



STATE OF
COLORADO

Weems - DNR, Mark <mark.weems@state.co.us>

STATUS OF SWIFT NIOBRARA EXPLORATORY PROJECT - WATERS WELLSITE (UPDATE FOR OPERATIONS THROUGH AUGUST 22, 2013)

1 message

Redweik, Bob <Robert.Redweik@swiftenergy.com>

Fri, Aug 23, 2013 at 8:52 AM

To: "courtney.roseberry@co.laplata.co.us" <courtney.roseberry@co.laplata.co.us>, "Butch.Knowlton@co.laplata.co.us" <Butch.Knowlton@co.laplata.co.us>, "Jim Davis (Jim.Davis@co.laplata.co.us)" <Jim.Davis@co.laplata.co.us>
Cc: "Damian Peduto (Damian.Peduto@co.laplata.co.us)" <Damian.Peduto@co.laplata.co.us>, "Thomas McNamara (thomas.mcnamara@co.laplata.co.us)" <thomas.mcnamara@co.laplata.co.us>, "chief@flmfire.org" <chief@flmfire.org>, "Garrett Vogel (gvoegel@flmfire.org)" <gvoegel@flmfire.org>, "edward.aber@co.laplata.co.us" <edward.aber@co.laplata.co.us>, "Spray - DNR, Karen (karen.spray@state.co.us)" <karen.spray@state.co.us>, "mark.weems@state.co.us" <mark.weems@state.co.us>

For your information, Swift has completed construction of the Waters 34-12-32-1H wellsite pad and the 3 inch rock for the base layer has been added to the existing private road as part of the improvement process. We continue to haul ¾ inch gravel for the top layer of the private road and estimate that we are 50% complete. Work is continuing on the driveway improvements off of CR 116 in accordance with our revised permit. Additionally, existing culverts on the private road are being cleaned out and the new culverts completed per our stormwater plan. Applicable signage is being added along the private road and at the location. The MO-TE Rig continues its initial work at the location and is now anticipated to be completed on or about August 25, 2013 – barring any unforeseen matters or weather. The Aztec Drilling Rig which will drill the initial pilot hole and then the lateral is anticipated to start move in operations on or about August 27, 2013 – again barring any foreseen circumstances. Applicable State and County Rig Move notifications will be submitted as required. Gravel is still being hauled from the Greer Gravel Pit on CR 100.

- No safety incidents or near miss incidents to report.
- Only one minor environmental incident to report – a hose break on some construction equipment onsite resulted in approximately 1 gallon of hydraulic oil being released to the ground. No offsite impacts or impacts to water. The impacted soil was immediately cleaned up and stored in a sealed disposal drum onsite. Although this release was not considered agency reportable, Swift has sampled the location to confirm that the area has been cleaned up per regulatory and Swift requirements.
- Only one complaint received from a neighbor regarding a potentially speeding gravel truck. All drivers reminded of the speed limits on the county roads – 35 mph. Followed up with the neighbor later in the day; however, suspect that the individual making the complaint may have been intoxicated. No further complaints received.

Weather continues to be a potential concern at the site. All erosion and stormwater controls appeared to work well as designed in accordance with our Stormwater Management Plan. However, since we experienced some minor ponding on the southwestern corner of the pad, additional controls have been added in this area (see attached photographs). We will continue to monitor this area to ensure proper drainage and compliance with stormwater requirements.

We continue to monitor the road for dust issues and are prepared to water the applicable sections as part of dust

suppression efforts. We will also monitor the road for any tracking of mud and debris and will ensure these hazards are promptly removed.

Swift personnel and the La Plata County Sheriff (i.e., off-duty deputy) continue to patrol our approved access routes to ensure compliance with speed limits and safety/security. These patrols will be continuing through the drilling and production testing phase of this exploratory project.

Although we had originally thought that the Aztec Drilling Rig would be mobilizing earlier this week, some apparent issues at their current well operation (i.e., not Swift related) will delay their arrival at the Swift wellsite by approximately 1 week. We now anticipate their arrival on Tuesday of next week at the location. Therefore, our planned "open house" will be delayed until approximately Thursday, August 29th. We will keep you posted and provide as much advance notice as possible.

Daily safety meetings are conducted with contractors prior to the start of each day's work. An orientation and safety briefing are also provided to all contract workers to ensure everyone understands the HSE expectations for this project.

Applicable permit postings and inspection reports are available at the site and also through Ecosphere.

As part of our Emergency Management Plan, a water tank and "fire" truck remain on standby at the location and a spill response trailer is onsite in case of emergency. These have been inspected by the Fort Lewis Mesa Fire Chief.

I will keep you informed of our progress with periodic email updates.

UPCOMING ACTIVITIES OF NOTE:

Planning is underway for the "open house" at the location once the drilling rig is onsite but before well drilling operations are started. Currently anticipate start of drilling with the Aztec Rig sometime on or about August 29th or 30th. All recipients of this email plus other stakeholders will be invited to this event once scheduled. Unfortunately, due to the nature of these operations, notice will be short – we appreciate your understanding.

A gate guard is being put in place to control access to the site.

If you have any questions or need additional information, please let me know. Also, please direct any questions from the public which you cannot answer directly to me for handling. As already discussed, our desire is to be a good neighbor in the community.

Thanks,

Bob Redweik



Swift Energy Operating, LLC

Corporate Manager - Health, Safety, and Environment

(281) 874-2570 (Office)

(713) 702-7534 (Mobile)

"No job is so urgent that you can't do it safely."

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