



Kubeczko - DNR, Dave <dave.kubeczko@state.co.us>

SWEPI LP, Iles Mountain 1-36 Pad, NWSE Sec 36 T5N R92W, Moffat County, Form 2A#400315891 Review

Kubeczko - DNR, Dave <dave.kubeczko@state.co.us>
To: Dave Kubeczko - DNR <dave.kubeczko@state.co.us>

Fri, Jan 11, 2013 at 11:38 AM

Scan No 2106489 CORRESPONDENCE 2A#400315891

----- Forwarded message -----

From: <N.Feck@shell.com>
Date: Wed, Jan 9, 2013 at 9:58 AM
Subject: RE: SWEPI LP, Iles Mountain 1-36 Pad, NWSE Sec 36 T5N R92W, Moffat County, Form 2A#400315891 Review
To: dave.kubeczko@state.co.us

Dave,

Thank you for this correspondence. I will be sure to attach these conditions as well as recommended BMP's from CPW to the Form 2A as you suggest. CPW recommendations, and State Lands review approval have been provided to Barbara Westerdale. Please let me know if you need anything else from me.

Regards,

Nancy Feck
Regulatory Technician
Shell Exploration & Production
SWEPI LP
P.O. Box 1666
205 S. Entertainment Lane
Pinedale, WY. 82941
307-367-7934 office
307-749-0377 cell
307-367-4285 fax

From: Kubeczko - DNR, Dave [mailto:dave.kubeczko@state.co.us]

Sent: Monday, January 07, 2013 11:28 AM
To: Feck, Nancy J SEPCO-UAS/E/USON
Subject: SWEPI LP, Iles Mountain 1-36 Pad, NWSE Sec 36 T5N R92W, Moffat County, Form 2A#400315891 Review

Nancy,

I have been reviewing the Iles Mountain 1-36 Pad **Form 2A** (#400315891). COGCC would like to attach the following conditions of approval (COAs) to the Form 2A based on the data SWEPI has submitted on or attached to the Form 2A prior to passing the Oil and Gas Location Assessment (OGLA)

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 closed

loop system drilling rig is not used/available, then an amended Form 2A will need to be submitted/approved to include a

drilling pit, and a Form 15 Earthen Pit Permit will also need to be submitted/approved prior to construction of the pit (the

drilling pit will be required to be lined, fenced, and netted).

COA 39 -

All cuttings generated during drilling with oil based muds or

high chloride/TDS mud must be kept in containers, a lined/bermed portion of the well pad, or the lined drilling (if permitted and constructed) 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.

General: The following conditions of approval (COAs) will apply:

COA 91 - Notify the COGCC 48 hours prior to start of pad construction, rig mobilization, spud, and start of hydraulic stimulation operations using Form 42 (the appropriate COGCC individuals will automatically be email notified, including the LGD for hydraulic stimulation operations).

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.

COA 23 - Operator must ensure secondary containment for any volume of fluids contained at well site during drilling and completion operations (as described on the BMPs tab and shown on the Construction Layout Drawings attachment); 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 38 - The moisture content of any freshwater generated 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 the drill cuttings are to be left onsite, they must also meet the applicable standards of table 910-1.

COA 25 - Flowback and stimulation fluids must be sent to tanks, separators, or other containment/filtering equipment before the fluids can be placed into any pipeline, storage vessel, or lined pit (only if an amended Form 2A has been submitted/approved and a Form 15 Earthen Pit Permitted has been submitted/approved) 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 58 - Berms or other containment devices shall be constructed to be sufficiently impervious (preferably corrugated steel with poly liner) to contain any spilled or released material around crude oil, condensate, and produced water storage tanks.

COGCC would appreciate your concurrence with attaching the COGCC COAs and the CPW recommended wildlife BMPs to the Form 2A permit prior to passing the OGLA review. In addition, could SWEPI provide COGCC with the COAs and wildlife stipulations (if any) that the State land Board 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

796 Megan Avenue, Suite 201

Rifle, CO 81650

FAX: (970) 625-5682

Cell: (970) 309-2514

dave.kubeczko@state.co.us

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