Dave Kubeczko - DNR

From: Dave Kubeczko - DNR
Sent: Thursday, April 25, 2013 5:20 PM
To: dave.kubeczko@state.co.us
Subject: WPX Energy Rocky Mountain LLC, Williams GM 245-1 SWD Pad, SWNE Sec 1 T7S R96W, Garfield County, Form 2A (#400396266) Review

Categories: Operator Correspondence

Scan No 2106576 CORRESPONDENCE 2A#400396266

From: Dave Kubeczko - DNR [mailto:dave.kubeczko@state.co.us]
Sent: Thursday, April 25, 2013 5:19 PM
To: greg.j.davis@wpxenergy.com
Subject: WPX Energy Rocky Mountain LLC, Williams GM 245-1 SWD Pad, SWNE Sec 1 T7S R96W, Garfield County, Form 2A (#400396266) Review

Greg,

I have been reviewing the Williams GM 245-1 SWD Pad **Form 2A** (#400396266). COGCC would like to attach the following conditions of approval (COAs) based on the information and data WPX Energy has submitted on or attached to the Form 2A prior to passing the Oil and Gas Location Assessment (OGLA) review.

General Site: 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 22 - Surface water samples from Hayes Gulch (if water is present) to the west-southwest (one upgradient and one downgradient from the well pad location), shall be collected prior to injection well operations and every 12 months (until well pad closure) to evaluate potential impacts from operations. At a minimum, the surface water samples will be analyze for the following parameters: major cations/anions (chloride, fluoride, sulfate, sodium); total dissolved solids (TDS); and BTEX/DRO.

COA 47 - Operator must submit an as-built drawing (plan view and cross-sections) of the SWD injection well pad and associated equipment within 30 calendar days of completion of the injection wells.

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; 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 - 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, 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 46 - Operator will use qualified containment devices for all appropriate chemicals/hazardous materials used onsite during the operation of the injection well.
COA 41 - All tanks and aboveground vessels containing fluids must have secondary containment structures. All secondary containment structures/areas must be lined. Operator must ensure a minimum of 110 percent secondary containment for the largest structure containing fluids within each bermed area the facility during operations. The construction and lining of the secondary containment structures/areas shall be supervised by a professional engineer or their agent.
COA 51 - Operator shall equip and maintain on all tanks an electronic level monitoring device.
COA 52 - Operator shall install a steel containment ring around tank batteries to provide secondary containment and install a synthetic liner that underlies the entire battery and is keyed into the top of the containment ring.
COA 2 - Approval of this Form 2A does not authorize operator the right to inject. Authorization to inject into the selected Formation(s) requires approval of both the Form 31 and the Form 33.
COA 21 - Before hydraulic stimulation of the each well, operator shall collect groundwater samples from the Iles Formation and analyze for total dissolved solids (TDS); submit laboratory analytical results to denise.onyskiw@state.co.us and arthur.koelspell@state.co.us.

Pipelines: The following conditions of approval (COAs) will apply to both the Form 2A Permit if any temporary surface pipelines (poly or steel) or permanent pipelines (poly or steel) are used during injection operations:
COA 45 - Operator shall pressure test pipelines in accordance with Rule 1101.e.(1) prior to putting into initial service.
COA 48 - Operator must implement best management practices to contain any unintentional release of fluids along all portions of the surface pipeline route where temporary pumps and other necessary equipment are located.
COA 49 - Operator must routinely inspect the entire length of the surface pipeline to ensure integrity.
COA 54 - Operator must ensure 110 percent secondary containment for any potential volume of fluids that may be released from the surface pipeline at all stream, intermittent stream, ditch, and drainage crossings.
COA 55 - Operator will utilize, to the extent practical, all existing access and other public roads, and/or existing pipeline right-of-ways, when placing/routing the surface pipelines. This will reduce surface disturbance and fragmentation of wildlife habitat in the area.

Based on the information provided in the Form 2A by WPX, COGCC will attach these COAs to the Form 2A permit; WPX does not need to respond, unless you have questions or concerns with details in this email. 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
Western Colorado

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