

Dave Kubeczko - DNR

From: Dave Kubeczko - DNR
Sent: Wednesday, June 22, 2016 3:00 PM
To: dave.kubeczko@state.co.us
Subject: FW: <EXTERNAL> SandRidge Exploration & Production LLC, Ray Ranch 0780 16 Pad, NESW Sec 16 T7N R80W, Jackson County, Form 2A#401045070 Review

Categories: Operator Correspondence

Scan No. 2107878

OPERATOR CORRESPONDENCE

2A#401045070

From: Spence Laird [mailto:slaird@sandridgeenergy.com]
Sent: Wednesday, June 22, 2016 1:51 PM
To: Dave Kubeczko - DNR
Cc: Laci Bevans
Subject: Re: <EXTERNAL> SandRidge Exploration & Production LLC, Ray Ranch 0780 16 Pad, NESW Sec 16 T7N R80W, Jackson County, Form 2A#401045070 Review

If these match up with the updated language we did on the Evans pad then yes, go for it sir!

Spence Laird
Sandridge Energy
405-420-8415

On Jun 22, 2016, at 1:42 PM, Dave Kubeczko - DNR <dave.kubeczko@state.co.us> wrote:

This email originates from an external source. Please be cautious before clicking on any links and/or opening any attachments.

Laci and Spence,
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I have been reviewing the SandRidge Exploration & Production LLC (SandRidge), Ray Ranch 0780 16 Pad **Form 2A??#401045070**. ??COGCC would like to attach to the Form 2A the following COAs based on the information and data SandRidge??has submitted on or attached to the Form 2A prior to passing the Oil and Gas Location Assessment (OGLA) review. ??
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Planning:?? The following condition of approval (COA) will apply:

COA 91- In addition to the notifications required by COGCC listed in the **Northwest Notification Policy (Notice of Intent to construct a new location)** and **Rule 316C. COGCC Form 42. FIELD OPERATIONS NOTICE (c. Notice of Construction or Major Change)**; operator shall notify the COGCC 48 hours prior to pipeline testing (flowlines from the wellheads to separators to heater treater to storage tanks on this well pad/tank battery as well as the separators on the nearby well pads to the storage tanks on this well pad/tank battery location and/or any lines associated with truck loading operations) using the Form 42 (as described in **Rule 316C.m. Notice of Completion of Form 2/2A Permit Conditions**). ??The appropriate COGCC individuals will automatically be email notified.

COA 92- Any changes to this well pad and tank battery location based on CPW??s wildlife BMPs will require submittal (via a Form 4 Sundry Notice) of revised attachments (Access Road Map, Location Drawing, Construction Layout Drawings, Facility Layout Drawing) and any changes in distances to cultural features or water resources.??

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

COA 23??-??Operator must ensure secondary containment for any volume of fluids contained at the well pad and tank battery location during drilling operations, completion operations, truck tank loading operations, and production 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 fluid containment/control as well as stormwater management for the control of run-on and run-off) sufficiently protective of nearby surface water.?? Any berm constructed at the well pad location will be stabilized, inspected at regular intervals as required by CDPHE (at least every 14 days and after precipitation events), and maintained in good condition.?? The design/build of any perimeter berm shall be sized, constructed, and compacted sufficiently to contain fluids during drilling and completion operations; as well as truck tank loading and production operations.

COA 44 -??The access road will be constructed and maintained as to not allow 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 encouraging established speed limits on private roads, to reduce fugitive dust and coating of vegetation and deposition in water sources.

COA 58 - Berms or other containment devices shall be constructed to be sufficiently impervious (corrugated steel with poly liner or equivalent protection) to contain any spilled or released material around permanent oil and produced water storage tanks.

COA 66 - Operator will construct a loading/unloading station located near the tank battery, to deliver fluids to or remove fluids from the oil and produced water storage tanks by truck.?? The loading/unloading station shall be designed and utilized to prevent hoses from being dropped and dragged over the ground, which could lead to releases outside of containment. The loading/unloading station will be the only permitted access for manual fluids transfers to or from the storage tanks.?? Vehicles will not be allowed to approach the storage tanks any closer than the loading/unloading station. Each station will be constructed to be sufficiently impervious to contain any spilled or released material and have a catch basin in case a leak occurs while operations personnel are connecting or disconnecting hoses.?? Signs clearly marking the truck loading/unloading station shall be provided and maintained by the operator.??

This COA applies to vehicles (oil and water trucks) used for pulling water or oil from the loadout station, not directly from the tanks, unless there is equipment problems at the loadout station, in which case, water and oil trucks could then pull directly from the individual tanks.?? Also, if operator needs to remove/repair/replace a tank, then such equipment necessary to perform the work (water truck, vacuum truck, crane truck) would be allowed as close to the tank battery area and individual tanks as necessary.

COA 48 - Operator shall submit a scaled as-built drawing (plan view with distances) of the Ray Ranch 0780 16 well pad and tank battery location (showing oil and produced water storage tanks, onsite flowlines, offsite pipelines, ??and other production facilities) and the nearby well pad location, OGCC ID# 438250-Evans 0780 21 Pad, (showing wellheads, onsite flowlines, offsite pipelines, pumping jacks, and onsite production facilities) within 30 calendar days of construction of the production equipment on each location.

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

COA 11??- A closed loop system must be implemented during drilling (as indicated on the Form 2 and Form 2A).?? All cuttings generated during drilling with oil based mud (OBM) must be segregated from water/bentonite based mud-(WBM-) generated drill cuttings and placed separately on the well pad.?? All OBM-generated drill cuttings must be kept in tanks/containers, or placed on a lined/bermed portion of the well pad; prior to disposition. The moisture content of any OBM-generated drill cuttings in a tank, cuttings containment area, or pile shall be as low as practicable to prevent accumulation of liquids greater than de minimis amounts.?? The operator has indicated that ???Cuttings Disposal??? will be ???OFFSITE??? and that the

Please respond to this email indicating that you have read the policy and rules concerning venting and flaring and will adhere to both. COGCC would also appreciate your concurrence with attaching the COAs to the Form 2A 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.

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Dave

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David A. Kubeczko, PG
Oil and Gas Location Assessment Specialist
Western Colorado

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<image001.jpg>

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Colorado Oil & Gas Conservation Commission

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<COGCC NOTICE TO OPERATORS - Rule 912 Flaring and Venting Statewide_dated
01122016.pdf>