



Kerr-McGee Oil & Gas Onshore LP
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August 14, 2014

Received 8/14/14
Doc #1733909

Mr. Alex Fischer
West Supervisor
Colorado Oil and Gas Conservation Commission
1120 Lincoln Street, Suite 801
Denver, Colorado 80203

Re: **Centralized Exploration and Production Waste Management Facility
Permit Application – Revised Reclamation Cost Estimate
Kerr-McGee Oil & Gas Onshore LP
DFMF #2 Strear Farms
SW SEC 23-T2N-R67W
Weld County, Colorado**

Dear Mr. Fischer:

Kerr-McGee Oil and Gas Onshore LP (Kerr-McGee) is submitting this letter as a revision to the Reclamation Cost Estimate submitted on June 17, 2014 for the DFMF #2 Strear Farms Land Application Site (Site). This letter provides the estimated reclamation costs to return the Site to agricultural use.

Upon closure of the Site, the property will be used solely for agricultural purposes. Based on the final land use, reclamation activities will consist of closure soil sampling, laboratory analysis for Colorado Oil and Gas Conservation Commission Table 910-1 soil parameters, and removal of the storm water controls, concrete liquids handling center, perimeter fence, and signage. The reclamation costs are summarized in the attached Table 1.

Feel free to contact me at 720-929-6368 if you have any questions regarding this information.

Sincerely,

Kerr-McGee Oil & Gas Onshore LP

Mike Dinkel
Senior HSE Representative

Attachments

TABLE 1
Reclamation Cost Estimate - Centralized Exploration and Production Waste Management Facility
DFMF #2 Strear Farms
SW SEC 23-T2N-R67W
Weld County, Colorado
Kerr-McGee Oil & Gas Onshore LP

RECLAMATION	Unit	Price/Unit	Cost	Total Cost
Storm Water Controls/Berm Removal	9,240 feet	\$3.00/foot	\$27,720.00	
Concrete Liquids Handling Center Removal			\$10,000.00	
Perimeter Fence Removal			\$1,000.00	
Sign Removal			\$500.00	
			SUBTOTAL	\$39,220
SOIL SAMPLING and ANALYSIS	Unit	Price/Unit	Cost	Total Cost
Laboratory Analysis - COGCC Table 910-1 (soil parameters)	16 soil samples	\$600/sample	\$9,600.00	
Labor			\$1,000.00	
			SUBTOTAL	\$10,600
			TOTAL COST	\$49,820