



De Beque Station Water Facility Annual Report

Colorado Operations

**Piceance Basin
Mesa County, CO
May 2016 – Rev #0**

Contents

1.0 Introduction	1
2.0 Permit Status	1
3.0 Waste Profile, Handling and Disposal	1
4.0 Operating Plan Update	1
5.0 Summary.....	2

ATTACHMENTS

ATTACHMENT A	Facility Site Map
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1.0 Introduction

This *Annual Report* was prepared in order to present information and data regarding the efficient, safe, and environmentally compliant operation of the Black Hills Plateau Production (Black Hills) De Beque Water Station, hereafter referred to as the *water station*, in accordance with COGCC Rule 908.f, *Annual Permit Review for Centralized E&P Waste Management Facilities*.

Black Hills operates the water station for recycling flow-back and produced water for re-use in well stimulations or drilling via trucks and underground piping for approximately four (4) well pads (14 wells) in the Piceance basin. The facility also receives fresh water from the Colorado River in order to meet completion needs. The pit services fields in the De Beque area, such as Homer Deep, Winter Flats, and Horseshoe Canyon. It does not accept fluids for commercial waste treatment purposes from any other producer or industrial source. The pit has a water storage capacity of approximately 311,112 barrels (bbls).

This report specifically provides information pertaining only to updates and changes to the operation of the facility which may have occurred in the calendar year 2015, items addressed in the submitted and approved COGCC Form 28 (Pit Facility ID 441234; approved 7/13/15) will be not duplicated in this report.

2.0 Permit Status

On July 13, 2015, the COGCC issued Black Hills a Centralized E&P Facility Permit (Form 28), at which time a Facility ID # (441234), Surety ID (20140095), and Pit #1 Facility ID # (439235) were all assigned. The facility is located in rural Mesa County approximately 2 miles west of De Beque, Colorado. The site is approximately 11.682 acres and is located in the SE $\frac{1}{4}$ SW $\frac{1}{4}$ of Section 29, Township 8 South, Range 97 West in the 6th Prime Meridian. The facility accepts fluids that originate from oil and gas operations in Mesa County, Colorado, operating twenty-four hours per day, 365 days per year. No changes to topographic, geological, and hydrogeological description of the site, including immediate adjacent land uses, have occurred in 2015.

3.0 Waste Profile, Handling and Disposal

A typical water chemistry profiled provided in Appendix I of the COGCC Form 28 has not changed for the calendar year 2015.

4.0 Operating Plan Update

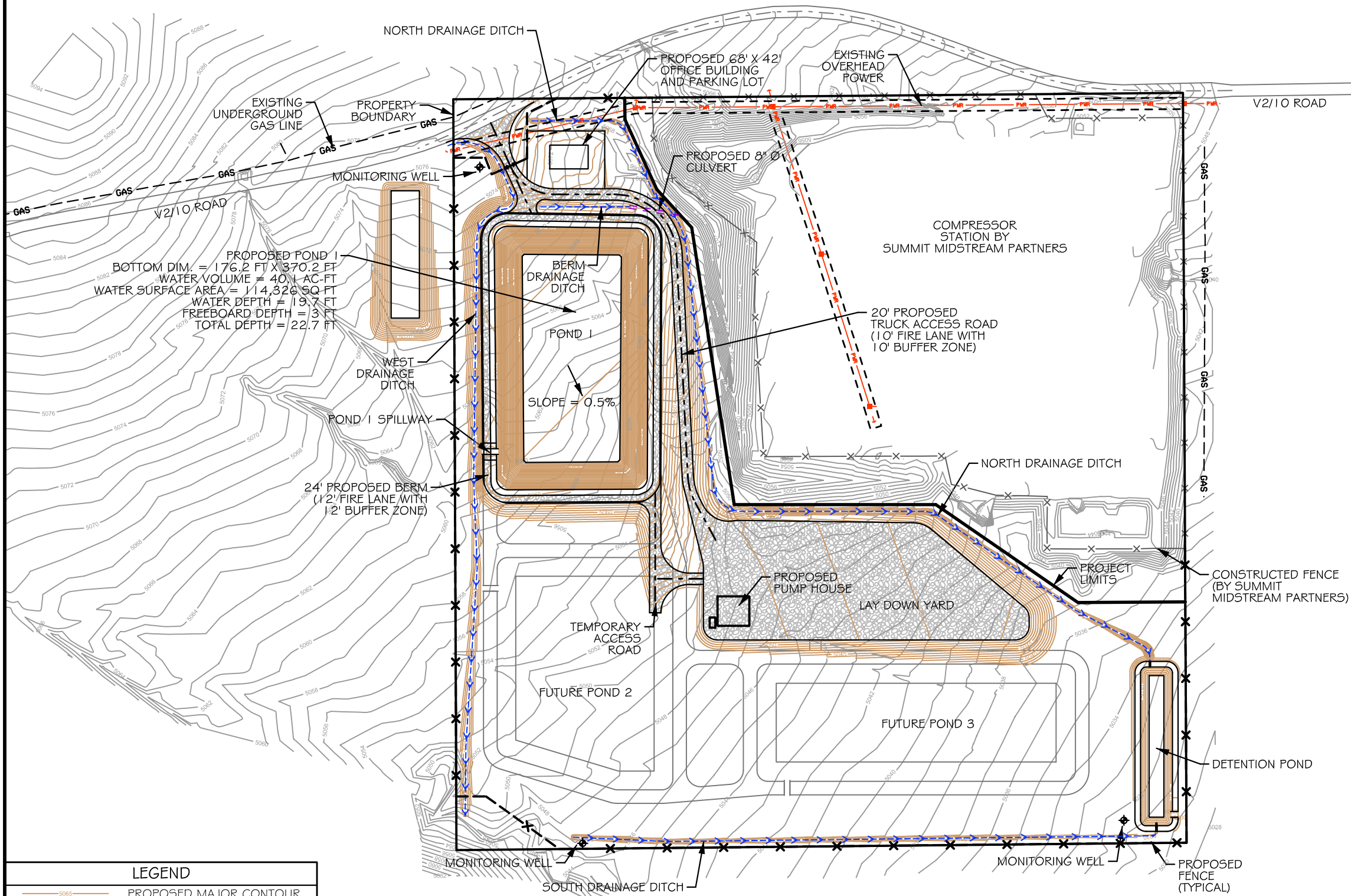
The Black Hills water facility has modified its treatment process to shift the metabolism of the pond that is primarily produced water from anaerobic to aerobic. The modification in treatment has aided in water clarity, eliminating odors, and protecting metallic surfaces.

5.0 Summary

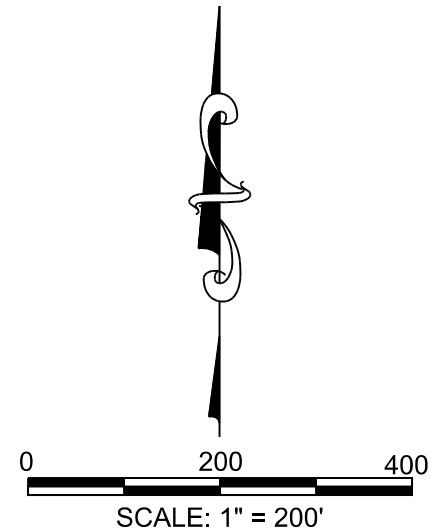
This report summarizes the operational status of the facility during calendar year 2015 for COGCC review, and doesn't repeat information included in the 2015 approved COGCC Form 28 (Pit Facility ID 441234; approved 7/13/15) that is no longer relevant. The only changes occurred to the operation of the De Beque Station Water Facility has been outlined above. Black Hills will continue to evaluate and develop upgrades to improve operational efficiency, and to ensure compliance with COGCC, CDPHE, Mesa County and all other local, state, and federal agency regulatory requirements.

ATTACHMENT A

Facility Site Map



LEGEND	
	PROPOSED MAJOR CONTOUR
	PROPOSED MINOR CONTOUR
	EXISTING MAJOR CONTOUR
	EXISTING MINOR CONTOUR
	FLOWLINE
	OVERHEAD POWER
	PROPOSED FENCE
	EXISTING FENCE
	EASEMENT
	GAS LINE



DE BEQUE STATION

SITE PLAN

EXHIBIT

2

DSGN	DATE	CKD
GPV	6/17/14	STH
REV	DATE	CKD
JOB # 2013-134		

Black Hills Exploration & Production
A Black Hills Corporation Enterprise

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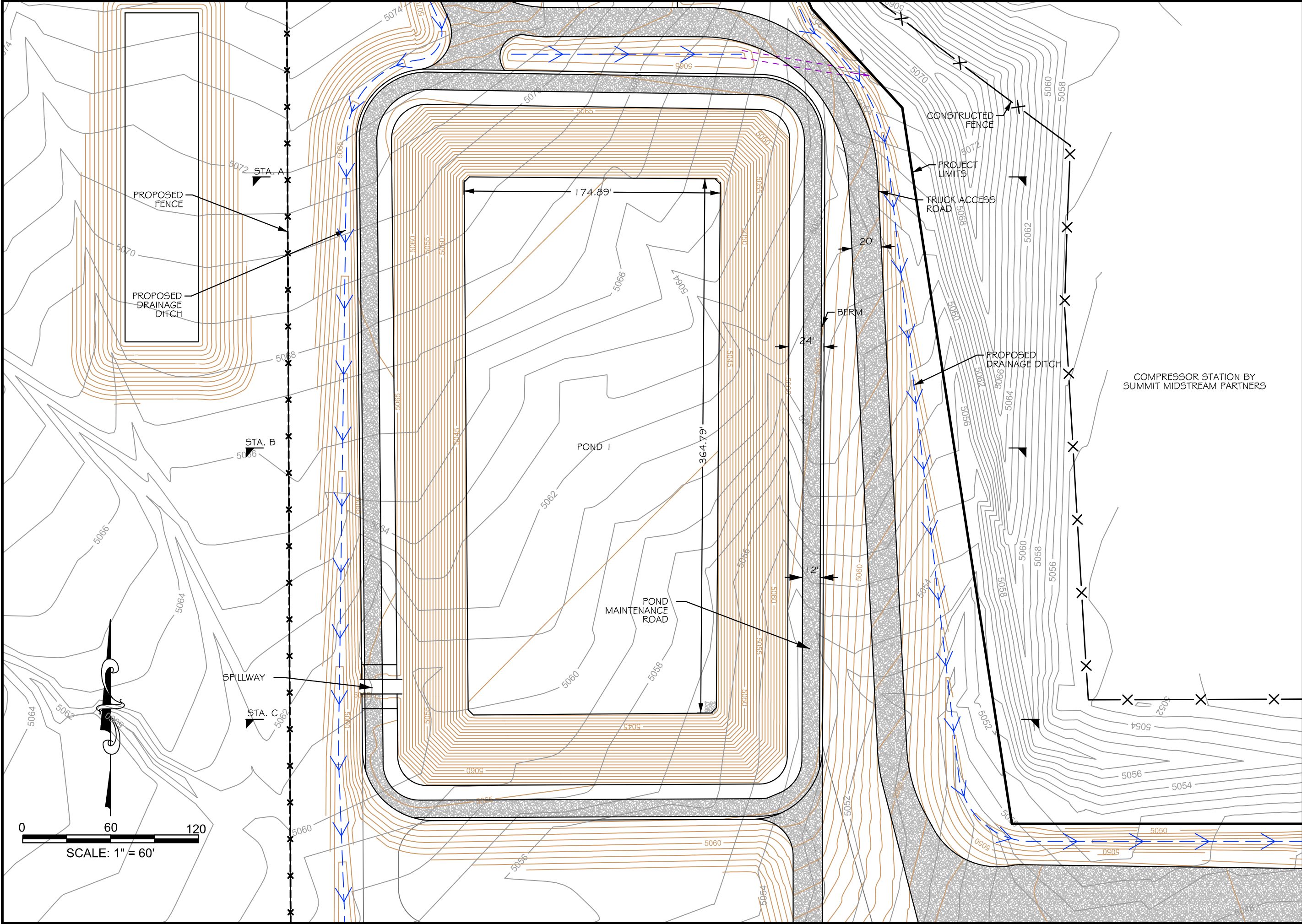
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7/22/2014



DSGN	DATE	CKD
GPV	6/17/14	STH
REV	DATE	CKD

DE BEQUE STATION

POND 1

SITE PLAN

EXHIBIT

5



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