

From: [Lujan, Carlos](#)
To: [Scan, OGCC](#)
Cc: [Canfield, Chris](#); "[Radin, Jordan](#)"
Subject: RE: Koch Exploration - Production Pit Federal 6-26 well pad - Closure
Date: Thursday, May 31, 2012 12:17:12 PM

Amber,

Please upload this email to

- Location ID # 316225, and
- API # 103 10049

Thanks !

Thanks Jordan,

That works. Now we are covered.

Carlos

From: Radin, Jordan [mailto:RADINJ@kochind.com]
Sent: Thursday, May 31, 2012 12:14 PM
To: Lujan, Carlos; Scan, OGCC
Cc: Canfield, Chris
Subject: RE: Koch Exploration - Production Pit Federal 6-26 well pad - Closure

Thank you Carlos.

With respect to your question:

The former pit is on an active well pad (next to the production tanks). The former pit has been backfilled, however the well pad will remain active for many years. Reclamation of the form pit location will be done when the well is abandoned and entire pad reclaimed.

Thanks,
Jordan

From: Lujan, Carlos [mailto:Carlos.Lujan@state.co.us]
Sent: Thursday, May 31, 2012 12:08 PM
To: Scan, OGCC
Cc: Canfield, Chris; Radin, Jordan
Subject: RE: Koch Exploration - Production Pit Federal 6-26 well pad - Closure

Amber,

Please enter and upload the attached Form 15, 27, and 04. Signature pages for the Form 27 and 04 are included.

Form 15 was submitted to generate Pit Facility ID. Production pit has been closed.

Please link to

- Location ID # 316225, and
- API # 103 10049

We will link them to the Pit Facility ID # when available.

Thanks,
Carlos

Jordan,

I apologize for the delay. I have Chris' approval to process and approve the 6-26 well pad pit closure. Chris emphasized that TCLP analysis is OK for stockpile material that will be disposed to a landfill but not for pit bottom confirmation. So, Koch sampling procedure was perfectly appropriate. Thanks.

Form 15 process has changed and is done now through E-forms (Operators are encouraged to start using it. Eventually, Form 15s will be entered directly by the operators). I am asking our data entry person to process and upload the Form 15, 04, and 27. Form 15 must be signed by the EPS (after data entry). AS soon as I get the Pit Facility ID number and the project number generated by the system, I will close the project and send you an NFA letter.

There is one thing I need from you: I didn't find any reference to backfilling and reclamation in the report. To issue a NFA letter, COGCC needs confirmation that reclamation has been completed according to the 1000 Rules. Please confirm via email. I will upload the email to the database.

Note: Bottom confirmation sample had a SAR value of 143.1. If backfill material had high SAR values as well, please make sure that at least the three upper feet of the pit were backfilled with native material. This is to ensure successful revegetation.

For now, please consider this email as a preliminary approval of the 6-26 well pad pit closure.

Regards,
Carlos

Carlos A. Luján, Ph.D

Groundwater Hydrologist

Cell: (720) 272-2306

**Colorado Oil & Gas Conservation
Commission**

1120 Lincoln Street, Suite 801, Denver, CO
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(303) 894-2100 Ext. 5105

Carlos.lujan@state.co.us





Please consider the environment prior to printing this e-mail...

From: Radin, Jordan [<mailto:RADINJ@kochind.com>]
Sent: Thursday, May 24, 2012 10:53 AM
To: Lujan, Carlos
Cc: Canfield, Chris
Subject: RE: Koch Exploration - Production Pit Federal 6-26 well pad - Closure Form 4

Hi Carlos-

Just following up on the e-mail below concerning our 6-26 well pad pit closure from last year. We submitted the required forms described below in February 2012. Can we still expect to receive a "No Further Action" letter for this closure?

Thanks.

Jordan

Jordan Radin, PE
Compliance Manager & Regulatory Specialist
Koch Exploration Company, LLC
(720) 201-4941

From: Lujan, Carlos [<mailto:Carlos.Lujan@state.co.us>]
Sent: Friday, February 24, 2012 3:15 PM
To: Radin, Jordan
Cc: Canfield, Chris
Subject: FW: Koch Exploration - Production Pit Federal 6-226 well pad - Closure Form 4

Jordan,

Chris Canfield asked me in January to review and eventually approve on his behalf the pit closure request for the production pit located on the 6-26 well pad in Rio Blanco County. This pit constructed several years ago and operated until recently by Chesapeake, should have had a Pit Permit, by COGCC regulations. This likely represents a violation of COGCC Regulations. Given that Koch Exploration is the new owner of the pit, I asked Chris what route we should follow. He recommended that we approve the pit closure and move forward, but he insisted that the pit needs to be registered first in COGCC's database. So, this is the procedure to follow, (and I apologize for the required additional paper work):

- Since this is a production pit, a **“Pit Report” Form 15 must be completed**, based on the information that Koch has about the pit. Note that Form 15 has a box for Pit Permit and a box for Pit Report. Koch is not requesting approval to construct a new pit; it is reporting an existing pit, so the Pit Report format is used. That will generate a Pit facility ID # so that in the future pit information can eventually be retrieved , if needed.
- Submit a **Form 27 Pit Closure Work Plan** (actually, since the pit has already been closed, it will be a pit closure report). Please attach HCSI report to the Form 27. Most questions in Form 27 can be responded with a “See attached document” to refer to the HCSI pit closure report document. Approval of the Form 27 will generate a Remediation Project # that will be in the future associated with the Pit Closure.
- No Need to submit a new Form 04. I will use the one submitted, for consideration of arsenic background concentrations.

After reviewing/approving the Forms 15, 27, 04, we will use the cover letter and HCSI report that you have previously submitted to approve the production pit closure. I will send you a **No further Action letter** for your records. At the same time, I will close the Remediation Project (REM#) in COGCC’s database.

Again, I apologize for the inconveniences.

Please, feel free to contact Chris Canfield or myself with questions or comments.

Thanks,

Carlos

Carlos A. Luján, Ph.D

Groundwater Hydrologist

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Carlos.lujan@state.co.us



Please consider the environment prior to printing this e-mail...

From: Lujan, Carlos
Sent: Thursday, February 02, 2012 10:14 AM
To: Canfield, Chris
Subject: FW: Koch Exploration - Production Pit Federal 6-226 well pad - Closure Form 4

Chris,

Yesterday I sent you the email with Koch Exploration request for pit closure but did not include my comments.

Here is a summary:

- Chesapeake Energy constructed the (lined) pit around December 2000 to drain produced water from adjacent production tank. There are no records of pit permit in COGCC's database.
- Koch Exploration acquired the facility in 2011 and took over operations on May 1, 2011. The report says that they stopped using the pit soon thereafter.
- Toward September/October 2011 Koch removed the liner, excavated impacted material beneath the liner and sent the impacted material to a landfill.
- Stockpiled material (from the bottom of the pit) had DRO = 2,400 mg/kg and BTEX below Table 910-1.
- After cleanup, confirmation sample at the bottom of the pit still had SAR of 143.1
- Aerial photo (COGCC map) shows distinct surface drainage on both sides of the pad and very close (~50 feet), so impact to GW and then to stream is possible (i.e. sensitive area).
- Koch submitted a Form 04 requesting consideration for arsenic background and submitted an Notice of Completion (attached to Form 04) describing work done so far and requesting approval to close the pit.

Comments:

1. Should Chesapeake receive an NOAV at least for constructing and operating a production pit without permit?
2. Is Koch responsible as well?
3. Based on previous cases (other operators), it seems to me that the right procedure should be:
 - a. Koch should submit a Form 15 Pit report, so that the pit can be identified in COGCC's database.
 - b. Once the pit permit is approved and a Pit Facility ID # is issued, Koch should submit a Form 27 Work Plan, describing work completed so far and plans to backfill and reclaim the area
 - i. Note: Seems like they should investigate GW because of the risk of GW impact, as well as taking surface water samples.
 - c. Koch would complete additional investigation and after COGCC's approval, backfill and

- reclaim the pit. At that point, they would submit a NOC report
- d. Finally, COGCC would, if appropriate, issue a NFA letter, close the project with 27A, and flag the pit as closed (CL) in the scout card.

I look forward to discuss this project with you, when you have a chance.

Thanks,

Enjoy the snow!

ccarlos

From: Lujan, Carlos
Sent: Wednesday, February 01, 2012 11:19 AM
To: Canfield, Chris
Subject: FW: Koch Exploration - Pit Closure Form 4

From: Canfield, Chris
Sent: Tuesday, January 03, 2012 11:51 AM
To: Lujan, Carlos
Subject: FW: Koch Exploration - Pit Closure Form 4

Carlos,

I lost track of whether or not I gave you the hard copy mentioned in Jordan's e-mail. So I apologize if we've already covered this, but if not, please review his submittal and, if possible, approve it on my behalf.

Thanks,

Chris

Chris Canfield, P.G.
Environmental Protection Specialist, Northwest Region
Colorado Oil & Gas Conservation Commission
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From: Radin, Jordan [<mailto:RADINJ@kochind.com>]

Sent: Tuesday, November 15, 2011 2:52 PM
To: Canfield, Chris
Subject: Koch Exploration - Pit Closure Form 4

Chris-

We recently completed remediation and closure of a pit at our 6-26 well location in Rio Blanco County. I mailed a hardcopy of the attached Form 4 to you today, however my consultant suggested that I also e-mail you an electronic version.

Thanks,
Jordan

Jordan Radin, PE
Compliance Manager
Koch Exploration Company, LLC
(720) 201-4941