

Dave Kubeczko - DNR

From: Dave Kubeczko - DNR
Sent: Thursday, May 16, 2013 10:49 AM
To: dave.kubeczko@state.co.us
Subject: FW: Petrox Resources Inc, FGU 9U#3 Pad, SWSE Sec 9 T34N R5W, Moffat County, Form 2A (#400402902) Review

Categories: Operator Correspondence

Scan No 2106611 CORRESPONDENCE 2A#400402902

From: Dave Kubeczko - DNR [mailto:dave.kubeczko@state.co.us]
Sent: Thursday, May 16, 2013 10:40 AM
To: dave.kubeczko@state.co.us
Subject: Petrox Resources Inc, FGU 9U#3 Pad, SWSE Sec 9 T34N R5W, Moffat County, Form 2A (#400402902) Review

Mike,

I have been reviewing the FGU 9U#3 Pad **Form 2A** (#400402902). COGCC would like to attach the following conditions of approval (COAs) based on the information and data Petrox Resources Inc (Petrox) has submitted on or attached to the Form 2A prior to passing the Oil and Gas Location Assessment (OGLA) review.

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 pipelines

COA 23 - Operator must ensure 110 percent secondary containment for any volume of fluids contained at well site during drilling and completion operations (as described in and shown on the Federal Drilling Permit 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 28 - The location is in an area of moderate run-on/run-off potential; therefore standard stormwater BMPs must be implemented at this location to insure compliance with CDPHE and COGCC requirements and to prevent any stormwater run-on and to control sediment leaving the pad during drilling and completions operations, during stormwater run-off events.

COA 38 - The moisture content of any drill cuttings in a cuttings area 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 remain/disposed of onsite, they must also meet the applicable standards of table 910-1.

COA 44 - The access road will be constructed to prevent sediment migration from the access road to nearby surface water or any drainages leading to other nearby surface waters.

COA 25 – If the well is 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.

Pipelines: The following conditions of approval (COAs) will apply to the Form 2A Permit if any temporary surface pipelines (poly or steel) or permanent pipelines (poly or steel) are used during drilling and completion 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 Petrox, COGCC will attach these COAs to the Form 2A permit, Petrox 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
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Western Colorado

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