

Dave Kubeczko - DNR

From: Dave Kubeczko - DNR
Sent: Thursday, January 30, 2014 10:06 PM
To: dave.kubeczko@state.co.us
Subject: FW: Kinder Morgan CO2 CO LP, CN 4 Pad, SENW Sec 36 T39N R19W, Montezuma County, Form 2A (#400489294) Review

Categories: Operator Correspondence

Scan No 2106872 CORRESPONDENCE 2A#400489294

From: Dave Kubeczko - DNR [mailto:dave.kubeczko@state.co.us]
Sent: Thursday, January 09, 2014 2:47 PM
To: Carolyn Dunmire
Subject: Kinder Morgan CO2 CO LP, CN 4 Pad, SENW Sec 36 T39N R19W, Montezuma County, Form 2A (#400489294) Review

Carolyn,

I have been reviewing the CN 4 Pad **Form 2A** (#400489294). COGCC would like to attach the following conditions of approval (COAs) based on the information submitted by Kinder Morgan on the Form 2A prior to passing the Oil and Gas Location Assessment (OGLA) review.

Planning: 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 49 - All personnel must be H₂S trained and proper air monitoring for H₂S must be implemented during drilling, completion, and production operations. Emergency response plan for H₂S must be onsite at all times.

COA 9 - As required for Groundwater Baseline Sampling; Operator shall comply with Rule **609. STATEWIDE GROUNDWATER BASELINE SAMPLING AND MONITORING.**

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

COA 5 - Operator must implement best management practices to contain any unintentional release of fluids, including any fluids conveyed via temporary surface pipelines or buried permanent pipelines.

COA 23 - Operator must ensure secondary containment for any volume of fluids contained at well site during drilling and completion operations (as described in and shown on the Proposed BMPs 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 59 - All tanks and aboveground vessels containing fluids or chemicals used in the storage and transmission processes and operations must have secondary containment structures (which may include, but is not limited to, double-walled tanks, built-in containment). All separate secondary containment structures/areas must be lined. The construction and lining of the secondary containment structures/areas (if necessary) shall be supervised by a professional engineer or their agent.

COA 6 - Additional containment shall be required where temporary or permanent pumps and other necessary equipment or chemicals are located.

Drilling/Completions: The following conditions of approval (COAs) will apply:

COA 11 - A closed loop system (which operator has indicated on the Form 2A) must be implemented during drilling. All cuttings generated during drilling with high chloride mud must be kept in containers or on a lined/bermed portion of the well pad; prior to analysis and/or offsite disposal.

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.

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.

Material Handling and Spill Prevention: The following conditions of approval (COAs) will apply to the Form 2A Permit if any temporary surface or buried pipelines (poly or steel) are used during operations at the well pad location or nearby well pads:

COA 45 - Operator shall pressure test pipelines in accordance with Rule 1101.e.(1) prior to putting into initial service any temporary surface or permanent buried pipelines and following any reconfiguration of the pipeline network. Operator shall notify the COGCC Oil and Gas Location Assessment (OGLA) Specialist for Western Colorado (Dave Kubeczko; email dave.kubeczko@state.co.us) and the COGCC Field Inspector for Southwest Colorado (Mike Leonard; email (Steve Labowski email; steve.labowski@state.co.us) 48 hours prior to testing surface poly/steel or buried poly/steel pipelines.

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 any surface or buried pipelines. This will reduce surface disturbance and fragmentation of wildlife habitat in the area.

Based on the information provided in the Form 2A by Kinder Morgan, COGCC will attach these COAs to the Form 2A permit, Kinder Morgan (EcoSphere Services) does not need to respond, unless you have questions or concerns with details in this email. These COAs are the same that were recently placed on the CNE and CS well pad locations in Montezuma County. 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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