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**From:** Fischer, Alex  
**Sent:** Thursday, September 20, 2012 3:11 PM  
**To:** 'Terry Cammon'  
**Cc:** Bill Warburton; Reese FLiniau; randy@npeng.com  
**Subject:** RE: questions

Terry,

I did provide a response requesting an update of status and schedule and closing the pit per Remediation Number 6937, the approved Form 27. Please see the attached emails and approved Form 27.

Alex

Alex Fischer, P.G.

Environmental Supervisor - Western Colorado

Colorado Oil and Gas Conservation Commission

1120 Lincoln Street, Suite 801

Denver, CO 80203

(303) 894-2100 ext. 5138

(303) 894-2109 fax

[alex.fischer@state.co.us](mailto:alex.fischer@state.co.us)

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**From:** Terry Cammon [<mailto:tcammon@doccolo.com>]

**Sent:** Thursday, September 20, 2012 11:26 AM

**To:** [randy@npeng.com](mailto:randy@npeng.com)

**Cc:** Fischer, Alex; Bill Warburton; Reese FLiniau

**Subject:** questions

Randy:

Who is in charge of this operation and who is paying? Who is paying your salary, the COGCC or DOC? IF DOC then we need to speak to you.

I last sent an email to Alex Fisher requesting some guidance, with no response. I then spoke to Reese, after hearing nothing from Alex, on how I thought we could proceed, before the water table rises.

Reese's last word was no equipment from Sessions was available until this week.

TJ Cammon

Terry J. Cammon

President

Diversified Operating Corporation

303-384-9611 (v)

303-384-9612 (fax)

303-909-6756 (cell)

---

**From:** Fischer, Alex

**Sent:** Tuesday, September 11, 2012 12:53 PM

**To:** 'Terry Cammon'

**Cc:** Bill Warburton; Reese FLiniau; Bill Scofield; 'Randy Miller'; Neidel, Kris

**Subject:** RE: Allard Pit Closure Amendment

Terry,

I apologize for not responding sooner. I was at the Allard 30-8-5 location on August 31, 2012 and collected a sample from the bottom of the pit. Please see attached pictures. I had the sample analyzed for the typical hydrocarbon components: benzene, toluene, ethyl benzene, xylenes (BTEx), gasoline range organics (GRO), and diesel range organics (DRO). Please see attached analytical results.

As one can see, benzene and the total petroleum hydrocarbons exceed the table 910-1 concentrations. Please provide a status and schedule for remediating and closing the pit per Remediation Number 6937 and the approved Form 27s as they relate to this facility (Facility ID: 115269).

Thanks

Alex

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**From:** Terry Cammon [<mailto:tcammon@doccolo.com>]

**Sent:** Tuesday, August 28, 2012 10:33 AM

**To:** Fischer, Alex

**Cc:** Bill Warburton; Reese FLiniau; Bill Scofield

**Subject:** RE: Allard Pit Closure Amendment

Alex:

I was on the Allard 30-8-5 location, extended workover, installing a tubing rotator etc Aug.17-21<sup>st</sup>. I also personally addressed the pit issue with Reese.

The pit looked like a farm pond, no oil, a few clods with oil near the banks. There was roughly, 1 ½-2' water in the pit. I ordered a backhoe to dig a "sump", remove the water with a vac truck and see what we have, leaving the dregs on the inside banks. The bottom of the pit is iron sulfide and pond muck. My concern is the iron sulfide, common in a lot of wells, treaters, tanks, and pits, is mistaken for oil. It is very black, but not oil. When exposed to the atmosphere and sun, the iron sulfide turns gray. But, oil molecules do adhere to iron sulfide, and when we dug the sump, we did see a small sheen of oil suddenly appear. There was no sheen or oil on the pit water, prior to digging.

The sump or intersect ditch, in the bottom of the pit has water in it. I do not believe the pit will dry further and we are seeing the current "dry weather" water table.

I had similar concerns that iron sulfide was the problem with the North most piles of dirt, removed earlier from the pit, and stockpiled on the old Diamond "J" tank battery site. Those piles had no evidence of oily soil. The rear ones did. I had the backhoe operator spread the two north piles, inside the fenced area, and determine if iron sulfide was also the problem. Reese has checked it and said it also was gray, no oil.

I recommend/suggest the following POA:

- 1) Fill in the Allard Pit with clean fill dirt and level same.
- 2) Haul off the South two dirt piles @ the Diamond J battery site, to the Routt County approved land farm site.
- 3) Level, reseed/reclaim the Diamond J battery site
- 4) Close the file on the pit/reclamation issues.

Let me know if you agree, and we will schedule the work.

T.J. Cammon

Terry J. Cammon  
President  
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303-384-9611 (v)  
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---

**From:** Fischer, Alex [<mailto:Alex.Fischer@state.co.us>]  
**Sent:** Tuesday, August 28, 2012 6:55 AM  
**To:** Terry Cammon; Bill Warburton  
**Cc:** Randy Miller; Neidel, Kris  
**Subject:** FW: Allard Pit Closure Amendment

Please provide a status of schedule.

Thanks  
Alex

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**From:** Fischer, Alex

**Sent:** Thursday, May 31, 2012 12:19 PM  
**To:** Scan, OGCC  
**Cc:** 'Bill Warburton'; 'Terry Cammon'; Randy Miller  
**Subject:** FW: Allard Pit Closure Amendment

**Amber-**Please data enter this 27A (updated plan), approve by Alex, and associate with Facility ID: 115269, tracking Number 1949103, REM Number 6937.

Thanks  
Alex

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**From:** Bill Warburton [<mailto:wlw@doccolo.com>]  
**Sent:** Thursday, May 31, 2012 10:19 AM  
**To:** Fischer, Alex  
**Cc:** 'Terry Cammon'  
**Subject:** FW: Allard Pit Closure Amendment

Alex:  
Attached is the Amended Form 27 you requested. We have Randy Miller monitoring the situation and will move forward as soon as we can.  
Bill

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No virus found in this message.  
Checked by AVG - [www.avg.com](http://www.avg.com)  
Version: 2012.0.2171 / Virus Database: 2425/5036 - Release Date: 05/31/12

**From:** [Terry Cammon](#)  
**To:** [Fischer, Alex](#)  
**Cc:** [Bill Warburton](#); [Reese FLiniau](#)  
**Subject:** RE: Allard Pit Closure Amendment  
**Date:** Thursday, September 13, 2012 11:29:22 AM  
**Attachments:** [Nview.Allard.pit.120820.pdf](#)  
[Sview.Allard.pit.120820.pdf](#)  
[Reese.Allard.pitmaterial.diaJ.bat.120821.pdf](#)

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Alex:

I attach photos, taken on 8/20-8/21 by me, regarding Allard pit condition and stockpiled dirt at the old Diamond J battery.

Rather than continuing kicking the Allard football back and forth, let's discuss what DOC can do to assuage your concerns that we are endangering all of North America with the remaining hydrocarbons in the Allard pit.. My plan, from the beginning, was to remove oily soil, including pit bottom, land farm on site (there is a huge manure pile SW of the Allard well) and work until acceptable levels are attained. I do not believe you approved such, but I don't want to go broke digging holes, hauling dirt, disposing of dirt, buying dirt, etc.

If such was so dangerous to all organisms, I can't understand how all the seeps in the world didn't kill most of Hollywood & the LA Basin, + a chunk of Pennsylvania. Wait a minute, it's fracking that's killing everyone now, right?.

TJC

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Checked by AVG - [www.avg.com](http://www.avg.com)  
Version: 2012.0.2171 / Virus Database: 2425/5036 - Release Date: 05/31/12



Rem ID 6937

**State of Colorado**  
**Oil and Gas Conservation Commission**



1120 Lincoln Street, Suite 801, Denver, Colorado 80203 (303)894-2100 Fax:(303)894-2109

FOR OGCC USE ONLY

Rec'd 4/5/12

**SITE INVESTIGATION AND REMEDIATION WORKPLAN**

This form shall be submitted to the Director for approval prior to the initiation of site investigation and remediation activities. Form 27 is intended to be used whenever possible. Additional documentation will be required when large volumes of soil and groundwater have been impacted or involve large facilities with multiple source areas. See Rule 910. Attach as many pages as needed to fully describe the proposed work.

OGCC Employee:

☐ Spill ☐ Complaint  
☐ Inspection ☐ NOAV

Tracking No:

**CAUSE OF CONDITION BEING INVESTIGATED AND REMEDIATED**

☐ Spill or Release ☐ Plug & Abandon ☐ Central Facility Closure ☐ Site/Facility Closure ☒ Other (describe): Pit Closure

OGCC Operator Number: 24461

Name of Operator: Diversified Operating Corporation

Address: 15000 W 6th. Ave. Suite 102

City: Golden State: CO Zip: 80401

Contact Name and Telephone:

Bill Warburton

No: 303 384-9611

Fax: 303 384-9612

API Number: 05-057-6124-00

County: Jackson

Facility Name:

Facility Number: 115269

Well Name: Allard

Well Number: 30-8-5

Location: (Qtr, Sec, Twp, Rng, Meridian): SENE Sec 30 T10N R79W 8thPM Latitude: 40.812241 Longitude: 106.301789

**TECHNICAL CONDITIONS**

Type of Waste Causing Impact (crude oil, condensate, produced water, etc): Crude Oil

Site Conditions: Is location within a sensitive area (according to Rule 801e)? ☐ Y ☒ N If yes, attach evaluation.

Adjacent land use (cultivated, irrigated, dry land farming, industrial, residential, etc.): Grazing Land

Soil type, if not previously identified on Form 2A or Federal Surface Use Plan: Dobrow Loam

Potential receptors (water wells within 1/4 mi, surface waters, etc.): None

Description of Impact (if previously provided, refer to that form or document):

Impacted Media (check):

☒ Soils

☐ Vegetation

☐ Groundwater

☐ Surface Water

Extent of Impact:

Oil stain on pit Berm

How Determined:

Visual

**REMEDIALTION WORKPLAN**

Describe initial action taken (if previously provided, refer to that form or document):

On Jan 26 an update was submitted with pictures showing the ice had been removed, the pit flooded with warm water and all the oil removed from the surface of the pit. The oil and water mixture was removed with a vaccum truck.

Describe how source is to be removed:

The dirt will be gathered up with a front end loader and backhoe. It will be stockpiled on location and a sample taken to Twin Enviro Service for analysis to be sure they will take it. Once this is established the materila will be loaded on a truck and hauled to the licensed Disposal Facility.

Describe how remediation of existing impacts is to be accomplished, including removal and disposal at an Injection well or licensed facility, land treatment on site, removal of impacted groundwater, insitu bioremediation, burning of oily vegetation, etc.:

The chain of custody will be documented by Trucking Company Bill of Lading and delivery receipt from the licensed Disposal Facility in Steamboat Springs, Colorado.

The soil from the sides and bottom of the Allard pit will be collected and sent to ACZ Labratories in Steamboat Springs and analyzed for BETX content. Once the sample passes COGCC requirements the pit will be backfilled.

FORM  
27  
Rev 6/99

State of Colorado  
Oil and Gas Conservation Commission  
1120 Lincoln Street, Suite 801, Denver, Colorado 80203  
(303)894-2100 Fax: (303)894-2109



Page 2  
REMEDATION WORKPLAN (Cont.)

Tracking Number: \_\_\_\_\_  
Name of Operator: \_\_\_\_\_  
OGCC Operator No: \_\_\_\_\_  
Received Date: \_\_\_\_\_  
Well Name & No: \_\_\_\_\_  
Facility Name & No: \_\_\_\_\_

OGCC Employee: \_\_\_\_\_

If groundwater has been impacted, describe proposed monitoring plan (# of wells or sample points, sampling schedule, analytical methods, etc.):

**Describe reclamation plan.** Discuss existing and new grade recontouring; method and testing of compaction alleviation; and reseeding program, including location of new seed, seed mix and noxious weed prevention. Attach diagram or drawing. Use additional sheet for description if required.

Pit will be backfilled in stages because of the shallow water table. Every attempt will be made to have this done before winter 2012 sets in. It is essential that we do the backfill in such a way that the soil is allowed to dry to some degree before the next layer is added. The area will not be seeded at this time since it is on the working production pad.

Attach samples and analytical results taken to verify remediation of impacts. Show locations of samples on an onsite schematic or drawing.

Is further site investigation required? ☐ Y ☒ N If yes, describe:

Final disposition of E&P waste (landtreated and disposed onsite, name of licensed disposal facility, recycling, reuse, etc.):

### IMPLEMENTATION SCHEDULE

Date Site Investigation Began: \_\_\_\_\_ Date Site Investigation Completed: \_\_\_\_\_ Date Remediation Plan Submitted: 04/04/2012  
Remediation Start Date: 04/03/2012 Anticipated Completion Date: 11/30/2012 Actual Completion Date: \_\_\_\_\_

I hereby certify that the statements made in this form are, to the best of my knowledge, true, correct, and complete.

Print Name: Bill Warburton

Signed: *Bill Warburton*

Title: Petroleum Engineer

Date: 04/04/2012

OGCC Approved: *[Signature]*

Title: *Env. Supervisor*

Date: 4/9/12

*See conditions of Approval dated April 9, 2012.*  
*AKC*

**Document Number: 1949103      Form 27 Pit Closure      Facility ID: 115269**  
**DIVERSIFIED OPERATING CORPORATION, Allard 30-8-5 (Allard 1) Pit, SENW**  
**Section 30, T10N, R97W, 6<sup>th</sup> PM, Jackson County, Colorado,**

**April 9, 2012**  
**Form 27 Conditions of Approval (COAs)** 

1. Discrete, non-composited representative soil samples shall be collected from the sides and bottom of the Allard pit and analyzed for the following.

**Inorganics in Soils**

Electrical Conductivity (EC)  
Sodium Adsorption Ratio (SAR)  
pH

**Metals in Soils**

Arsenic  
Barium (LDNR True Total  
Barium)  
Boron (Hot Water Soluble)  
Cadmium  
Chromium (III)  
Chromium (VI)  
Copper  
Lead (inorganic)  
Mercury  
Nickel (soluble salts)  
Selenium  
Silver  
Zinc

**Organic Compounds in Soil**

TPH (total volatile and extractable petroleum hydrocarbons)  
Benzene  
Toluene  
Ethylbenzene  
Xylenes (total)

2. Discrete, non-composited soil samples shall be collected from or near the location to demonstrate background concentrations of Arsenic. Should background Arsenic exceed the 910-1 concentrations in the background samples and those samples collected from the sidewalls and bottom pit, the COGCC will take the exceedance into consideration.