

Kubeczko, Dave

From: Kubeczko, Dave
Sent: Tuesday, November 30, 2010 2:47 PM
To: Kubeczko, Dave
Subject: FW: Black Hills Plateau Production, Homer Deep Unit 21-41, NENE Sec 21 T8S R98W, Mesa County, Form 2A (#400103406) Review

Scan No. 2033516 CORRESPONDENCE 2A#400103406

From: Donahue, Jessica [mailto:Jessica.Donahue@blackhillscorp.com]
Sent: Monday, November 29, 2010 4:06 PM
To: Kubeczko, Dave
Subject: RE: Black Hills Plateau Production, Homer Deep Unit 21-41, NENE Sec 21 T8S R98W, Mesa County, Form 2A (#400103406) Review

Dave,

As per our phone discussion regarding COA 25:

Black Hills intends to line the pit with two 24 mil liners and would like permission that in case of an upset during flowback, we can dump straight to the pit. Under normal conditions, the flowback water will go to a tank first to allow sand to settle out.

Thanks,
Jessica

From: Kubeczko, Dave [mailto:Dave.Kubeczko@state.co.us]
Sent: Monday, November 29, 2010 3:42 PM
To: Donahue, Jessica
Subject: Black Hills Plateau Production, Homer Deep Unit 21-41, NENE Sec 21 T8S R98W, Mesa County, Form 2A (#400103406) Review

Jessica,

I have been reviewing the Homer Deep Unit 21-41 **Form 2A** (#400103406); previously submitted Form 2A (#400024938) and approved (03-04-10). COGCC would like to attach the following conditions of approval (COAs) based on the data Black hills has submitted on or attached to the amended Form 2A prior to passing the Oil and Gas Location Assessment (OGLA) review.

1. **Water Resources (Section 14):** Form 2A indicates the distance to the nearest surface water is 228 feet. COGCC guidelines also require designating all locations within close proximity to surface water (the exact distance varies with the location and takes into consideration soil type, surface geology, initial grade/topographic slope, the grade/topographic slope adjacent to the location, vegetative cover, as well as other factors) a **sensitive area** and requiring the following conditions of approval (COAs):
 - COA 4** - Location is in a sensitive area because of close proximity to surface water, therefore, operator must ensure 110 percent secondary containment for any volume of fluids contained at well site during drilling and completion 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., BMPs associated with stormwater management) sufficiently protective of the nearby surface water.
 - COA 5** - Operator must implement best management practices to contain any unintentional release of fluids, including any fluids conveyed via temporary surface pipelines.

2. **General:** Due to the potentially permeable nature of the surface materials in the area (weathered/fractured shales and sandy unconsolidated deposits), the following conditions of approval (COAs) will apply:

COA 6 - A closed loop system must be implemented during drilling. Any other pit constructed that will hold any drilling or completion fluids must be lined.

COA 25 - Flowback must initially go to tanks to allow the sand to settle out before the fluids can be placed into the pit. Flowback and stimulation fluids shall be contained within tanks that are placed on the well pad in an area with adequate downgradient perimeter berming.

COA 38 - The moisture content of any drill cuttings in a cuttings pit, trench, or pile shall be as low as practicable to prevent accumulation of liquids greater than de minimis amounts. At the time of closure, the drill cuttings must also meet the applicable standards of Table 910-1.

COA 39 - No portion of any pit that will be used to hold liquids shall be constructed on fill material, unless the pit and fill slope are designed and certified by a professional engineer, subject to review and approval by the director prior to construction of the pit. The construction and lining of the pit shall be supervised by a professional engineer or their agent. The entire base of the pit must be in cut.

COGCC would appreciate your concurrence with attaching these COAs to the Form 2A permit 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.

Dave

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