

Dave Kubeczko - DNR

From: Dave Kubeczko - DNR
Sent: Thursday, April 27, 2017 8:54 AM
To: Dave Kubeczko - DNR
Subject: FW: BP America Production Company (BP), Yankee Federal A 1 Pad, SWSE Sec 27 T35N R6W, La Plata County, Form 2A#401169529 Review
Attachments: Yankee Federal A 1 Reference Area Photos.pdf
Categories: Operator Correspondence

Scan No. 2108125 CORRESPONDENCE 2A #401169529

From: Azulai, Naomi [mailto:Naomi.Azulai@bp.com]
Sent: Monday, April 17, 2017 3:24 PM
To: Dave Kubeczko - DNR
Subject: RE: BP America Production Company (BP), Yankee Federal A 1 Pad, SWSE Sec 27 T35N R6W, La Plata County, Form 2A#401169529 Review

Dave,
BP concurs with the COAs listed below as noted in the email you sent on 4/11/217. Attached are the reference area photos as required by COA 92.
Thanks.
Naomi Azulai

Yankee Federal A 1 Pad **Form 2A #401169529**.

COGCC would like to attach the following conditions of approval (COAs) based on the data BP has submitted on or attached to the Form 2A prior to passing the Oil and Gas Location Assessment (OGLA) review.

Planning: The following condition of approval (COA) will apply:

COA 91 - In addition to the notifications required by **Rule 316C. COGCC Form 42. FIELD OPERATIONS NOTICE (a. Notice of Intent to Conduct Hydraulic Fracturing Treatment; b. Notice of Spud; and c. Notice of Construction or Major Change)**; operator shall notify the COGCC 48 hours prior to rig mobilization and pipeline testing (flowlines from wellheads to separators to tanks; and/or any temporary surface lines used for hydraulic stimulation and/or flowback 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 - Operator shall provide four (4) color photographs of the Reference Area, taken during the growing season, within twelve (12) of the Form 2A permit submittal.

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 site during drilling and completion operations (as shown on the Proposed BMPs attachment); 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 operations, as well as all fluids contained in temporary frac tanks during completion operations.

COA 24 - Based on the recent onsite (11-10-16) conducted by COGCC, Forest Service, and the operator, additional stormwater controls will be required for the existing well pad area of this oil and gas location.

COA 44 - The access road will be 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 and Forest Service 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 produced water storage tanks.

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

COA 38 - A closed loop system must be implemented during drilling (as indicated on the Form 2 and Form 2A). The moisture content of all drill cuttings managed onsite shall be kept as low as practicable to prevent accumulation of liquids greater than de minimis amounts. All cuttings generated during drilling with salt-based mud (SBM) must be segregated from water/bentonite based mud-(WBM-) generated drill cuttings and placed separately on the well pad. All SBM-generated drill cuttings must be kept in tanks/containers, or placed on a lined/bermed portion of the well pad; prior to disposition. The operator has indicated that 'Cuttings Disposal' will be "OFFSITE" and that the 'Cuttings Disposal Method' will be "COMMERCIAL DISPOSAL" (as shown in the 'DRILLING WASTE MANAGEMENT PROGRAM SECTION' of the Form 2A). All liners associated with salt-based drilling mud and SBM-generated drill cuttings must be disposed of offsite per CDPHE rules and regulations. Any changes to drill cuttings management and disposal at this location will require submittal (via a Form 4 Sundry Notice) and approval of a Waste Management Plan detailing the changes (specifying cuttings characterization methods, cuttings management, amendment, and onsite disposal location[s]).

COA 25 - Flowback and stimulation fluids must be sent to tanks, separators, or other containment/filtering equipment before the fluids can be placed into any pipeline or storage vessel located on the well pad; or into tanker trucks for offsite disposal. The flowback and stimulation fluid tanks, separators, or other containment/filtering equipment must be placed on the well pad in an area constructed to be sufficiently impervious to contain any spilled or released material.

COA 26 - Due to public accessibility to the nearby recreational areas within the Forest Service lands, potential odors associated with the completions process and/or with long term production operations must be controlled/mitigated.

Material Handling and Spill Prevention: The following condition of approval (COA) will apply:

COA 45 - Operator shall pressure test pipelines (flowlines from wellheads to separators to tanks; pipelines from onsite separators to offsite storage tanks, and any temporary surface lines used for hydraulic stimulation and/or flowback operations) in accordance with Rule 1101.e.(1) prior to putting into initial service any temporary surface or permanent buried pipelines and following any reconfiguration of the pipeline network, and tested annually, unless agreed to by both parties that the flowlines can be managed under an approved COGCC variance.

COGCC would appreciate your concurrence with attaching the COAs to the Form 2A prior to passing the OGLA review. COGCC can approve this form with a timely response from BP. In addition, could BP provide COGCC with the COAs and wildlife stipulations that BLM/NFS has attached to this location (or when you receive them if the Federal APDs have not yet been approved). If you have any questions, please do not hesitate to call me at (970) 309-2514 (cell), or email.

Thanks.

Dave

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



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