

Kubeczko, Dave

From: Kubeczko, Dave
Sent: Monday, March 26, 2012 10:53 AM
To: Kubeczko, Dave
Subject: Genesis Gas & Oil LLC, Fletcher Gulch 3-24 Pad, Lot 12 Sec 3 T1N R100W, Rio Blanco County, Form 2A #400221119 Review

Scan No 2034268 CORRESPONDENCE 2A#400221119

From: Sheryl Myers [<mailto:Sheryl@myersenergyservices.com>]
Sent: Wednesday, February 22, 2012 1:57 PM
To: Kubeczko, Dave
Subject: FG 3-24

Please see attached

- 1) Operator concurs with COGCC footages to nearest water. A hydrology map will be submitted. Operator concurs with COGCC COA's 23, 44, 46, & 5
- 2) Water or gas pipelines will be laid within the Access and Lease roads
- 3) A more suitable hydrology map will be provided
- 4) The Exhibit set contains an accurate depiction of adjacent topography and vegetation – please let me know if it is acceptable for Reference Area
- 5) The Exhibit set contains a better location layout diagram and cross sections diagram
- 6) Operator concurs with COGCC COA's 25 & 38

BLM COA's and Exhibit set will be submitted under separate emails

Shari

From: Kubeczko, Dave
Sent: Tuesday, February 07, 2012 4:42 PM
To: 'Robert Behner'
Subject: Genesis Gas & Oil LLC, Fletcher Gulch 3-24 Pad, Lot 12 Sec 3 T1N R100W, Rio Blanco County, Form 2A #400221119 Review

Robert,

I have been reviewing the Fletcher Gulch 3-24 Pad **Form 2A** (#400221119). COGCC requests the following clarifications regarding the data Genesis Gas & Oil has submitted on or attached to the Form 2A prior to passing the Oil and Gas Location Assessment (OGLA) review. In addition, COGCC would like to attach the following conditions of approval (COAs) to the Form 2A.

1. **Water Resources (Section 14):** Form 2A indicates the distance to the nearest surface water is 2763 feet. COGCC's rules state that the distance to the nearest surface water should reflect intermittent (this includes ephemeral streams, irrigation ditches, drainages), as well as, perennial streams. COGCC's review indicates an intermittent stream located approximately 243 feet to the west-northwest. COGCC has made this change. COGCC guidelines require designating all locations with 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 23 - 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 44 - The access road will be constructed to prevent sediment migration from the access road to nearby surface water or any drainages leading to other nearby surface waters.

COA 46 - Due to the steep slopes to the north, this location is in an area of moderate to high run off/run on potential; therefore the pad shall be constructed in a timely manner and appropriate BMPs need to be in place both during, after well pad construction, as well as during all drilling and well completion operations. Standard stormwater BMPs must be implemented at this location to insure compliance with CDPHE and COGCC requirements and to prevent any stormwater run-on and /or stormwater runoff.

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.

2. **Rule 303.d.(3).C.:** The Construction Layout Drawing does not show the location of the proposed gas and water pipelines. The anticipated/proposed locations of these pipelines should be shown on a drawing. Otherwise, a statement indicating that the proposed pipeline locations will follow the access road in the comments section would be sufficient. I can make the change if you send an email with this request.
3. **Rule 303.d.(3).D.:** A topographic map showing all surface waters and riparian areas within one thousand (1,000) feet of the proposed oil and gas location, with a horizontal distance and approximate bearing from the oil and gas location. The Hydrology Map provided has a radius distance of 1-mile, not 1000 feet, is not legible, is not set up at an appropriate scale, and does not show distance or bearing to the nearest surface water. A revised Hydrology Map is required.
4. **Rule 303.d.(3).F.ii.aa and bb:** Since the current and future land uses are non crop land (rangeland), a reference area needs to be indicated on a topographic map and four (each of the cardinal directions) color photographs taken during the growing season of the reference area are required within 12 months of the Form 2A permit application date (01/20/2012). Another option would be to select a reference area immediately adjacent to the well pad location in one of the four cardinal directions and the following statement can be added to the **Section 15. Comments:** The reference area is located immediately adjacent to the well pad to the north on undisturbed land. However, the vegetation must be visible from the attached Location Pictures. I can make the change if you send me an email with this request.
5. **Rule 303.d.(3).H.:** If the oil and gas location disturbance is to occur on lands with a slope ten percent (10%) or greater, or one (1) foot of elevation gain or more in ten (10) foot distance, then the following shall be required: i. Construction layout drawing (construction and operation); and ii. Location cross-section plot (construction and operation). The Construction Layout Drawing provided (Fletcher Gulch #9-34) is not for this location. Please provided the correct Construction Layout Drawings that show the dimensions and layout of this well pad. Cross-sections are also needed.
6. **General:** In addition, the following conditions of approval (COAs) will also apply:
 - COA 25** - If the well is to be frac'd, 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.
 - 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 drill cuttings are to remain/disposed of onsite, they must also meet the applicable standards of table 910-1.

COGCC would appreciate your concurrence with attaching these COAs (items 1 and 6) to the Form 2A permit prior to passing the OGLA review. The other issues (items 2, 3, 4, and 5) also need to be addressed prior to permit approval. In

addition, could Genesis Gas & Oil provide COGCC with the COAs and wildlife stipulations that BLM has attached to this location. 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

Colorado Oil & Gas Conservation Commission
Northwest Area Office
707 Wapiti Court, Suite 204
Rifle, CO 81650
Phone: (970) 625-2497x5
FAX: (970) 625-5682
Cell: (970) 309-2514
dave.kubeczko@state.co.us



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