

Allison, Rick

From: Allison, Rick
Sent: Monday, June 11, 2012 2:51 PM
To: 'David Blandford'
Subject: RE: Holton 31-12 Form 2A 2288439

David,

I have added your comments regarding waste management below to the Form 2A. In addition, I have applied the following two Conditions of Approval to the Form 2A:

1. 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, the drill cuttings must also meet the applicable standards of Table 910-1.
2. If drill cuttings will be land applied, then a Waste Management Plan meeting the general requirements of Rule 907.a. must be submitted for the land application of drill cuttings. Submit the Waste Management Plan on a Form 4 Sundry Notice via email to ogccenvirosundry@state.co.us prior to moving the cuttings from the location.

Note that if the cuttings are buried onsite or trucked to a landfill, then no action will need to be taken regarding COA #2. However, if your contractor hauls the cuttings along with the mud for offsite spreading, then the Form 4 Cuttings Waste Management Plan needs to be submitted first.

I have passed this 2A for final approval.

Please let me know if you have any questions.

Rick

From: David Blandford [<mailto:andeleeenergy@gmail.com>]
Sent: Monday, June 11, 2012 11:31 AM
To: Allison, Rick
Subject: Re: Holton 31-12 Form 2A 2288439

Rick:

The attached email was sent on May 20. I thought I answered your questions concerning the Waste Management Plan, but she emailed me this morning that you were still waiting. All drilling mud will be hauled from location and land spread via contract with our water hauler or hauled to a commercial disposal site.

Would you please let me know what else you need, I will respond as quickly as possible. Thanks.

David Blandford

On Sun, May 20, 2012 at 3:29 PM, David Blandford <andeleeenergy@gmail.com> wrote:

Rick:

All flowback fluids will be contained in flowback tanks. When oil production tanks have been set, the oil will be transferred and the water will be hauled by vacuum truck to a commercial disposal facility. Produced water will be stored in the produced water tank and emptied as necessary. The water will be hauled by vacuum truck to a commercial disposal facility.

All drill cuttings will be buried on location according to COGCC rules.

I am OK with you sensitive area changes to our permit. It should not cause a problem since we are using a closed loop system.

I will be out of the office for the next 2 weeks. I apologize in advance if I am not prompt in answering questions during that time period. Thanks.

David Blandford

On Fri, May 18, 2012 at 10:32 AM, Allison, Rick <Rick.Allison@state.co.us> wrote:

David,

I am reviewing the Form 2A location assessment for the Matrix Energy Holton 31-12 location in Weld County. I have the following questions or comments:

- 1. Waste Management Plan:** Please provide additional detail regarding how the various E&P waste streams will be stored and handled on the location.
- 2. Cuttings Disposal:** If drill cuttings will be spread on agricultural fields, a Form Sundry Notice needs to be submitted prior to moving the cuttings to the spread field location. The following Condition Of Approval will apply to this location: "If drill cuttings will be land applied, then a Waste Management Plan meeting the general requirements of Rule 907.a. must be submitted for the land application of drill cuttings. Submit the Waste Management Plan on a Form 4 Sundry Notice via email to ogccenvirosundry@state.co.us prior to moving the cuttings from the location."
- 3. Water Resources:** While most water wells in Section 12 are screened in a deeper aquifer, there are monitoring wells in the area that suggest a shallow, unconfined aquifer may be present. Therefore, I will change the Sensitive Area Designation to Yes due to the potential for shallow ground water to be present. Please let me know if you agree with this designation. Since Matrix has indicated that closed loop drilling will be used and no pits are proposed for this location, no conditions will be applied relative to shallow ground water.

Please contact me with any questions.

Rick Allison, P.G.

Oil and Gas Location Assessment Specialist

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