



06/07/2010

200260053

\*\*\* NOTICE OF ALLEGED VIOLATION \*\*\*

OGCC Operator Number: 96850  
Name of Operator: WILLIAMS PRODUCTION RMT COMPANY  
Address: 1515 ARAPAHOE ST STE 1000 ATTN: TED BROWN  
City: DENVER State: CO Zip: 80202  
Company Representative: MIKE PAULES

Date Notice Issued:

06/07/2010

Well Name: CLOUGH Well Number: 104 Facility Number: 210449  
Location (QtrQtr, Sec, Twp, Rng, Meridian): SWSE 16 6S 94W 6 County: GARFIELD  
API Number: 05 045 06205 00 Lease Number: 12928

COGCC Representative: KELLERBY SHAUN Phone Number: 970 285-7235

THE FOLLOWING ALLEGED VIOLATION WAS FOUND BY THE COGCC REPRESENTATIVE FOR THE SITE LISTED

Date of Alleged Violation: 06/07/2010

Approximate Time of Violation:

Description of Alleged Violation:

On 7/6/10 staff inspected the Clough 104 tank battery and associated pit in response to a complaint. Upon inspection staff observed that the south east corner of the pit has the netting lifted up, exposing the pit, liner and contents of the pit to possible entrance of wildlife. The south east corner of the fencing has also been removed and provides no barrier for wildlife entering the pit area. Staff observed oil on the surface of the pit at time of inspection. A search of the Cogcc data base shows no form 15 or approved permit for the operation of the pit next to the Clough 104 tank battery.

Act, Order, Regulation, Permit Conditions Cited:

902.d.,902.c.,903.a.(4)

Abatement or Corrective Action Required to be Performed by Operator:\*

Remove oil from the surface of this pit within 24 hours of notification. Make all needed repairs to the fencing, and netting to provide protection of wildlife from all hazards of operation of this pit. Provide an approved form 15, or close this pit within 30 days of NOAV.

Abatement or Corrective Action to be Completed by (date): 08/06/2010

\* Proper and timely abatement does not necessarily preclude the assessment of penalties and an Order Finding Violation.

TO BE COMPLETED BY OPERATOR - When alleged violation is corrected, sign this notice and return to above address:

Company Representative Name: KAROLINA BLANEY

Title: ENVIRONMENTAL SPECIALIST

Signature: Karoline Blaney

Date:

Company Comments:

see attached

\*\*\* THIS NOTICE CONSTITUTES A SEPARATE NOTICE OF ALLEGED VIOLATION FOR EACH VIOLATION LISTED \*\*\*

WARNING

Abatement and reporting time frames for Notices of Alleged Violation begin upon receipt of the Notice or five days after the date it is mailed, whichever is earlier. Each violation must be abated within the prescribed time upon receipt of this Notice, reported to the Colorado Oil and Gas Conservation Commission at the address shown above, and postmarked no later than the next business day after the prescribed time for abatement. Should abatement or corrective action fail to occur, the Director may make application to the Commission for an Order Finding Violation. Proper and timely abatement does not necessarily preclude the assessment of penalties and an Order Finding Violation.

PENALTY PROPOSED BY THE DIRECTOR PER RULE 523

The Director may propose a penalty as listed in the table below, not to exceed a maximum of \$1,000.00 per day per violation. Such proposed penalty amount will be limited to \$10,000.00 per violation if the violation does not result in significant waste of oil and gas resources, damage to correlative rights, or a significant adverse impact on public health, safety, or welfare. Such proposed penalty amount may be increased if aggravating factors indicate the violation: was intentional or reckless; had, or threatened to have, a significant negative impact on public health, safety, or welfare; resulted in significant waste of oil and gas resources; had a significant negative impact on correlative rights of other parties; resulted in, or threatened to result in, significant loss or damage to public or private property; involved recalcitrance or recidivism upon the part of the violator; involved intentional false reporting or record keeping; resulted in economic benefit to the violator. Such proposed penalty amount may be decreased if mitigating factors indicate the violator: self-reported; promptly, effectively and prudently responded to the violation; cooperated with the Commission or other agencies with respect to the violation; could not reasonably control, or be responsible for, the cause of the violation; made a good faith effort to comply with applicable requirements prior to the Commission learning of the violation; had any economic benefit reduced or eliminated due to the cost of correcting the violation; has demonstrated a history of compliance with Commission rules, regulations and orders. The Commission has final authority over the penalty amount assessed. The Commission or other agencies with respect to the violation; could not reasonably control, or be responsible for, the cause of the violation; made a good faith effort to comply with applicable requirements prior to the Commission learning of the violation; had any economic benefit reduced or eliminated due to the cost of correcting the violation; has demonstrated a history of compliance with Commission rules, regulations, and orders. The Commission has final authority over the penalty amount assessed.

BASE FINE \$500.00 PER DAY PER VIOLATION RULES 210, 307, 311, 312, 313, 314A, 315, 405, 600, 604

BASE FINE \$1,000.00 PER DAY PER VIOLATION: RULES 205, 206, 207, 208, 209, 301, 302, 303, 305, 306, 308, 309, 310, 313A, 316A, 316B, 317, 317A, 317B, 318, 319, 320, 321, 322, 323, 324, 325, 326, 327, 328, 329, 330, 331, 332, 333, 341, 401, 404, 406, 602, 603, 604, 605A, 605B, 607, 608, 703, 704, 705, 706, 707, 708, 709, 711, 712, 802, 805, 901, 902, 903, 904, 905, 906, 907, 908, 909, 910, 911, 912, 1002, 1003, 1004, 1101, 1102, 1103, 1201, 1203, 1204, 1103, 1201, 1203, 1204, 1205

In accordance with Rule 523.a.(4), fines for violations for which no base fine is listed shall be determined by the Commission at its discretion.

Signature of COGCC Representative:

*[Signature]*

Date: 07/07/2010

Time:

Resolution Approved by:

Date:



1058 county road 215  
Parachute, CO 81635  
Phone: 970-285-9377  
Fax: 970-285-9573

July 13, 2010

Shaun Kellerby  
Northwest Region Field Inspection Supervisor  
Colorado Oil and Gas Conservation Commission  
0064 Cliff View Cir  
Parachute, CO 81635

RE: Williams Production Company  
NOAV 200260053: Regarding 44-16-694 Production Pit – Corrective Action  
Report and Request for NOAV Closure and No Further Action

Dear Mr. Kellerby

On July 8, 2010 Williams Production RMT Company (Williams) received an NOAV (API 05-045-06205 00) from the Colorado Oil and Gas Conservation Commission (COGCC) for the 44-16-694 Production Pit (Pit) regarding a partially removed fence and lifted netting exposing the pit, liner, and contents of the pit to the potential entrance of wildlife. The NOAV also addressed visible oil sheen on the surface of the pit at the time of the inspection which was conducted on July 6, 2010. In addition to the above mentioned alleged violations, COGCC was not able to locate an approved Pit Permit, Form 15.

COGCC requested the following corrective actions to be performed:

- Remove oil from the surface of the pit within 24 hours of notification (by 7/9/2010) - 902.c.
- Make all needed repairs to the fencing and netting - 902.d.
- Provide an approved Form 15 - 903.a.(4)

Williams would like to report that all of the corrective actions have been completed as of July 8, 2010.

The pit will be monitored daily to identify any accumulation of oil or condensate on the pit surface. If hydrocarbons exceed de minimis amounts, the pit will be skimmed within 24 hours of discovery.


To ensure that the pit is not exposed to potential entrance by wildlife, Williams will continue a bi-weekly inspection of the netting and fencing of the pit. Contractors operating the equipment around the pit were educated on the importance of maintaining the integrity of the fencing and netting and instructed to pull the net down when they leave the location unattended as this will ensure that the pit cannot be accessed by wildlife.

The Form 15 Pit Permit application is attached to this response as verification that Williams had previously submitted necessary documents to COGCC for permitting the pit. In accordance with

the COGCC regulations that were in effect on the date that this pit was permitted and constructed (specifically Rule 903 a. (2) A.), the Pit Construction Permit Form 15 was submitted within 30 days after construction of this lined production pit which is located outside of a sensitive area.

Williams is requesting closure of this NOAV as all requested corrective actions have been completed. If you have any questions or need any additional information, please do not hesitate to contact me at 970-683-2295.

Sincerely,

A handwritten signature in black ink that reads "Karolina Blaney". The script is cursive and fluid, with the first name and last name clearly distinguishable.

Karolina Blaney  
Williams Production R.M.T.  
Office: (970) 683-2295  
Cell: (970) 589-0743  
Fax: (970) 285-9573  
[karolina.blaney@williams.com](mailto:karolina.blaney@williams.com)





March 20, 2009

Chris Canfield  
Environmental Protection Specialist  
Colorado Oil and Gas Conservation Commission  
707 Wapiti Ct. Suite 204  
Rifle, CO 81650

Exploration & Production  
1058 CR #215  
P.O. Box 370  
Parachute, CO 81635-0370  
970/285-9366  
970/285-9573 fax

Re: Form 15 Application – 44-16-694

Dear Mr. Canfield,

Enclosed is the COGCC application Form 15 with attachments for a produced water pit referenced as the 44-16-694, owned by Williams Production RMT. This location is found in SE  $\frac{1}{4}$  NE  $\frac{1}{4}$ , Section 16, T6S, R94W, 6<sup>th</sup> P.M. The enclosures include:

1. COGCC Form 15
2. Topographic Site Map
3. Surface Plan and Profile Details
4. Sensitive Area Determination

This facility will be used for a temporary storage of produced water. Due to the reduced rate of drilling and completion operations Williams needs these pits for additional storage of produced water. Williams desires to utilize the produced water to the greatest extent possible by reusing the liquid in future production endeavors. Until drilling activities increase, and produced water is being used for associated processes; storage of the produced water is the most environmentally responsible action to take.

A lined, surface impoundment is the preferred choice for storage of produced water instead of storage tanks as less surface space is taken. A surface impoundment that is, for example, 160' by 160' can hold over 50,000 bbls of fluid. This same amount of fluid would require over 100 storage tanks. Storage tanks also have a greater risk to have leaks because they require pipe connections and each connection is a potential leak point. The pit is approximately 350 ft by 150 ft with a capacity of 99,500 bbls with 2 feet of freeboard.

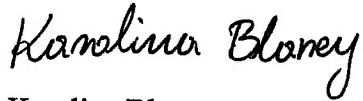
This particular site is located outside a sensitive area as determined through the COGCC Rules – Decision Tree Figure 901-1. A copy of the sensitivity determination is attached. As part of Williams environmental stewardship however, the pit will be lined with a 36 mil synthetic polypropylene liner.

Mr. Chris Canfield  
March 13, 2009

2

We appreciate your consideration in this matter. If you have any questions or need additional information, please don't hesitate to call me at (970) 683-2295.

Best Regards,



Karolina Blaney  
Environmental Specialist  
Piceance - Valley Asset Team  
(970) 683-2295 (Office)  
(970) 589-0743 (Cell)  
Karolina.Blaney@williams.com

cc:

Debbie Baldwin  
Colorado Oil and Gas Conservation Commission  
1120 Lincoln St. Suite 801  
Denver, CO 80203

# State of Colorado Oil and Gas Conservation Commission

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



FOR OGCC USE ONLY

## EARTHEN PIT REPORT/PERMIT

This form is to be used for both reporting and permitting pits. Rule 903 describes when a Permit with prior approval, or a Report within 30 days, is required for pits. Submit required attachments and forms.

### Complete the Attachment Checklist

Oper OGCC

Detailed Site Plan	✓	
Topo Map w/ Pit Location	✓	
Water Analysis (Form 25)		
Source Wells (Form 26)		
Pit Design/Plan & Cross Sec	✓	
Design Calculations	✓	
Sensitive Area Determ.	✓	
Mud Program		
Form 2A		

### FORM SUBMITTED FOR:

☐ Pit Report☒ Pit Permit

OGCC Operator Number: 96850

Name of Operator: Williams Production RMT Company

Address: 1058 CR 215

City: Parachute State: CO Zip: 81635

Contact Name and Telephone:

Karolina Blaney

No: 970-683-2295

Fax: 970-285-9573

API Number (of associated well): N/A

OGCC Facility ID (of other associated facility): PARACHUTE 67350

Pit Location (QtrQtr, Sec, Twp, Rng, Meridian): SE 1/4 SE 1/4, S16, T6S, R94W, 6th P.M.

Latitude: 39.520529 N

Longitude: -107.888409 W

County: Garfield

Pit Use: ☒ Production☐ Drilling (Attach mud program)☐ Special Purpose (Describe Use):Pit Type: ☒ Lined☐ UnlinedSurface Discharge Permit: ☐ Yes ☒ NoOffsite disposal of pit contents: ☒ Injection☐ Commercial

Pit/Facility Name: 44-16-694

Pit/Facility No:

Attach Form 26 to identify Source Wells and Form 25 to provide Produced Water Analysis results.

### Existing Site Conditions

Is the location in a "Sensitive Area?"

☐ Yes☒ No

Attach data used for determination.

Distance (in feet) to nearest surface water: 3,459 ft

ground water: &gt; 6.56 ft

water wells: 1,041 ft

LAND USE (or attach copy of Form 2A if previously submitted for associated well) Select one which best describes land use:

Crop Land: ☐ Irrigated☐ Dry Land☐ Improved Pasture☐ Hay Meadow☐ CRPNon-Crop Land: ☒ Rangeland☐ Timber☐ Recreational☐ Other (describe):Subdivided: ☐ Industrial☐ Commercial☐ Residential

SOILS (or attach copy of Form 2A if previously submitted for associated well)

Soil map units from USNRCS survey: Sheet No: N/A

Soil Complex/Series No: 47

Soils Series Name: Nihill channery loam, 6 to 25 percent slopes

Horizon thickness (in inches): A: 0-11

; B: 11-18

; C: 18-60

Soils Series Name:

Horizon thickness (in inches): A:

; B:

; C:

Attach detailed site plan and topo map with pit location.

### Pit Design and Construction

Size of pit (feet): Length: 350

Width: 150

Depth: 16

Calculated pit volume (bbls): 117,600

Daily inflow rate (bbls/day): Variable

Daily disposal rates (attach calculations):

Evaporation: N/A

bbls/day

Percolation: N/A

bbls/day

Type of liner material: Synthetic polypropylene

Thickness: 36 mil

Attach description of proposed design and construction (include sketches and calculations).

Method of treatment of produced water prior to discharge into pit (separator, heater treater, other): N/A

Is pit fenced? ☐ Yes☒ NoIs pit netted? ☐ Yes☒ No

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

Print Name: Karolina Blaney

Signed: Karolina Blaney

Title: Environmental Specialist

Date: 3/20/09

OGCC Approved:

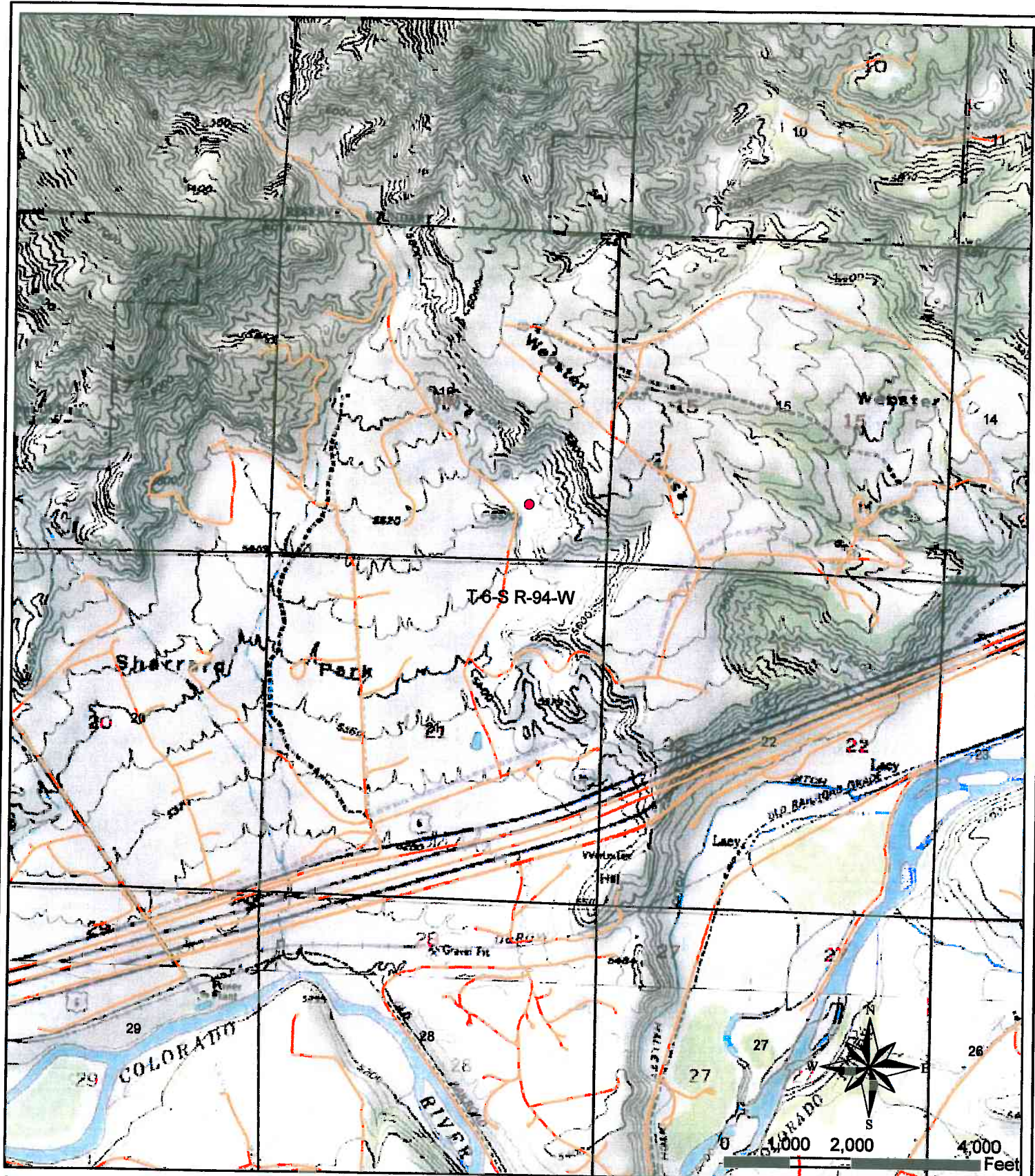
Title:

Date:

CONDITIONS OF APPROVAL, IF ANY:

FACILITY NUMBER:





# Legend

- Pit
- Road

Williams Production RMT

Pit Location Map

March 18, 2009

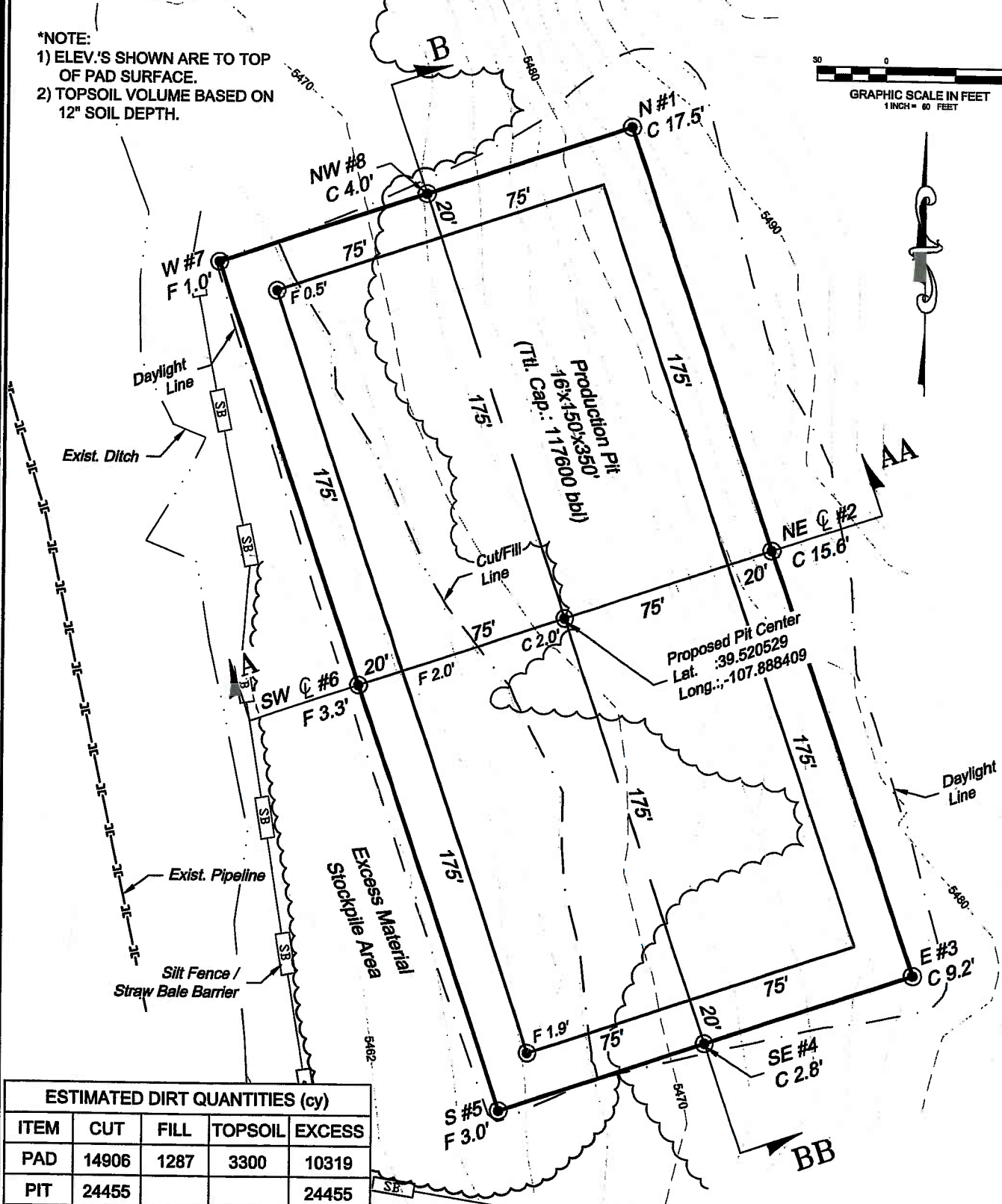




# Production Pit 44-16-694

**\*NOTE:**

- 1) ELEV.'S SHOWN ARE TO TOP OF PAD SURFACE.
- 2) TOPSOIL VOLUME BASED ON 12" SOIL DEPTH.



## ESTIMATED DIRT QUANTITIES (cy)

ITEM	CUT	FILL	TOPSOIL	EXCESS
PAD	14906	1287	3300	10319
PIT	24455			24455
TOTALS	39361	1287	3300	34774

136 East Third Street  
Rifle, Colorado 81650  
Ph: (970) 625-1330  
Fax: (970) 625-2773



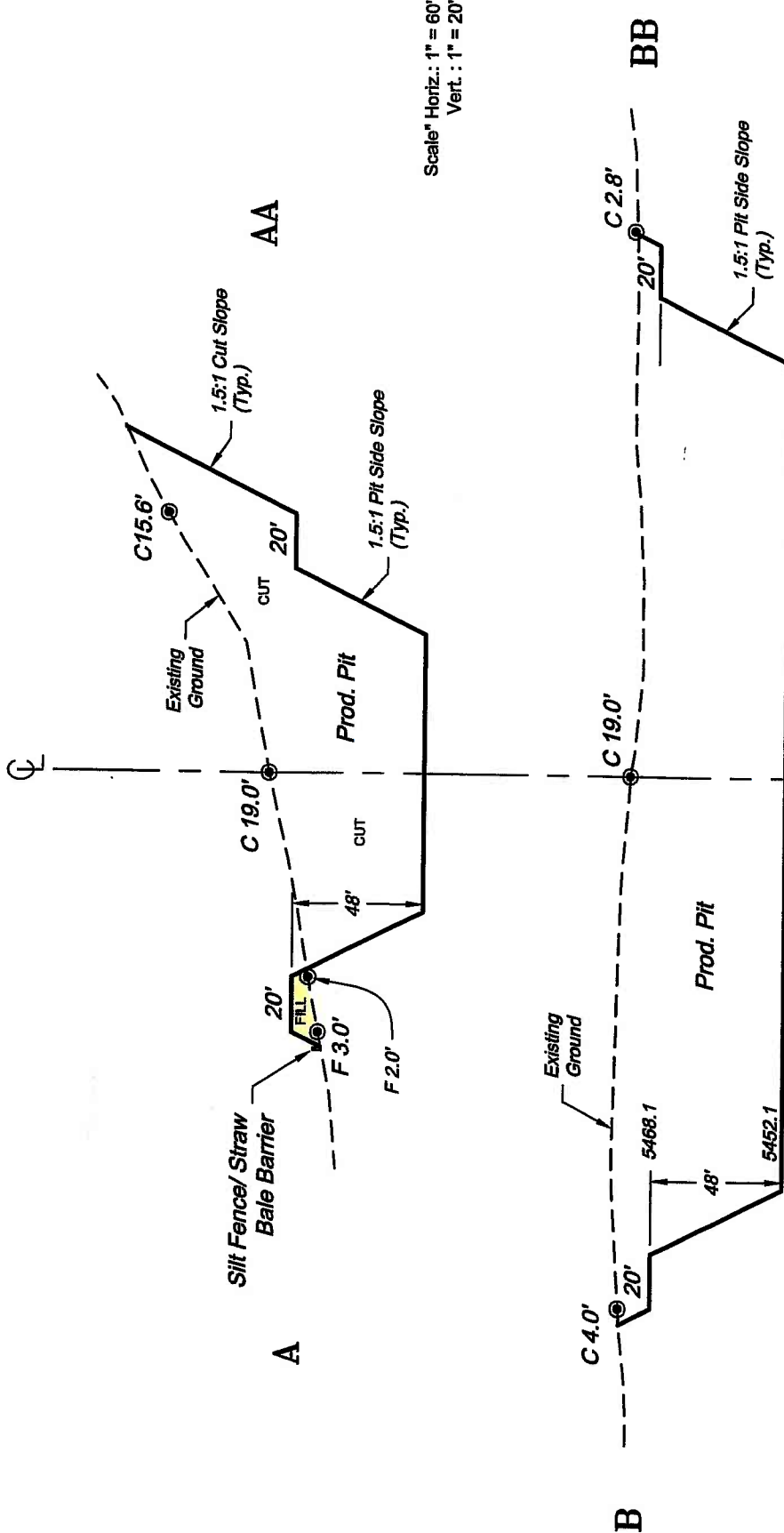
**BOOKCLIFF**  
Survey Services, Inc.

SCALE: 1" = 60'  
DATE: 3/10/09  
SHEET: 1 of 2  
PROJECT: Williams  
DFT: CWS

**Construction Plan Prepared for:**  
**Williams. Williams Production, RMT**

SE1/4 SE1/4, SECTION 16  
T. 6 S., R. 94 W. of the 6th. P.M.  
GARFIELD COUNTY, COLORADO





**\*NOTE:**  
ALL PROPOSED CUT AND FILL  
SIDE SLOPES ARE AT 1.5:1  
UNLESS OTHERWISE NOTED.

**PIT VOLUMES:**  
Total Volumes: 24455 cy (117600 bbl)  
2' Free Board: 20676 cy (99431 bbl)

Construction Plan Prepared for:  
**Williams. Williams Production, RMT**  
Production Pit 44-16-694  
**CROSS SECTIONS**

1" = Noted

DATE: 3/2/09

SHEET: 2 of 2

PROJECT: Williams

DFT: CWS

**BOOKCLIFF**  
Survey Services, Inc.

1000 West Third Street  
P.O. Box 1000  
Boulder, CO 80501  
Ph: (303) 442-1500  
Fax: (303) 442-3773



<b><u>Sensitive Area Factors</u></b>	<b><u>Comments</u></b>	<b><u>Sensitive Area Determination</u></b>
Quality of Produced or Stored Water	Exceeds Total Dissolved Solids of 1.25 x Background	Yes
Presence of unconfined aquifers or recharge areas	Unconfined Aquifer Not Present	No
Hydraulic conductivity of soils or geologic material under pit	Permeability = 0.00417 cm/sec	No
Presence of WQCC classified area or wellhead protection area	Area not designated in WQCC Regulation 42 as of 03-12-09	No
Proximity to public water supply wells	Domestic wells not in vicinity	No
Depth and quality of ground water	Excellent water quality. Depth to Water Estimate = > 6.56 ft	No
	<b><u>Overall Determination</u></b>	<b><u>NO</u></b>

\* Per Colorado Oil and Gas Conservation Commission Rule 901.f – Sensitive Area Operations and Figure 901-1 Sensitive Area Determination Decision Tree.

Prepared by HRL Compliance Solutions, Inc  
Date: 03-12-09