us>

Fri, Mar 28, 2014 at 9:22 AM

Good Morning Doug,

Please see my comments below in red, thanks.

Mary Pobuda

Permit Analyst

Bill Barrett Corporation

303-312-8511 direct | 720-402-7539 cell

mpobuda@billbarrettcorp.com

From: Andrews - DNR, Doug [<mailto:doug.andrews@state.co.us>]

Sent: Thursday, March 27, 2014 1:31 PM

To: Mary Pobuda

Subject: COGCC Form 2A review of Bill Barrett's Fiducial 6-62-34_35 NWSW location - Doc #400574331

Mary,

I have reviewed the referenced Form 2A Oil & Gas Location Assessment and have the following comments.

1) In the Construction section you have indicated the date planned to commence construction is 5/1/14 and the estimated date that interim reclamation will begin as 4/1/15. This is not in compliance with COGCC Rule 1003.b. Why will it take 11 months before interim reclamation will begin on this proposed oil and gas location when only two wells will be drilled and no production facilities will be constructed? Please provide a revised date that interim reclamation will begin.
1/1/15

2) A review of your Reference Area Map indicates your chosen Reference Area is where your proposed Fiducial 6-62-34_35 SWSW oil and gas location (Form 2A Doc #400578049) will be constructed. I'm referring to the proposed well pad located in the SWNW quarter-quarter of Section 34. This is not an acceptable location for a Reference Area. Please provide me with a revised Reference Area Map and Reference Area Pictures for a Reference Area that will not be disturbed by oil and gas operations. **The SWSW pad is located about 600' west of the reference point. These two pads (SWSW & NWSW) have the same reference point, maybe that's where the confusion is. Could you take another look for me before I send a surveyor out?**

3) Because there are two Modular Large Volume Tanks (MLVTs) to be utilized at this oil and gas location, I would like to add the following Conditions of Approval: **BBC accepts the following COAs**

1. MLVTs may only be utilized for the storage of freshwater. E&P wastes, including produced water, treated E&P wastes, and flowback from hydraulic fracturing operations, are not allowed.
2. MLVTs shall be constructed and operated in accordance with a design certified and sealed by a Colorado Licensed Professional Engineer.
3. Site preparation and MLVT installation oversight shall be provided by a manufacturer representative either designated or otherwise certified to affirm that the site preparation and MLVT installation was completed in accordance with design specifications.
Construction and installation of the tank structure, liner and sub-grade shall meet or exceed the manufacturer specifications.
4. COGCC Rules 604.a. and 605.a.(2,3,5,6,7, and 8), as applicable to tank setbacks at the time of installation shall apply to the siting of MLVTs.
5. All MLVT liner seams shall be welded at the liner manufacturers facility; field welded liners shall not be used. Liners shall not be reused.
6. Signs shall be posted on the MLVT to indicate contents are freshwater and that no E&P waste fluids are allowed. Location and additional signage shall conform to Rule 210.

7. MLVTs shall be operated with a minimum of 1 foot freeboard.
8. Operator shall be onsite and inspect for leaks during the initial filling of the MLVT. If leaks are observed, filling shall cease and the leaks be repaired and the integrity of the tank evaluated.
9. Once in operation, the MLVT shall be inspected daily and any deficiencies repaired as soon as practicable.
10. Access to the MLVT shall be limited to operational personnel.
11. Operators employing MLVTs on their Oil & Gas Locations shall develop and comply with a written standard operating procedure.
12. Should a failure of MLVT integrity occur, operator shall notify COGCC upon discovery, report the incident to COGCC on a Form 22-Accident Report within 10 days, and shall conduct a root cause analysis and provide it to the COGCC on a Form 4-Sundry Notice within 30 days of the failure.

Please respond to this correspondence by April 27, 2014. If you have any questions, please feel free to contact me. Thank you.

—

Doug Andrews

Oil & Gas Location Assessment Specialist - Northeast Area



1120 Lincoln St., Suite 801

Denver, CO 80203

doug.andrews@state.co.us

303-894-2100 Ext. 5180

Andrews - DNR, Doug <doug.andrews@state.co.us>

Fri, Mar 28, 2014 at 10:25 AM

To: Mary Pobuda <mpobuda@billbarrettcorp.com>

Mary,

The Reference Area Map indicates the Reference Area will be at Lat. 40.445783, Long. 104.317325. The 2A for nearby proposed Fiducial location to the north in the SWNW of Section 34 (Doc #400578049) indicates that well pad will be at Lat. 40.445700, Long. 104.317328. When I map these two sets of coordinates, they are only approximately 30 feet apart, indicating your Reference Area will be on ground that will be disturbed by your oil and gas operations. Please review your Reference Area Map again as it clearly does not show it being 600 feet east of the

SWSW pad, but more like 1,000 feet north of the NWSW pad. I have attached it to this email.

Please be aware that you have Form 2As submitted for two different locations but they have the same name (Fiducial 6-62-34_35 SWSW). Only one is actually in the SWSW quarter-quarter. The other is in the SWNW quarter-quarter. I am referring to the one in the SWNW quarter-quarter.

[Quoted text hidden]



BBC Fiducial Ref Area Map.pdf

492K

Mary Pobuda <mpobuda@billbarrettcorp.com>
To: "Andrews - DNR, Doug" <doug.andrews@state.co.us>

Tue, Apr 1, 2014 at 1:37 PM

Hi Doug,

Attached is a corrected map and photos.

Also, would you correct the name on the 2A you mention below? It's doc#400578049, the name should be "SWNW".

Thanks for your review. Let me know what else you need.

Mary

From: Andrews - DNR, Doug [mailto:doug.andrews@state.co.us]

Sent: Friday, March 28, 2014 10:25 AM

To: Mary Pobuda

Subject: Re: COGCC Form 2A review of Bill Barrett's Fiducial 6-62-34_35 NWSW location - Doc #400574331

[Quoted text hidden]

2 attachments



Ref Map.pdf

490K



Ref Pics.pdf

843K

Andrews - DNR, Doug <doug.andrews@state.co.us>
To: Mary Pobuda <mpobuda@billbarrettcorp.com>

Tue, Apr 1, 2014 at 2:30 PM

Mary,

Thank you for sending the updated Reference Area Map and Pictures. These Reference Area Pictures were taken in January showing snow cover. Because Reference Area Pictures should be taken during the growing season, I will add the following Condition of Approval to this Form 2A.

"Operator shall submit Reference Area Pictures for this oil and gas location, taken during the 2014 growing season, to the COGCC via a Form 4 Sundry Notice by December 31, 2014."

[Quoted text hidden]

Mary Pobuda <mpobuda@billbarrettcorp.com>
To: "Andrews - DNR, Doug" <doug.andrews@state.co.us>

Tue, Apr 1, 2014 at 2:37 PM

Thanks Doug. BBC will submit updated photos via sundry notice this year.

From: Andrews - DNR, Doug [mailto:doug.andrews@state.co.us]
Sent: Tuesday, April 01, 2014 2:31 PM
To: Mary Pobuda

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