

Dave Kubeczko - DNR

From: Dave Kubeczko - DNR
Sent: Wednesday, March 05, 2014 11:50 AM
To: dave.kubeczko@state.co.us
Subject: FW: WPX Energy Rocky Mountain LLC, Chevron GM 442-20 Pad, SENE Sec 20 T6S R96W, Garfield County, Form 2A #400539814 Review

Categories: Operator Correspondence

Scan No 2106930 CORRESPONDENCE 2A#400539814

From: Dave Kubeczko - DNR [mailto:dave.kubeczko@state.co.us]
Sent: Thursday, February 13, 2014 10:39 AM
To: Haddock, Reed
Subject: WPX Energy Rocky Mountain LLC, Chevron GM 442-20 Pad, SENE Sec 20 T6S R96W, Garfield County, Form 2A #400539814 Review

Reed,

I have been reviewing the WPX Energy Rocky Mountain LLC (WPX) Chevron GM 442-20 Pad **Form 2A** (#400539814). COGCC requests that WPX submit evidence/certification that all Building Unit owners and Surface Owners within the Buffer Zone (1000 feet) have received pre-application notices required by **Rule 303.b.(3).J.iii.** and **Rule 305.a.(2)** (as described below). Based on COGCC's review, there may be as many as 6 or more building units located within the 1000' Buffer Zone based on the placement of the production tank facility in the western portion of the well pad location. Please confirm whether there are 2 or more building units within 1000' of the production tanks facility. Also, COGCC would like to attach the following conditions of approval (COAs) based on the information and data WPX has submitted on or attached to the Form 2A prior to passing the Oil and Gas Location Assessment (OGLA) review.

Rule 303.b.(3).J.iii:

303. REQUIREMENTS FOR FORM 2, APPLICATION FOR PERMIT-TO-DRILL, DEEPEN, RE-ENTER, OR RECOMPLETE, AND OPERATE; FORM 2A, OIL AND GAS LOCATION ASSESSMENT.

b. FORM 2A, OIL AND GAS LOCATION ASSESSMENT.

(3) **Information Requirements.** The Form 2A requires the attachment of the following information. Where the information required under this section has been included in a federal Surface Use Plan of Operations meeting the requirements of Onshore Oil and Gas Order Number 1 (72 Fed. Reg. 10308 (March 7, 2007)), or for a federal Right of Way, Form 299, then the operator may attach the completed pertinent information and identify on the Form 2A where the information required under this section may be found therein.

J. If the proposed Oil and Gas Location is within one thousand (1,000) feet of a Building Unit

- i. A scaled facility layout drawing depicting the location of all existing and proposed new Oil and Gas Facilities listed on the Form 2A;
- ii. A Waste Management Plan describing how the Operator intends to satisfy the general requirements of Rule 907.a.; and

iii. Evidence that Building Unit owners within the Buffer Zone received the pre-application notice required by Rule 305.a.(2).

Rule 305.a.(2):

305. FORM 2 AND 2A APPLICATION PROCEDURES

a. Pre-application notifications. For Oil and Gas Locations proposed within an Urban Mitigation Area or within the Buffer Zone Setback, an Operator shall provide a "Notice of Intent to Conduct Oil and Gas Operations" to the persons specified herein not less than thirty (30) days prior to submitting a Form 2A Oil and Gas Location Assessment to the Director.

(2) Exception Zone and Buffer Zone Setback Notice to the Surface Owner and Building Unit Owners. **For Oil and Gas Locations proposed within the Exception Zone or Buffer Zone Setback, Operators shall notify the Surface Owner and the owners of all Building Units that a permit to conduct Oil and Gas Operations is being sought.** The

Operator may rely on the county assessor tax records to identify the persons entitled to receive the Notice. Notice shall include the following:

- A. The Operator's contact information;
- B. The location and a general description of the proposed Well or Oil and Gas Facilities;
- C. The anticipated date operations will commence (by calendar quarter and year);
- D. The Local Governmental Designee's (LGD) contact information;
- E. Notice that the Building Unit owner may request a meeting to discuss the proposed operations by contacting the LGD or the Operator; and
- F. A "Notice of Comment Period" will be sent pursuant to Rule 305.c. when the public comment period commences.

COGCC would like to attach the following additional conditions of approval (COAs) based on the information and WPX Energy Rocky Mountain LLC (WPX) has submitted on or attached to 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 reconstruction/regrading, 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).

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

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 or storage vessel 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 constructed to be sufficiently impervious to contain any spilled or released material and with additional downgradient perimeter berming.

Material Handling and Spill Prevention: The following conditions of approval (COAs) will apply to the Form 2A Permit if any temporary surface or buried permanent 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 Inspection Supervisor for Northwest Colorado (Shaun Kellerby; email shaun.kellerby@state.co.us) 48 hours prior to testing surface or buried poly/steel pipelines.

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. Operator shall conduct daily inspections of surface poly pipeline routes for leaks during active transfer of fluids. Inspections shall be conducted by viewing the length of the pipeline; operator will endeavor to minimize surface disturbance during pipeline monitoring. The operator shall maintain records of inspections, findings and repairs, if necessary, for the life of the pipelines.

COA 54 - Operator must ensure appropriate secondary containment for volume of fluids that may be released before pump shut down from the surface pipeline at all stream, intermittent stream, ditch, and drainage crossings. Catchment basins, if needed, should be sized to contain the volume between pump stations or between the nearest pump station and the frac pad being used for this well pad location. Pump stations along the surface poly or steel pipeline route will be continuously monitored when operating in order to swiftly respond to such a failure.

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. Operator shall notify the COGCC OGLA Specialist for Western Colorado (Dave Kubeczko; email dave.kubeczko@state.co.us) 48 hours prior to placement of temporary surface poly pipelines.

Operator shall also adhere to the BMPs listed on the Operator BMP/COA Tab as well as to the following rule:

Rule 604.c.(2). A. thru W.:

604. SETBACK AND MITIGATION MEASURES FOR OIL AND GAS FACILITIES, DRILLING, AND WELL SERVICING OPERATIONS

c. **Mitigation Measures.** The following requirements apply to an Oil and Gas Location within a Designated Setback Location and such requirements shall be incorporated into the Form 2A or associated Form 2 as Conditions of Approval.

(2) **Location Specific Requirements – Designated Setback Locations.** Subject to Rule 502.b., the following mitigation measures shall apply to any Well or Production Facility proposed to be located within a Designated Setback Location for which a Form 2 Application for Permit to Drill or Form 2A Oil and Gas Location Assessment is submitted on or after August 1, 2013: It is unclear on the BMP/COA tab as to whether WPX has addressed all of the mitigations measures listed in the above rule. Can you provide a more detailed list of BMPs that follow the rule.

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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