

State of Colorado

Oil and Gas Conservation Commission

1120 Lincoln Street, Suite 801, Denver, Colorado 80203
Phone: (303) 894-2100 Fax: (303) 894-2109



DE	ET	OE	ES
Document Number: 400827391			
Date Received: 04/20/2015			

SUNDRY NOTICE

Submit a signed original. This form is to be used for general, technical and environmental sundry information. For proposed or completed operations, describe in full in Comments or provide as an attachment. Identify Well by API Number; identify Oil and Gas Location by Location ID Number; identify other Facility by Facility ID Number.

OGCC Operator Number: 66561 Contact Name Michael Brygger
 Name of Operator: OXY USA INC Phone: (970) 236-3601
 Address: PO BOX 27757 #110 Fax: ()
 City: HOUSTON State: TX Zip: 77227-7757 Email: michael_brygger@oxy.com

Complete the Attachment
Checklist

OP OGCC

API Number : 05- 077 00 OGCC Facility ID Number: 334198
 Well/Facility Name: MCDANIEL-69S94W Well/Facility Number: 14NENW
 Location QtrQtr: NENW Section: 14 Township: 9S Range: 94W Meridian: 6
 County: MESA Field Name: BRUSH CREEK
 Federal, Indian or State Lease Number: _____

Survey Plat		
Directional Survey		
Srvc Eqpmt Diagram		
Technical Info Page		
Other		

CHANGE OF LOCATION OR AS BUILT GPS REPORT

☐ Change of Location * ☐ As-Built GPS Location Report ☐ As-Built GPS Location Report with Survey

* Well location change requires new plat. A substantive surface location change may require new Form 2A.

SURFACE LOCATION GPS DATA Data must be provided for Change of Surface Location and As Built Reports.

Latitude _____ PDOP Reading _____ Date of Measurement _____
 Longitude _____ GPS Instrument Operator's Name _____

LOCATION CHANGE (all measurements in Feet)

Well will be: _____ (Vertical, Directional, Horizontal)

Change of **Surface** Footage **From** Exterior Section Lines:

Change of **Surface** Footage **To** Exterior Section Lines:

Current **Surface** Location **From** QtrQtr NENW Sec 14

New **Surface** Location **To** QtrQtr _____ Sec _____

Change of **Top of Productive Zone** Footage **From** Exterior Section Lines:

Change of **Top of Productive Zone** Footage **To** Exterior Section Lines:

Current **Top of Productive Zone** Location **From** Sec _____

New **Top of Productive Zone** Location **To** Sec _____

Change of **Bottomhole** Footage **From** Exterior Section Lines:

Change of **Bottomhole** Footage **To** Exterior Section Lines:

Current **Bottomhole** Location Sec _____ Twp _____

New **Bottomhole** Location Sec _____ Twp _____

Is location in High Density Area? _____

Distance, in feet, to nearest building _____, public road: _____, above ground utility: _____, railroad: _____,

property line: _____, lease line: _____, well in same formation: _____

Ground Elevation _____ feet Surface owner consultation date _____

FNL/FSL		FEL/FWL	
782	FNL	1663	FWL
Twp 9S	Range 94W	Meridian 6	
Twp	Range	Meridian	
			**
Twp	Range		
Twp	Range		
			**
			** attach deviated drilling plan

OTHER CHANGES

☐ **REMOVE FROM SURFACE BOND** Signed surface use agreement is a required attachment

☐ **CHANGE OF WELL, FACILITY OR OIL & GAS LOCATION NAME OR NUMBER**

From: Name MCDANIEL-69S94W Number 14NENW Effective Date: _____

To: Name _____ Number _____

☐ **ABANDON PERMIT: Permit can only be abandoned if the permitted operation has NOT been conducted. Field inspection will be conducted to verify site status.**

☐ WELL: Abandon Application for Permit-to-Drill (Form2) – Well API Number _____ has not been drilled.

☐ PIT: Abandon Earthen Pit Permit (Form 15) – COGCC Pit Facility ID Number _____ has not been constructed (Permitted and constructed pit requires closure per Rule 905)

☐ CENTRALIZED E&P WASTE MANAGEMENT FACILITY: Abandon Centralized E&P Waste Management Facility Permit (Form 28) – Facility ID Number _____ has not been constructed (Constructed facility requires closure per Rule 908)

OIL & GAS LOCATION ID Number: _____

☐ Abandon Oil & Gas Location Assessment (Form 2A) – Location has not been constructed and site will not be used in the future.

☐ Keep Oil & Gas Location Assessment (Form 2A) active until expiration date. This site will be used in the future.

Surface disturbance from Oil and Gas Operations must be reclaimed per Rule 1003 and Rule 1004.

☐ **REQUEST FOR CONFIDENTIAL STATUS**

☐ **DIGITAL WELL LOG UPLOAD**

☐ **DOCUMENTS SUBMITTED** Purpose of Submission: _____

RECLAMATION

INTERIM RECLAMATION

☐ Interim Reclamation will commence approximately _____

Per Rule 1003.e.(3) operator shall submit Sundry Notice reporting interim reclamation is complete and site is ready for inspection when vegetation reaches 80% coverage.

☐ Interim reclamation complete, site ready for inspection.

Per Rule 1003.e(3) describe interim reclamation procedure in Comments below or provide as an attachment and attach required location photographs.

Field inspection will be conducted to document Rule 1003.e. compliance

FINAL RECLAMATION

☐ Final Reclamation will commence approximately _____

Per Rule 1004.c.(4) operator shall submit Sundry Notice reporting final reclamation is complete and site is ready for inspection when vegetation reaches 80% coverage.

☐ Final reclamation complete, site ready for inspection. Per Rule 1004.c(4) describe final reclamation procedure in Comments below or provide as an attachment.

Field inspection will be conducted to document Rule 1004.c. compliance

Comments:

ENGINEERING AND ENVIRONMENTAL WORK

☐ NOTICE OF CONTINUED TEMPORARILY ABANDONED STATUS

Indicate why the well is temporarily abandoned and describe future plans for utilization in the COMMENTS box below or provide as an attachment, as required by Rule 319.b.(3).

Date well temporarily abandoned _____ Has Production Equipment been removed from site? _____

Mechanical Integrity Test (MIT) required if shut in longer than 2 years. Date of last MIT _____

☐ SPUD DATE: _____

TECHNICAL ENGINEERING AND ENVIRONMENTAL WORK

Details of work must be described in full in the COMMENTS below or provided as an attachment.

☒ NOTICE OF INTENT Approximate Start Date 04/20/2015

☐ REPORT OF WORK DONE Date Work Completed _____

- | | | |
|--|---|---|
| <input type="checkbox"/> Intent to Recomplete (Form 2 also required) | <input type="checkbox"/> Request to Vent or Flare | <input type="checkbox"/> E&P Waste Management Plan |
| <input type="checkbox"/> Change Drilling Plan | <input type="checkbox"/> Repair Well | <input checked="" type="checkbox"/> Beneficial Reuse of E&P Waste |
| <input type="checkbox"/> Gross Interval Change | <input type="checkbox"/> Rule 502 variance requested. Must provide detailed info regarding request. | |
| <input type="checkbox"/> Other _____ | <input type="checkbox"/> Status Update/Change of Remediation Plans for Spills and Releases | |

COMMENTS:

OXY USA Ltd. (Oxy) is providing the attached documents for your review and approval for transferring custody of produced water between Oxy and Piceance Energy LLC. Several documents are attached to this Sundry including agreements, maps, and a Transfer Facility List spreadsheet. Please apply this Sundry to all facilities listed on this list. Produced water (PW) is collected within storage tanks on well pads and compressor stations. Stored PW is allowed to gravity separate between oil and water within the tank. A typical transfer will involve Oxy's contract water hauler who will first strap the tanks, and then transfer only the water portion of the tanks to their truck. The load is then hauled to one of the designated Piceance Energy Transfer Locations. Here, the driver will again strap the receiving tanks to determine available capacity, and then unload PW directly into the appropriate storage tank(s). The driver will generate a haul ticket for every load and provide a copy to Oxy and Piceance Energy for their records. Spill prevention include: secondary containment for all production and transfer tanks, well pad and facility locations designed such that at a typical spill during loading would be contained onsite, and utilizing specific procedures to minimize the risk of spills when transferring water to/from a water haul truck.

Oxy and Piceance Energy request this agreement be approved for a 12-month period. After which, if water transfers are still beneficial to both parties, an extension of this agreement would be considered.

Documents attached include (1) a "Master Production Water Custody Transfer Agreement" including a Custody Transfer form and a map of the proposed transfer locations, and (2) a "Production Water Reuse and Waste Minimization Plan" which includes a Memorandum outlining the Agreement and details on proposed produced water handling, water sampling, analysis, and reporting methods, (3) a drawing of a typical Oxy Source location, the two (2) Piceance Energy Transfer Locations and detail maps showing the proposed haul routes from Hells Gulch and Brush Creek locations. Finally, (4) a list of Oxy facilities that these transfer agreements will be applicable to (spreadsheet), and (5) a copy of Oxy's Truck loading/Unloading Procedure, Appendix E from the SPCC Plan.

H2S REPORTING

Data Fields in this section are intended to document Sample and Location Data associated with the collection of a Gas Sample that is submitted for Laboratory Analysis.

Gas Analysis Report must be attached.

H2S Concentration: _____ in ppm (parts per million) Date of Measurement or Sample Collection _____

Description of Sample Point:

Absolute Open Flow Potential _____ in CFPD (cubic feet per day)

Description of Release Potential and Duration (If flow is not open to the atmosphere, identify the duration in which the container or pipeline would likely be opened for servicing operations.):

Distance to nearest occupied residence, school, church, park, school bus stop, place of business, or other areas where the public could reasonably be expected to frequent: _____

Distance to nearest Federal, State, County, or municipal road or highway owned and principally maintained for public use: _____

COMMENTS:

Best Management Practices

No	BMP/COA Type	Description

Operator Comments:

Alex, thanks for looking at this agreement. Both Oxy and Piceance Energy would like to move forward with this agreement as soon as possible. Piceance Energy is currently in need of water for fracking and both companies would prefer to beneficially reuse produced water as much as possible.

Thanks
Mike

I hereby certify all statements made in this form are, to the best of my knowledge, true, correct, and complete.

Signed: _____ Print Name: Michael Brygger
Title: Sr. Regulatory Advisor Email: michael_brygger@oxy.com Date: 4/20/2015

Based on the information provided herein, this Sundry Notice (Form 4) complies with COGCC Rules and applicable orders and is hereby approved.

COGCC Approved: FISCHER, ALEX Date: 4/21/2015

CONDITIONS OF APPROVAL, IF ANY:

COA Type	Description

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Environmental	The duration of this water share from Oxys contributing locations to Piceance receiving locations shall be until April 21, 2016.	4/21/2015 9:01:57 AM
Environmental	If other contributing locations are used then a Sundry shall be provided indicating the proposed haul routes.	4/21/2015 8:34:52 AM
Environmental	Document Number 400827430 does not appear to be the correct location of the contributing location. Verify and provide accurate haul route.	4/21/2015 8:25:13 AM
Environmental	OXY AND PICEANCE WILL EACH SEPERATELY SUBMIT AN ANNUAL REPORT TO THE COGCC SUMMARIZING THE TRANSFER OF PRODUCTION WATER (BOTH AS TRANSFER AND RECEIVING OPERATOR) DURING THE CALENDAR YEAR AND INCUDING LABORATORY ANALYTICAL RESULTS FOR REPRESENTATIVE SAMPLES(S) OF THE PRODUCTION WATER PROVIDED AS THE TRANSFER/RECIEVER. THE ANNUAL REPORT SHALL BE SUBMITTED ON OR BEFORE THE ANNIVERSARY OF THE FIRST DATE OF TRANSFER. PROVIDE FREQUENCY OF PIPELINE INTERGRITY TESTING FOR BOTH BELOW GRADE AND ABOVE GRADE PIPELINES AS PART OF THE ANNUAL REPORT.	4/21/2015 8:24:35 AM
Environmental	TERMINATION OF ACITIVITES: BOTH OXY AND PICEANCE SHALL NOTIFY THE COGCC VIA SUNDRY IMMEDIATELY UPON TERMINATION OF ACTIVITIES.	4/21/2015 8:23:56 AM
Environmental	PRODUCED WATER OR FLOWBACK WATER OR OTHER EXPLORATION AND PRODUCTION WASTE SHALL NOT BE TEMPORARILY STORED IN MODULAR LARGE VOLUME STORAGE TANKS (MLVSTs). PRODUCED WATER OR FLOWBACK WATER SHALL BE TEMPORARILY STORED IN FRAC TANKS.	4/21/2015 8:21:58 AM

Total: 6 comment(s)

Attachment Check List

<u>Att Doc Num</u>	<u>Name</u>
400827391	FORM 4 SUBMITTED
400827425	OTHER
400827426	OTHER
400827427	OTHER
400827428	OPERATIONS SUMMARY
400827429	LOCATION DRAWING
400827430	ACCESS ROAD MAP
400827433	ACCESS ROAD MAP
400827438	OPERATIONS SUMMARY

Total Attach: 9 Files