

Kubeczko, Dave

From: Kubeczko, Dave
Sent: Tuesday, May 01, 2012 12:15 PM
To: Kubeczko, Dave
Subject: FW: Matrix Oil Corporation, Sheridan 11-2 Pad, Tract 47A Sec 11 T1N R94W, Rio Blanco County, Form 2A #400256080 Review
Attachments: Terry L Hoffman3.vcf
Categories: Orange - Operator Correspondence

Scan No 2034321 CORRESPONDENCE 2A#400256080

From: Terry Hoffman [mailto:terry@rockymountainpermitting.com]
Sent: Tuesday, May 01, 2012 9:54 AM
To: Kubeczko, Dave
Cc: kaulin@rockymountainpermitting.com
Subject: RE: Matrix Oil Corporation, Sheridan 11-2 Pad, Tract 47A Sec 11 T1N R94W, Rio Blanco County, Form 2A #400256080 Review

Dave I have struck a view items below that I feel are not practical to the operator. Please provide your feedback. See below....

Note: As you know drilling & completion operations is a 24/7 operation and this is the main objection for the operator, however, at all-times the City of Meeker will be considered.

LGD Comment No. 1: Adjacent homeowners have asked that Matrix treat the portion of the County Road which is gravel to keep down the dust.

COA R11 - Fugitive dust emissions from the graveled portion of the County maintained access road from the edge of paving to the well pad access entrance will be controlled during drilling and completion operations. Such practices shall include but are not limited to the use of speed restrictions, ~~regular road maintenance, and restriction of construction activity during high wind days.~~ Additional management practices such as ~~road surfacing, wind breaks and barriers,~~ dust suppression using water or other materials.

LGD Comment No. 2: School District has asked for timing limitations for heavy truck traffic within town. Please have Matrix meet with School officials to work out mutually acceptable times.

COA R3 - Operator will review local governmental requirements for access from public roads (which operator has already done). In addition, the following traffic requirements will apply: (1) a traffic control plan will be in place; (2) additional signage on major and/or local roads will be employed to warn the public of increased truck traffic; (3) all oil and gas related construction, drilling, and operational traffic shall access the location from a single point (as indicated on the revised Access Road Map); (4) designate haul routes to avoid school zones (as indicated on the revised Access Road Map); (5) schedule work to avoid peak traffic flow; (6) schedule heavy equipment movement and drilling/completion operations traffic to avoid local school and school bus operation hours (for example, high student traffic times are 7:00 am to 9:00 am and 2:00 pm to 6:00 pm); (7) when using residential/neighborhood roads, reduced speed limits should be established; and (8) ~~provide and require safe driving training for employees and contractors.~~ → Matrix Oil Corporation will contract with licensed personnel and give priority to contractors who employ safe driving training/practices.

LGD Comment No. 3: Because of the proximity to Sulphur Cr., the County would like a requirement to do surface water samples, pre and post drilling to the same standards as the voluntary water testing program, with results to the County.

COA 20 - Surface water samples from Sulphur Creek at two locations, one upstream and one downstream of the proposed well pad location, will be collected (if water is present) prior to pad construction and after the well has been completed, to evaluate potential impacts from drilling/completion operations. At a minimum, the surface water samples will be analyzed for the following parameters: major cations/anions (chloride, fluoride, sulfate, sodium); total dissolved solids (TDS); and BTEX/DRO. The data will be sent electronically to the COGCC and Rio Blanco County.



From: Kubeczko, Dave [<mailto:Dave.Kubeczko@state.co.us>]
Sent: Monday, April 30, 2012 4:07 PM
To: kaulin@rockymountainpermitting.com
Cc: Terry Hoffman
Subject: RE: Matrix Oil Corporation, Sheridan 11-2 Pad, Tract 47A Sec 11 T1N R94W, Rio Blanco County, Form 2A #400256080 Review

Kaulin,

COGCC has made the change to the traffic management COA. Below are two additional (COA R3 has already been proposed and accepted by the operator) COAs based on the LGD's comments dated 04-19-12:

LGD Comment No. 1: Adjacent homeowners have asked that Matrix treat the portion of the County Road which is gravel to keep down the dust.

COA R11 - Fugitive dust emissions from the graveled portion of the County maintained access road from the edge of paving to the well pad access entrance will be controlled during drilling and completion operations. Such practices shall include but are not limited to the use of speed restrictions, regular road maintenance, and restriction of construction activity during high-wind days. Additional management practices such as road surfacing, wind breaks and barriers, dust suppression using water or other materials.

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school bus operation hours (for example, high student traffic times are 7:00 am to 9:00 am and 2:00 pm to 6:00 pm); (7) when using residential/neighborhood roads, reduced speed limits should be established; and (8) provide and require safe driving training for employees and contractors.

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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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 *Please consider the environment before printing this e-mail*

From: kaulin@rockymountainpermitting.com [<mailto:kaulin@rockymountainpermitting.com>]
Sent: Monday, April 30, 2012 12:46 PM
To: Kubeczko, Dave
Cc: Terry Hoffman
Subject: RE: Matrix Oil Corporation, Sheridan 11-2 Pad, Tract 47A Sec 11 T1N R94W, Rio Blanco County, Form 2A #400256080 Review

Dave,

Matrix has reviewed the additional COAs and would like to make one change per our conversation. Due to timing restraints and Matrix's ability to put employees and contractors through safe driving training classes; Matrix requests the following modifications:

5. **General Residential:** Due to the proximity of the Access Road to schools and residences, the following conditions of approval (COAs) will also apply:

COA R4 – (8) ~~provide and require safe driving training for employees and contractors~~ → If all possible Matrix Oil Corporation will contract with licensed personnel and give priority to contractors who employ safe driving training/practices.

It is in the COGCC's as much as Matrix Oil Corporation's best interest to hire and employ personnel with safe driving practices. Any mishap would be detrimental to both parties; therefore, Matrix has and will continue to employ competent personnel.

Matrix does not have an issue with the other additional COA's. I am currently working with the Town of Meeker to assure the necessary parties are notified after the permit is issued.

If you have any questions or concerns please don't hesitate to give me a call.

Thank you,
Kaulin Waldner

From: Kubeczko, Dave [<mailto:Dave.Kubeczko@state.co.us>]

Sent: Thursday, April 26, 2012 3:04 PM

To: Terry Hoffman

Cc: kaulin@rockymountainpermitting.com

Subject: RE: Matrix Oil Corporation, Sheridan 11-2 Pad, Tract 47A Sec 11 T1N R94W, Rio Blanco County, Form 2A #400256080 Review

Terry,

COGCC would like to attach the following additional conditions of approval (COAs) based on recent communications from the Town of Meeker, the Rio Blanco County LGD (Jeff Madison), and the principal (Jason Hightower) of Meeker Elementary School prior to passing the Oil and Gas Location Assessment (OGLA) review.

5. **General Residential:** Due to the proximity of the Access Road to schools and residences, the following conditions of approval (COAs) will also apply:

COA R4 - Operator will implement sufficient public notification of proposed oil and gas activities, including: (1) provide 14-day notice and community awareness to the neighborhood regarding schedule and activities, include local emergency response agencies (Fire/Police); (2) posting schedule changes at a location convenient to residents, as well as notifying local emergency response agencies (Fire/Police) of schedule changes; and (3) notify all homes within two (2) blocks on either side of the proposed access road through the Town of Meeker and local emergency responders (Fire/Police) 7 days prior to mobilization in, rig up (MIRU).

COA R3 - Operator will review local governmental requirements for access from public roads (which operator has already done). In addition, the following traffic requirements will apply: (1) a traffic control plan will be in place; (2) additional signage on major and/or local roads will be employed to warn the public of increased truck traffic; (3) all oil and gas related construction, drilling, and operational traffic shall access the location from a single point (as indicated on the revised Access Road Map); (4) designate haul routes to avoid school zones (as indicated on the revised Access Road Map); (5) schedule work to avoid peak traffic flow; (6) schedule heavy equipment movement and drilling/completion operations traffic to avoid local school and school bus operation hours (for example, high student traffic times are 7:00 am to 9:00 am and 2:00 pm to 6:00 pm); (7) when using residential/neighborhood roads, reduced speed limits should be established; and (8) provide and require safe driving training for employees and contractors.

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

Colorado Oil & Gas Conservation Commission
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707 Wapiti Court, Suite 204
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From: Terry Hoffman [<mailto:terry@rockymountainpermitting.com>]
Sent: Monday, April 09, 2012 2:39 PM
To: Kubeczko, Dave
Cc: kaulin@rockymountainpermitting.com; Walt Lowry (walter.lowry@comcast.net); Jay Scheevel (jay@scheevel.com); Randy Groves (rgroves@matrixoil.com)
Subject: FW: Matrix Oil Corporation, Sheridan 11-2 Pad, Tract 47A Sec 11 T1N R94W, Rio Blanco County, Form 2A #400256080 Review

I have spoken with the operator and they have no problems with the COA listed below.

Thank you,

Terry L. Hoffman



From: walter.lowry@comcast.net [mailto:walter.lowry@comcast.net]
Sent: Monday, April 09, 2012 2:14 PM
To: Terry Hoffman

Cc: kaulin@rockymountainpermitting.com; Jay Scheevel (jay@scheevel.com); Randy Groves (rgroves@matrixoil.com); mmccaskey@matrixoil.com; jim.fox@driltek.com

Subject: Re: Matrix Oil Corporation, Sheridan 11-2 Pad, Tract 47A Sec 11 T1N R94W, Rio Blanco County, Form 2A #400256080 Review

Terry-

I have no problem with the attached COA's.

Walt

From: "Terry Hoffman" <terry@rockymountainpermitting.com>
To: "Jay Scheevel (jay@scheevel.com)" <jay@scheevel.com>, "Randy Groves (rgroves@matrixoil.com)" <rgroves@matrixoil.com>, "Walt Lowry (walter.lowry@comcast.net)" <walter.lowry@comcast.net>
Cc: kaulin@rockymountainpermitting.com
Sent: Monday, April 9, 2012 1:21:44 PM
Subject: FW: Matrix Oil Corporation, Sheridan 11-2 Pad, Tract 47A Sec 11 T1N R94W, Rio Blanco County, Form 2A #400256080 Review

Please see the COA from the COGCC for the Sheridan #11-2 Form 2A. The COA that the State are wanting to attach to the Form 2A are pretty standard. Walt I would like you to review from a Drilling standpoint and see if you are ok before I answer back to the COGCC. I would like to get this turned around pretty quick, so that the permitting process is not held up.

If you have any questions, please do not hesitate to call.

Thank you,

Terry L. Hoffman



From: Kubeczko, Dave [<mailto:Dave.Kubeczko@state.co.us>]
Sent: Thursday, April 05, 2012 3:34 PM
To: Terry Hoffman
Subject: Matrix Oil Corporation, Sheridan 11-2 Pad, Tract 47A Sec 11 T1N R94W, Rio Blanco County, Form 2A #400256080 Review

Terry,

I have been reviewing the Sheridan 11-2 Pad **Form 2A** (#400256080). COGCC will attach the following conditions of approval (COAs) based on the data Matrix Oil Corporation 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 - A closed loop system must be implemented during drilling (which operator has indicated on the Form 2A); or, if a drilling pit is constructed, it must be lined. All cuttings generated during drilling with oil based muds or high chloride/TDS mud 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 offsite disposal. 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.
2. **Water Resources (Section 14):** Form 2A indicates the distance to the nearest surface water is 272 feet. COGCC guidelines require designating all locations with close proximity to surface water 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 (excluding freshwater) 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 (at least every 14 days), 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 or buried pipelines.
3. **Water Resources (Section 14):** Form 2A indicates the depth to groundwater to be 15 feet bgs for a well located 5212 feet away from the proposed pad. COGCC guidelines require designating all locations with shallow groundwater a **sensitive area** and requiring the following condition of approval (COA) will apply:
COA 1 - Location is in a sensitive area due to very shallow groundwater; therefore, either a closed loop system must be used (which operator has indicated on the Form 2A), or the drilling pit must be lined and constructed above the top of groundwater.
4. **General:** The following conditions of approval (COAs) will also apply:
COA 25 - If the wells are to be hydraulically stimulated, 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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