

FORM 2A Rev 04/01

State of Colorado Oil and Gas Conservation Commission 1120 Lincoln Street, Suite 801, Denver, Colorado 80205 Phone: (303) 894-2100 Fax: (303) 894-2109



Table with 4 columns: DE, ET, OE, ES

Document Number: 2583716

Oil and Gas Location Assessment

[X] New Location [] Amend Existing Location Location#: _____

Submit original plus one copy. This form is to be submitted to the COGCC prior to any ground disturbance activity associated with oil and gas development operations...

Location ID: 423375 Expiration Date: 05/26/2014

[X] This location assessment is included as part of a permit application.

1. CONSULTATION

- [] This location is included in a Comprehensive Drilling Plan. CDP # _____
[X] This location is in a sensitive wildlife habitat area.
[] This location is in a wildlife restricted surface occupancy area.
[] This location includes a Rule 306.d.(1)A.ii. variance request.

2. Operator

Operator Number: 77330 Name: SG INTERESTS I LTD Address: PO BOX 26 City: MONTROSE State: CO Zip: 81402

3. Contact Information

Name: CATHERINE DICKERT Phone: (970) 252-0696 Fax: (970) 252-0636 email: CDICKERT@SGINTERESTS.COM

4. Location Identification:

Name: MCINTYRE FLOWBACK PITS Number: 3 & 4 County: GUNNISON QuarterQuarter: NWNE Section: 26 Township: 11S Range: 90W Meridian: 6 Ground Elevation: 7432 Define a single point as a location reference for the facility location... Footage at surface: 696 feet FNL, from North or South section line, and 2216 feet FEL, from East or West section line. Latitude: 39.076345 Longitude: -107.413626 PDOP Reading: 0.0 Date of Measurement: 07/30/2010 Instrument Operator's Name: ZACH PURDUE

5. Facilities (Indicate the number of each type of oil and gas facility planned on location):

Special Purpose Pits: 2 Drilling Pits: [] Wells: [] Production Pits: [] Dehydrator Units: []
Condensate Tanks: [] Water Tanks: [] Separators: [] Electric Motors: [] Multi-Well Pits: []
Gas or Diesel Motors: 2 Cavity Pumps: [] LACT Unit: [] Pump Jacks: [] Pigging Station: []
Electric Generators: [] Gas Pipeline: [] Oil Pipeline: [] Water Pipeline: 1 Flare: []
Gas Compressors: [] VOC Combustor: [] Oil Tanks: [] Fuel Tanks: 2

Other: PITS WILL HOLD FLOWBACK FLUIDS FROM 05-051-06086 & 05-051-06059 COMPLETIONS.

6. Construction:

Date planned to commence construction: 06/01/2011 Size of disturbed area during construction in acres: 19.20
Estimated date that interim reclamation will begin: 06/01/2012 Size of location after interim reclamation in acres: 16.90
Estimated post-construction ground elevation: 7420 Will a closed loop system be used for drilling fluids: Yes
Will salt sections be encountered during drilling: Yes No Is H2S anticipated? Yes No
Will salt (>15,000 ppm TDS Cl) or oil based muds be used: Yes No
Mud disposal: Offsite Onsite Method: Land Farming Land Spreading Disposal Facility
Other:

7. Surface Owner:

Name: Phone:
Address: Fax:
Address: Email:
City: State: Zip: Date of Rule 306 surface owner consultation: 12/02/2009
Surface Owner: Fee State Federal Indian
Mineral Owner: Fee State Federal Indian
The surface owner is: the mineral owner committed to an oil and gas lease
is the executer of the oil and gas lease the applicant
The right to construct the location is granted by: oil and gas lease Surface Use Agreement Right of Way
applicant is owner
Surface damage assurance if no agreement is in place: \$2000 \$5000 Blanket Surety ID 20030099

8. Reclamation Financial Assurance:

Well Surety ID: 20030098 Gas Facility Surety ID: Waste Mgmt. Surety ID:

9. Cultural:

Is the location in a high density area (Rule 603.b.): Yes No
Distance, in feet, to nearest building: 3963 , public road: 2252 , above ground utilit: 3895
, railroad: 54384 , property line: 599

10. Current Land Use (Check all that apply):

Crop Land: Irrigated Dry land Improved Pasture Hay Meadow CRP
Non-Crop Land: Rangeland Timber Recreational Other (describe):
Subdivided: Industrial Commercial Residential

11. Future Land Use (Check all that apply):

Crop Land: Irrigated Dry land Improved Pasture Hay Meadow CRP
Non-Crop Land: Rangeland Timber Recreational Other (describe):
Subdivided: Industrial Commercial Residential

12. Soils:

List all soil map units that occur within the proposed location. Attach the National Resource Conservation Service (NRCS) report showing the "Map Unit Description" report listing the soil typical vertical profile. This data is to used when segregating topsoil.

IMPORTANT: SOME DATA FIELDS HAVE BEEN MODIFIED.

The required information can be obtained from the NRCS web site at <http://soildatamart.nrcs.usda.gov/> or from the COGCC web site GIS Online map page found at <http://colorado.gov/cogcc>. Instructions are provided within the COGCC web site help section.

NRCS Map Unit Name: 38. FUGHES LOAM, 15 TO 25% SLOPES

NRCS Map Unit Name: _____

NRCS Map Unit Name: _____

13. Plant Community:

Complete this section only if any portion of the disturbed area of the location's current land use is on non-crop land.

Are noxious weeds present: Yes No

Plant species from: NRCS or, field observation Date of observation: 07/28/2010

List individual species: MUSK, THISTLE, HOUNDSTONGUE

Check all plant communities that exist in the disturbed area.

- Disturbed Grassland (Cactus, Yucca, Cheatgrass, Rye)
- Native Grassland (Bluestem, Grama, Wheatgrass, Buffalograss, Fescue, Oatgrass, Brome)
- Shrub Land (Mahogany, Oak, Sage, Serviceberry, Chokecherry)
- Plains Riparian (Cottonwood, Willow, Aspen, Maple, Poplar, Russian Olive, Tamarisk)
- Mountain Riparian (Cottonwood, Willow, Blue Spruce)
- Forest Land (Spruce, Fir, Ponderosa Pine, Lodgepole Pine, Juniper, Pinyon, Aspen)
- Wetlands Aquatic (Bullrush, Sedge, Cattail, Arrowhead)
- Alpine (above timberline)
- Other (describe): MOUNTAIN SAGEBRUSH SHRUBLAND

14. Water Resources:

Rule 901.e. may require a sensitive area determination be performed. If this determination is performed the data is to be submitted with the Form 2A.

Is this a sensitive area: No Yes Was a Rule 901.e. Sensitive Areas Determination performed: No Yes

Distance (in feet) to nearest surface water: 962, water well: 3763, depth to ground water: 40

Is the location in a riparian area: No Yes Was an Army Corps of Engineers Section 404 permit filed No Yes

Is the location within a Rule 317B Surface Water Suppl Area buffer zone:

No 0-300 ft. zone 301-500 ft. zone 501-2640 ft. zone

If the location is within a Rule 317B Surface Water Supply Area buffer have all public water supply systems within 15 miles been notified: No Yes

15. Comments:

"LOCATION" WILL BE USED AS A SEASONAL FLOW-BACK STORAGE PIT. NO WELL WILL BE DRILLED. THE PITS WILL BE UTILIZED TO STORE AND RECYCLE FRAC FLOWBACK FLUIDS BETWEEN FRAC JOBS. THE PITS WILL ALSO GREATLY REDUCE WATER TRANSPORTATION IMPACTS AND ON-SITE FRAC TANK NUMBERS. FORM 15 DOCUMENT NOS 2590052 (Pit No. 3) and 2583738 (Pit No. 4) HAVE BEEN SUBMITTED WITH THIS FORM 2A. Reference area is on undisturbed land located immediately adjacent to the north of the proposed pit. Form 2A#2583727 for McIntyre Flowback Pit No. 4, NWNE Sec 26 T11S R90W, Gunnison County (Lat: 39.077051, -107.413259) has been withdrawn and this Form 2A#2583716 will be the permit for both pits.

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

Signed: _____ Date: 08/11/2010 Email: DMCCALLUM@SGINTERESTS.COM

Print Name: DIANE MCCALLUM Title: REGULATORY MGR

IMPORTANT: SOME DATA FIELDS HAVE BEEN MODIFIED.

Based on the information provided herein, this Application for Permit-to-Drill complies with COGCC Rules and applicable orders and is hereby approved.

COGCC Approved: _____

David S. Nesline

Director of COGCC

Date: 5/27/2011

CONDITIONS OF APPROVAL, IF ANY:

All representations, stipulations and conditions of approval stated in this Form 2A for this location shall constitute representations, stipulations and conditions of approval for any and all subsequent operations on the location unless this Form 2A is modified by Sundry Notice, Form 4 or an Amended Form 2A.

Pits shall meet the design and construction parameters as defined in the Form 28 submittals and subsequent documents associated with Facility ID #421066.

Pits will be operated in accordance with the operations plan submitted and revised with the Form 28 for Facility ID #421066.

Operator will complete the process of converting this pit complex to a Centralized E&P Waste Management Facility in accordance with Rule 908 within 3 years of commencing use of the pit or will close and reclaim the pit by that date.

Operator must implement all operations detailed in the operating plan, pit liner installation specifications, and all other attachments to the Form 15 and Form 28 in accordance with the 900-Series Rules.

Notify the COGCC Oil and Gas Location Assessment (OGLA) Specialist for Western Colorado (Dave Kubeczko; email dave.kubeczko@state.co.us), the COGCC Field Inspection Supervisor for Northwest Colorado (Shaun Kellerby; email shaun.kellerby@state.co.us), and the COGCC Field Inspector for Northwest Colorado (Chuck Browning email chuck.browning@state.co.us) 48 hours prior to construction of the site.

Any berm constructed at the well pad location will be stabilized, inspected at regular intervals (at least every 14 days), and maintained in good condition.

After installation of the uppermost liner and prior to operating the pit, the synthetic liner(s) shall be tested by filling the pit with at least 8 feet of fresh water, measured from the base of the pit (not to exceed the 2-foot freeboard requirement). The operator shall monitor the pit for leaks for a period of 72 hours prior to commencing operations. Similar 72-hour hydrotests shall be conducted and documented annually thereafter prior to re-commencing operation of the pit(s) following winter shut down. Operator shall notify the COGCC Oil and Gas Location Assessment (OGLA) Specialist for Western Colorado (Dave Kubeczko; email dave.kubeczko@state.co.us) 48 hours prior to start of the hydrotest(s). Initial hydrotest monitoring results must be provided to the COGCC prior to using the pit; all hydrotest records must be maintained by the operator for the life of the pit and provided to the COGCC upon request.

Operator must submit a professional engineer (PE) approved/stamped as-built drawing (plan view and cross-sections) of the completion/flowback pit within 30 calendar days of construction.

The nearby downgradient hillside below the pit location must be monitored monthly for any day-lighting of fluids throughout pit operations.

The completion/flowback fluids multi-well pit must be fenced and netted. The operator must maintain the fencing and netting until the pit is closed.

Pit(s) shall be closed in accordance with Rule 905 Closure of Pits, and Buried or Partially Buried Produced Water Vessels.

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Flowback and stimulation fluids from the wells/pads being completed using these pits must be sent to tanks and/or filters to allow the sand to settle out before the fluids can be placed into any pipeline or pit. The flowback and stimulation fluid tanks and/or filters must be placed on the individual well pad(s) in an area with downgradient perimeter berming sufficiently impervious to contain any spilled or released material (per Rule 604.a.(4)).

Operator must submitted a Form 4 Sundry prior to any addition of wells as source produce water, changes or deviations from the operating plans, rerouting of the surface poly lines, from the approved Form 2A, Form 15, and/or Form 28 to the COGCC Oil and Gas Location Assessment (OGLA) Specialist for Western Colorado (Dave Kubeczko; email dave.kubeczko@state.co.us) and the COGCC Environmental Supervisor for Western Colorado (Alex.fischer@state.co.us) for prior approval.

Prior to installing surface poly pipelines in roadside ditches, operator shall mechanically clean ditches to remove objects which may otherwise pose a damage hazard to the pipeline and to ensure that the pipelines do not adversely affect the ditches capacity to transport runoff.

Operator shall pressure test surface poly-pipelines in accordance with Rule 1101.e.(1) prior to putting into initial service and following any reconfiguration of the pipeline network. Operator shall notify the COGCC Oil and Gas Location Assessment (OGLA) Specialist for Western Colorado (Dave Kubeczko; email dave.kubeczko@state.co.us), the COGCC Field Inspection Supervisor for Northwest Colorado (Shaun Kellerby; email shaun.kellerby@state.co.us), and the COGCC Field Inspector for Northwest Colorado (Chuck Browning email chuck.browning@state.co.us) 48 hours prior to testing surface poly pipeline.

Operator shall conduct daily inspections of surface poly pipeline routes for leaks during active transfer of fluids. Inspections shall be conducted by viewing the length of the pipeline; operator will endeavor to minimize surface disturbance during pipeline monitoring. The operator shall maintain records of inspections, findings and repairs, if necessary, for the life of the pits.

Operator will utilize, to the extent practical, all existing access, forest service, other public roads, and/or existing pipeline right-of-ways, when placing/routing the surface poly pipeline. This will reduce surface disturbance and fragmentation of wildlife habitat in the area.

Operator shall provide secondary containment for the surface poly pipeline at all sensitive area crossings in accordance with the design details included in the attached drawings.

Operator must routinely inspect the entire length of the surface poly pipeline to ensure integrity.

Operator must implement best management practices to contain any unintentional release of fluids at the pit location, as well as along all portions of the surface poly pipeline route where temporary or permanent pumps and other necessary equipment are located.

Prior to pit closure, operator must submit E&P waste disposal information via a Form 4 Sundry Notice to the COGCC Location Specialist for Western Colorado (Dave Kubeczko; email dave.kubeczko@state.co.us) and the COGCC Environmental Supervisor for Western Colorado (alex.fischer@state.co.us) for approval. In addition, operator shall collect a pit water sample and, at a minimum, analyze for the following parameters: pH; alkalinity; specific conductance; major cations/anions (chloride, fluoride, sulfate, sodium); total dissolved solids (TDS); BTEX/DRO; TPH; PAH's (including benzo[a]pyrene); and metals (arsenic, barium, calcium, chromium, iron, magnesium, selenium). At the time of closure and disposal of pit water, COGCC may require additional analyses.

Submit additional disposal facilities (wells, pits, etc.) for pit contents to COGCC via a Form 4 Sundry prior to disposal o the COGCC Location Specialist for Western Colorado (Dave Kubeczko; email dave.kubeczko@state.co.us) and the COGCC Environmental Supervisor for Western Colorado (Alex Fischer; alex.fischer@state.co.us) for approval.

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Operator has agreed to voluntarily provide and maintain an additional \$193,346 of financial assurance, prior to construction and through closure, to supplement their existing plugging and surface reclamation bond. In the event that the facility is subsequently permitted as a Centralized E&P Waste Management Facility in accordance with Rule 908, the COGCC will determine the amount of financial assurance for such permit pursuant to Rules 704 and 908.d. Such determination is not limited to the voluntary financial assurance that the operator has provided to date, and the COGCC expressly reserves its right pursuant to Rules 704 and 908.d to require financial assurance for the Centralized E&P Waste Management Facility permit in an amount exceeding \$528,655. The volunteered financial assurance discussed herein will be transferred to a Centralized E&P Waste Management Facility upon approval of the Form 28.

Attachment Check List

Att Doc Num	Name
2033763	ACCESS ROAD MAP
2033764	CONST. LAYOUT DRAWINGS
2033765	LOCATION DRAWING
2033766	CONST. LAYOUT DRAWINGS
2033770	SENSITIVE AREA DATA
2033775	PROPOSED BMPs
2033776	LOCATION PICTURES
2033777	HYDROLOGY MAP
2033778	REFERENCE AREA PICTURES
2583716	FORM 2A
2583723	NRCS MAP UNIT DESC
2583726	SENSITIVE AREA MAP

Total Attach: 12 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Changed elevation to match construction layout drawing, applicant is not owner, added related forms information	10/29/2010 12:28:51 PM

DOW	<p>The operator has agreed to implement the following seed mix. CDOW feels that these facilities are part of a larger development and that cumulative impacts on wildlife have not been adequately addressed. CDOW will continue to engage in conversations with the operator and COGCC in ways to avoid, minimize, and mitigate cumulative impacts to wildlife.</p> <p>Ecotype: Oakbrush/Mountain shublands</p> <p>Species*recommended variety unless locally collected seed is available, in which case locally collected seed is preferred</p> <p>GRASSES Variety*% of mix FRPLS*PLS rate/acre*based on drill seeding; 2x if broadcasting</p> <p>Slender wheatgrass San Luis 15% 60.9</p> <p>Western wheatgrass Arriba 10% 80.8</p> <p>Bluebunch wheatgrass Secar/Goldar 15% 101.5</p> <p>Idaho fescue 10% 40.4</p> <p>Muttongrass (UP Colona) 15% 10.15</p> <p>Junegrass Uncomprahgre 15% 40.6</p> <p>Sandberg bluegrass UP release 10% 20.2</p> <p>Green needlegrass 10% 80.8</p> <p>Mountain brome Garnet 10% 121.2</p> <p>1.1</p> <p>FORBS Variety</p> <p>Utah sweetvetch (UP Uncomprahgre) TIMP 15% 152.25*Select 5 of the 8 species based on availability</p> <p>Lewis flax Maple grove 15% 40.6</p> <p>Penstemon comarrhenus* (dusty) (UP Delta) 15% 10.15</p> <p>Penstemon cyanocaulis* (bluestem) (UP San Miguel) 15% 10.15</p>	9/24/2010 7:19:37 AM
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9/24/2010
7:19:37 AM

DOW	Penstemon palmeri* (palmer)15%20.3
	Penstemon strictus* (Rcky Mtn)15%10.15
	Silky lupine -sericeus15%203
	American vetch15%253.75
	Oregon daisy(UP Dry Fork)15%10.15
	(Alfalfa)Ladak() these species are included to enhance the initial value of the seeding for big game; include in addition to the 5 native forbs
	(Small burnet)
	(Sainfoin)
	SHRUBS*Variety
	Antelope bitterbrush1*Select 3 of the 4 species based on availability
	Mtn. mahogany1
	Artemisia tridentata ssp. vaseyana1
	Utah serviceberry1
	NOTE: (UP)- The UP varieties are recently released and may not be available in sufficient quantities. Supply and availability may increase in future years

DOW	<p>The operator has agreed to implement the following seed mix. CDOW feels that these facilities are part of a larger development and that cumulative impacts on wildlife have not been adequately addressed. CDOW will continue to engage in conversations with the operator and COGCC in ways to avoid, minimize, and mitigate cumulative impacts to wildlife.</p> <p>Ecotype: Oakbrush/Mountain shrublands</p> <p>Species*recommended variety unless locally collected seed is available, in which case locally collected seed is preferred</p> <p>GRASSES Variety*% of mix FRPLS*PLS rate/acre*based on drill seeding; 2x if broadcasting</p> <p>Slender wheatgrass San Luis 15% 60.9</p> <p>Western wheatgrass Arriba 10% 80.8</p> <p>Bluebunch wheatgrass Secar/Goldar 15% 101.5</p> <p>Idaho fescue 10% 40.4</p> <p>Muttongrass (UP Colona) 15% 10.15</p> <p>Junegrass Uncomprahgre 15% 40.6</p> <p>Sandberg bluegrass UP release 10% 20.2</p> <p>Green needlegrass 10% 80.8</p> <p>Mountain brome Garnet 10% 121.2</p> <p>1.1</p> <p>FORBS Variety</p> <p>Utah sweetvetch (UP Uncomprahgre) TIMP 15% 152.25*Select 5 of the 8 species based on availability</p> <p>Lewis flax Maple grove 15% 40.6</p> <p>Penstemon comarrhenus* (dusty) (UP Delta) 15% 10.15</p> <p>Penstemon cyanocaulis* (bluestem) (UP San Miguel) 15% 10.15</p>	9/24/2010 7:19:37 AM
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DOW	<p>Penstemon palmeri* (palmer)15%20.3</p> <p>Penstemon strictus* (Rcky Mtn)15%10.15</p> <p>Silky lupine -sericeus15%203</p> <p>American vetch15%253.75</p> <p>Oregon daisy(UP Dry Fork)15%10.15</p> <p>(Alfalfa)Ladak() these species are included to enhance the initial value of the seeding for big game; include in addition to the 5 native forbs</p> <p>(Small burnet)</p> <p>(Sainfoin)</p> <p>SHRUBS*Variety</p> <p>Antelope bitterbrush1*Select 3 of the 4 species based on availability</p> <p>Mtn. mahogany1</p> <p>Artemisia tridentata ssp. vaseyana1</p> <p>Utah serviceberry1</p> <p>NOTE: (UP)- The UP varieties are recently released and may not be available in sufficient quantities. Supply and availability may increase in future years</p>	9/24/2010 7:19:37 AM
OGLA	Placed ON HOLD, pending resolution of Gunnison County concerns.	9/13/2010 11:01:21 AM

LGD	<p>I am the Local Government Designee for Gunnison County, Colorado. On September 2, 2010, by email to the Colorado Oil and Gas Commission, I requested a consultation with the Colorado Department of Public Health and Environment (CDPHE), and with the Colorado Division of Wildlife (CDOW), regarding the above numbered Form 2A.</p> <p>I. INCOMPLETE APPLICATION. I request that, before those consultations occur, you determine, pursuant to COGCC Rule 303.h, Incomplete Applications, that this Oil and Gas Location Assessment, Form 2A, was submitted without the required information and attachments, and must be considered incomplete and must not be reviewed or approved. The following is a list of information and attachment not submitted:</p> <ol style="list-style-type: none">1. Pursuant to Rule 303.d.(3)A, there must be four colored photos of the staked location. The photos submitted do not contain stakes or identify a staked location.2. Pursuant to Rule 303.d.(3)B, there must be a list of major equipment components... No list has been provided.3. Pursuant to Rule 303.d.(3)D, there must be a topographic map of all surface waters and riparian areas within 1,000 feet including bearings and distances. The submitted document titled Hydrology Map does not fulfill this requirement.4. Pursuant to Rule 303.d.(3)E, there must be a map of access from a highway or county road. The submitted document titled Access Road does not fulfill this requirement. Indeed, that document illuminates that there is not a constructed road to serve the proposed site.5. Pursuant to Rule 303.d.(3)F, there must be a statement of the basis for setting reclamation standards. This requirement is significantly important regarding the above numbered Form 2A because the Form 2A itself identifies that musk Thistle are present on the subject land; Musk Thistle are a Colorado Noxious Weed, B List species. Please note that the Form 2A is further incomplete because it neglects to respond to the form question: Are noxious weeds present?6. Pursuant to Rule 303.d.(3)H, if the oil and gas location disturbance is to occur on lands with a slope ten percent or greater, then the following shall be required: i. construction layout drawing (construction and operation), and ii. Location cross-section plot (construction and operation). While the Form 2A itself identifies, at Section 12, 15 to 25% slopes, the documents required by rule 303.d.(3)H. have not been provided. <p>II. CONSULTATIONS REQUESTED. If you determine that the Form 2A is complete, I request a consultation with the CDOW, and that Gunnison County be allowed to attend and participate. The Form 2A at Section 1 identifies that (t)his location is in a sensitive wildlife habitat area. I also request a consultation with the CDPHE, to include a Rule 901e. sensitive area determination. I request that Gunnison County be allowed to attend and participate. There are three major reasons for this request:</p> <ol style="list-style-type: none">1. Data, including the dimensions and potential capacity of the flowback pit, the proximity to wetlands, riparian areas and other water bodies on the provided hydrology map all support this request.	9/3/2010 11:04:27 AM
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LGD

2. The complete disconnect between two submitted documents. The first document (the Form 2A itself at Section 14) states that the site is not a sensitive area and that no Sensitive Area Determination was performed; however, the second document (a COGCC GIS Online, provided to the LGD) contains two handwritten notations: a. Sensitive Area Determination, and b. all Sensitive.

3. The Form 2A attachments are inconsistent with regard to depth to groundwater and pit depth. Depth to groundwater appears to be 40 feet, and pit depth is from 14 to more approximately 25'. In all events, the depth to groundwater is problematic. When discharged into unlined pits, the substances in pits can leach directly into the soil and may contaminate groundwater. Lined pits can also lead to pollution via ruptures in liners or by overflowing the pit area. These events can result in soil and water contamination, which can have a negative effect on both human and ecosystem health.

III. AUTHORITY OF STATE ENGINEER. I request that the Commission or Director obtain a formal determination whether this proposal is subject to the authority and regulation of the State Engineer, consistent with C.R.S. 37-87-102 and C.R.S. 37-87-105, as a non-jurisdictional or other category dam.

IV. COMMISSION OR DIRECTOR APPROVAL. If you determine that the Form 2A is complete, Rule 303.d.(4)A will require a determination of Commission or Director approval of the application (as opposed to staff approval) because:

1. The proposed location will disturb more than one (1) acre and is located in Gunnison County; and
2. The Gunnison County LGD has requested consultation on the proposed oil and gas location pursuant to Rule 306.b; and
3. It appears that the proposed oil and gas facility will service multiple wells.

The analysis to be performed by the Commission or Director must be informed by a host of data yet to be provided by the applicant. Major issues include:

1. The Form 2A indicates the location will be used as a seasonal flow back storage pit. No well will be drilled. For how many wells, where, when, how, and with what frequency will this pit be used?
2. There is no identification of the amount of soil to be excavated and stockpiled, where or how.
3. There is no identification of what fluids will be transported to and from the pit to where, how, with what frequency, by what machinery.

Data that would be essential for analysis of an impoundment of this size - but which has not yet been provided - includes:

- a. Impoundment failure inundation maps;

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LGD	<p>b. Water course cross sections;</p> <p>c. A topographic map delineating the drainage area tributing to the impoundment;</p> <p>d. A description of all basin response factors, including topography, geology and vegetative cover;</p> <p>e. A summary of all fluid/hydrologic parameters for the inflow and outflow;</p> <p>f. A description of the mechanics of inflow and outflow;</p> <p>g. A table showing the impoundment area (in acres, cubic feet, gallons) and storage capacity for each foot of fluid elevation;</p> <p>h. A geotechnical report including a geological assessment of the impoundment site (e.g. standard index tests, soil classifications, compressibility and consolidations tests of soils, permeability of soils, shear strength of natural and placed materials, logs of borings and test pits, standard penetration test results).</p> <p>V. RESERVATION OF RIGHT TO A HEARING. Gunnison County expressly reserves its right to request a hearing pursuant to Rule 503.b.</p> <p>Thank you.</p>	9/3/2010 11:04:27 AM
LGD	<p>I am the Local Government Designee for Gunnison County, Colorado. I request a consultation with the Colorado Department of Public Health and Environment, and with the Colorado Division of Wildlife regarding this application. Further comments will be provided no later than September 3, 2010.</p>	9/2/2010 3:53:50 PM
OGLA	<p>Conducted an onsite consultation with CDOW and SG Interests on 08-10-10. Discussed the route of the proposed surface poly pipeline to the two wells (i.e., will the pipeline following all existing roads; will it be laid out across undisturbed areas; how many streams, ditches, drainages will it cross?, etc). Requested acknowledgement of pipeline routing along existing roads COA from operator on 08-19-10; received acknowledgement of COA from operator on 08-?-10.</p>	8/19/2010 9:11:35 AM
OGLA	<p>Initiated/Completed OGLA Form 2A review on 08-19-10 by Dave Kubeczko; requested clarifications and acknowledgement of double-lined pits with leak detection, fluid containment, spill/release BMPs, monitoring of surface poly pipeline, secondary containment of surface poly pipeline at streams COAs from operator on 08-19-10-10; received clarifications and acknowledgement of COAs from operator on 08-?-10; passed by CDOW on (TBD: 09-26-10); passed OGLA Form 2A review on (TBD: 09-26-10) by Dave Kubeczko; double-lined pits with leak detection, fluid containment, spill/release BMPs, monitoring of surface poly pipeline, secondary containment of surface poly pipeline at streams COAs.</p>	8/19/2010 9:11:10 AM
Permit	<p>added plugging bond info with operator contact approval.</p>	8/17/2010 1:31:43 PM

Total: 9 comment(s)

BMP

Type

Comment

<u>Type</u>	<u>Comment</u>

Total: 0 comment(s)