

Kubeczko, Dave

From: Kubeczko, Dave
Sent: Tuesday, September 13, 2011 8:57 AM
To: Kubeczko, Dave
Subject: FW: True Oil, Breeze Unit 41-22, Lot 1 Sec 22 T6N R89W, Routt County, Form 2A (#400187995) Review

Categories: Orange - Operator Correspondence

Scan No 2033998 CORRESPONDENCE 2A#400187995

From: LSPermitco@aol.com [<mailto:LSPermitco@aol.com>]
Sent: Thursday, September 01, 2011 1:23 PM
To: Warren, Michael; Kubeczko, Dave
Cc: LSPermitco@aol.com
Subject: Fwd: True Breeze 41-22

*Lisa Smith - President
PermitCo Inc. - PO Box 99 - Eastlake, CO 80614
303-857-9999 (office) - 303-324-9350 (cell) - 303-450-9200 (fax)*

*From: Erich.Schmidt@Truecos.com
To: LSPermitco@aol.com
Sent: 9/1/2011 11:29:41 A.M. Mountain Daylight Time
Subj: RE: True Breeze 41-22*

We agree to COA's.

Thank you

From: Kubeczko, Dave
Sent: Thursday, August 25, 2011 9:29 AM
To: LSPermitco@aol.com
Subject: True Oil, Breeze Unit 41-22, Lot 1 Sec 22 T6N R89W, Routt County, Form 2A (#400187995) Review

Lisa,

I have been reviewing the Breeze Unit 41-22 **Form 2A** (#400187995). COGCC would like to attach the following conditions of approval (COAs) to the Form 2A based on the data True Oil has submitted on or attached to the Form 2A prior to passing the Oil and Gas Location Assessment (OGLA) review.

1. **Construction (Section 6):** The box answering the question will salt (>15,000 ppm TDS Cl) or oil based muds (OBM) be used? has been marked **Yes**; therefore the following condition of approval (COA) will apply:
 - COA 11** - The drilling pit must be lined, or a closed loop system must be implemented during drilling. All cuttings generated during drilling with OBM must be kept in the lined drilling pit, or placed either in containers or on a lined/bermed portion of the well pad; prior to analysis.
 - 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, if the drill cuttings are to be left onsite, they must also meet the applicable standards of table 910-1.
2. **Water Resources (Section 14):** Form 2A indicates the distance to the nearest surface water is 589 feet. The following conditions of approval (COAs) will apply:
 - COA 4** - 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., best management practices (BMPs) associated with stormwater management) sufficiently protective of nearby surface water. Any berm constructed at the well pad location will be stabilized, inspected at regular intervals, and maintained in good condition.
 - COA 5** - Operator must implement best management practices to contain any unintentional release of fluids, including any fluids conveyed via temporary surface pipelines or buried permanent pipelines.
3. **Water Resources (Section 14):** Form 2A indicates the depth to groundwater to be 5 feet bgs for a well located 1971 feet from the proposed well pad. COGCC guidelines require designating all locations with shallow groundwater a **sensitive area**. The following conditions of approval (COA) will apply:
 - COA 1** - Location is in a sensitive area due to very shallow groundwater, possibly less than 5 feet bgs; therefore, either a closed loop system must be used, or the drilling pit must be lined and constructed above the top of groundwater.
 - COA 8** - Location is in a sensitive area because of the potential for shallow groundwater; therefore production pits must be lined.
4. **General:** The following conditions of approval (COAs) will also apply:
 - COA 46** - The location is in an area of high run off/run-on potential; therefore the pad shall be constructed to prevent any stormwater run-on and/or stormwater runoff.
 - COA 25** - If fracing operations occur, 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 pit 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 with additional downgradient perimeter berming. The area where flowback fluids will be stored/reused must be constructed to be sufficiently impervious to contain any spilled or released material.

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

David A. Kubeczko, PG

Oil and Gas Location Assessment Specialist

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