

STATE OF
COLORADO

Andrews - DNR, Doug <doug.andrews@state.co.us>

COGCC Form 2A review of Bill Barrett Corp's Fiducial 6-62-34_35 SWSW location - Doc #400570686

2 messages

Andrews - DNR, Doug <doug.andrews@state.co.us>

Tue, Apr 1, 2014 at 2:27 PM

To: Mary Pobuda <mpobuda@billbarrettcorp.com>

Mary,

I have reviewed the referenced Form 2A Oil & Gas Location Assessment and have the following comments.

1) In the Facilities section you indicate there will be no Modular Large Volume Tanks (MLVTs) at this proposed oil and gas location. However, you have included a BMP that indicates 2 MLVTs will be used and a Construction Layout Drawing that indicates 5 MLVTs will be used at this proposed oil and gas location. Please confirm the number of MLVTs that are planned to be used.

2) Your pipeline description indicates there will be one gas pipeline, one water line, and one residue line installed. However, there will be two wells at this location along with 8 tanks, 4 separators, 1 gas compressor, etc. and two wells from the nearby Fiducial well pad to the north will also produce to this location. It seems unlikely that only one gas, one water, and one residue line will handle all the fluids from all four wells to all the production facilities. Please provide a revised count of all the proposed oil, gas, and/or water pipelines that will be on this proposed oil and gas location.

3) In the Construction section you have indicated the date planned to commence construction is 5/1/14 and the estimated date that interim reclamation will begin as 5/1/15. This is not in compliance with COGCC Rule 1003.b. Please provide a revised date that interim reclamation will begin.

4) Reference Area Pictures should be taken during the growing season. The Reference Area Pictures included with this Form 2A were taken in January showing snow cover. I will add the following Condition of Approval to this Form 2A. "Operator shall submit Reference Area Pictures for this oil and gas location, taken during the 2014 growing season, to the COGCC via a Form 4 Sundry Notice by December 31, 2014."

5) Because there will be MLVTs utilized at this proposed oil and gas location, I would like to add the following Conditions of Approval:

1. MLVTs may only be utilized for the storage of freshwater. E&P wastes, including produced water, treated E&P wastes, and flowback from hydraulic fracturing operations, are not allowed.
2. MLVTs shall be constructed and operated in accordance with a design certified and sealed by a Colorado Licensed Professional Engineer.
3. Site preparation and MLVT installation oversight shall be provided by a manufacturer representative either designated or otherwise certified to affirm that the site preparation and MLVT installation was completed in accordance with design specifications.
Construction and installation of the tank structure, liner and sub-grade shall meet or exceed the manufacturer specifications.

4. COGCC Rules 604.a. and 605.a.(2,3,5,6,7, and 8), as applicable to tank setbacks at the time of installation shall apply to the siting of MLVTs.
5. All MLVT liner seams shall be welded at the liner manufacturers facility; field welded liners shall not be used. Liners shall not be reused.
6. Signs shall be posted on the MLVT to indicate contents are freshwater and that no E&P waste fluids are allowed. Location and additional signage shall conform to Rule 210.
7. MLVTs shall be operated with a minimum of 1 foot freeboard.
8. Operator shall be onsite and inspect for leaks during the initial filling of the MLVT. If leaks are observed, filling shall cease and the leaks be repaired and the integrity of the tank evaluated.
9. Once in operation, the MLVT shall be inspected daily and any deficiencies repaired as soon as practicable.
10. Access to the MLVT shall be limited to operational personnel.
11. Operators employing MLVTs on their Oil & Gas Locations shall develop and comply with a written standard operating procedure.
12. Should a failure of MLVT integrity occur, operator shall notify COGCC upon discovery, report the incident to COGCC on a Form 22-Accident Report within 10 days, and shall conduct a root cause analysis and provide it to the COGCC on a Form 4-Sundry Notice within 30 days of the failure.

Please respond to this correspondence by May 1, 2014. If you have any questions, please feel free to contact me. Thank you.

—

Doug Andrews

Oil & Gas Location Assessment Specialist - Northeast Area



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303-894-2100 Ext. 5180

Mary Pobuda <mpobuda@billbarrettcorp.com>
To: "doug.andrews@state.co.us" <doug.andrews@state.co.us>
Cc: Tracey Fallang <tfallang@billbarrettcorp.com>

Wed, Apr 9, 2014 at 11:09 AM

Hi Doug,

Please see my comments below in red and let me know if you have any questions.

I really appreciate your help with this, thank you.

Mary Pobuda

Permit Analyst

Bill Barrett Corporation

1099 18th Street Ste 2300

Denver CO 80202

303-312-8511 direct | 720-402-7539 cell

mpobuda@billbarrettcorp.com



From: Andrews - DNR, Doug [mailto:doug.andrews@state.co.us]

Sent: Tuesday, April 01, 2014 2:28 PM

To: Mary Pobuda

Subject: COGCC Form 2A review of Bill Barrett Corp's Fiducial 6-62-34_35 SWSW location - Doc #400570686

Mary,

I have reviewed the referenced Form 2A Oil & Gas Location Assessment and have the following comments.

1) In the Facilities section you indicate there will be no Modular Large Volume Tanks (MLVTs) at this proposed oil and gas location. However, you have included a BMP that indicates 2 MLVTs will be used and a Construction Layout Drawing that indicates 5 MLVTs will be used at this proposed oil and gas location. Please confirm the number of MLVTs that are planned to be used. **This location will have 2 temporary LVST's and 10-500 bbl frac tanks OR up to 110-500 bbl frac tanks. Frac tanks located on this pad may service completion operations being conducted on an adjacent pad location. A sundry would be submitted in the event this situation occurs. Surface owner approval would be obtained where necessary.**

2) Your pipeline description indicates there will be one gas pipeline, one water line, and one residue line installed. However, there will be two wells at this location along with 8 tanks, 4 separators, 1 gas compressor, etc. and two wells from the nearby Fiducial well pad to the north will also produce to this location. It seems unlikely that only one gas, one water, and one residue line will handle all the fluids from all four wells to all the production facilities. Please provide a revised count of all the proposed oil, gas, and/or water pipelines that will be on this proposed oil and gas location. **2 Gas Pipelines (2" steel), 2 Water Pipelines (3" steel), 2 Oil Pipelines (3" steel), 2 Injection Pipelines (4" steel), 2 flowlines (4" steel). When possible temporary water pipelines will carry water from storage tanks or water sources to well completion sites. Pipes will be made of flexible and rigid materials (plastic, aluminum and steel) generally 8" to 12" in diameter. The length will be determined by the distance to the well site to be serviced for the fracing operation. This**

will greatly minimize the number of truck trips required for the well completion.

3) In the Construction section you have indicated the date planned to commence construction is 5/1/14 and the estimated date that interim reclamation will begin as 5/1/15. This is not in compliance with COGCC Rule 1003.b. Please provide a revised date that interim reclamation will begin. 11/1/14

4) Reference Area Pictures should be taken during the growing season. The Reference Area Pictures included with this Form 2A were taken in January showing snow cover. I will add the following Condition of Approval to this Form 2A. "Operator shall submit Reference Area Pictures for this oil and gas location, taken during the 2014 growing season, to the COGCC via a Form 4 Sundry Notice by December 31, 2014." Updated reference photos taken in the grow season will be submitted by 12/31/14.

5) Because there will be MLVTs utilized at this proposed oil and gas location, I would like to add the following Conditions of Approval: Ok

1. MLVTs may only be utilized for the storage of freshwater. E&P wastes, including produced water, treated E&P wastes, and flowback from hydraulic fracturing operations, are not allowed.
2. MLVTs shall be constructed and operated in accordance with a design certified and sealed by a Colorado Licensed Professional Engineer.
3. Site preparation and MLVT installation oversight shall be provided by a manufacturer representative either designated or otherwise certified to affirm that the site preparation and MLVT installation was completed in accordance with design specifications.
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discovery, report the incident to COGCC on a Form 22-Accident Report within 10 days, and shall conduct a root cause analysis and provide it to the COGCC on a Form 4-Sundry Notice within 30 days of the failure.

Please respond to this correspondence by May 1, 2014. If you have any questions, please feel free to contact me. Thank you.

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Doug Andrews

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