



## COLORADO

### Oil & Gas Conservation Commission

Department of Natural Resources

1120 Lincoln Street, Suite 801  
Denver, CO 80203



Received 8/14/14

August 13, 2014

Mr. Mike Dinkel  
Kerr-McGee Oil & Gas Onshore LP  
1099 18<sup>th</sup> Street, Suite 1800  
Denver, CO 80202

Re: Review of Form 28 Centralized E&P Waste Management Facility Permit  
Facility ID #43719, DFMF #2 Strear Farms  
Kerr-McGee Oil & Gas Onshore LP  
SW SEC Section 23, T2N, R67W, 6<sup>th</sup> PM, Weld County, Colorado

Dear Mr. Dinkel:

The Colorado Oil and Gas Conservation Commission (COGCC) has received and reviewed your April, 2014 submittal for the above referenced permit application for COGCC Facility ID #43719. At this time, the COGCC has the following comments:

#### Form 28 Centralized E&P Waste Management Facility Permit

1) Form 28, Attachment Checklist.

**COGCC Comment:** Weld County states that this facility would be a "use by right" and not require a "use by special review" permit.

2) Form 28, Question 1.

Is the site in a sensitive area? Answer: Yes

**COGCC Comment:** None.

3) Form 28, Question 2.

What are the average annual precipitation and evaporation rates for the site? Answer: Precipitation- 14.4 inches/year. Evaporation – 41.04 inches/year.

**COGCC Comment:** None.

3) Form 28, Question 3.

Has a description of the site's general topography, geology, and hydrology been attached?  
Answer: Yes.

**COGCC Comment:** None.

4) Form 28, Question 4.

Has a description of the adjacent land use been attached? Answer: Yes.

**COGCC Comment:** None.

5) Form 28, Question 5.

Has a 1:24,000 topographic map showing the site location been attached? Answer: Yes.

P 303.894.2100 F 303.894.2109 [www.colorado.gov/cogcc](http://www.colorado.gov/cogcc)

Commissioners: Thomas L. Compton - Chairman, Richard Alward, John H. Benton, DeAnn Craig,

James W. Hawkins, Tommy Holton, Andrew L. Spielman, Mike King, Dr. Larry Wolk

John W. Hickenlooper, Governor | Mike King, Executive Director, DNR | Matthew J. Lepore, Director



**COGCC Comment:** None.

6) Form 28, Question 6.

Has a site plan showing drainage patterns, diversion or containment structures, roads, fencing, tanks, pits, buildings and any other pertinent construction details been attached? Answer: Yes.

**COGCC Comment:** None.

7) Form 28, Question 7.

If site is not owned by the operator, is written authorization of the surface owner attached? Answer: NA.

**COGCC Comment:** The application states that the property is owned by Anadarko E&P Company LP.

8) Form 28, Question 8.

Has a scaled drawing and survey showing the entire section(s) containing the proposed facility been attached? Answer: Yes.

**COGCC Comment:** None.

9) Form 28, Question 9.

What measures have been implemented to limit access to the facility by wildlife, domestic animals or by members of the public? Answer: A fence will be constructed around the facility to limit access by wildlife. A locking gate will be installed to prevent unauthorized vehicular traffic and unauthorized dumping.

**COGCC Comment:** None.

10) Form 28, Question 10.

Is there a planned fire lane of at least 10 feet in width around the active treatment areas and within the perimeter fence? Answer: Yes.

**COGCC Comment:** None.

11) Form 28, Question 11.

Is there an additional buffer zone of at least 10 feet in width within the perimeter fire lane? Answer: Yes.

**COGCC Comment:** None.

12) Form 28, Question 12.

Have surface water diversion structures been constructed to accommodate a 100-year, 24-hour event? Answer: Yes.

**COGCC Comment:** None.

13) Form 28, Question 13.

Has a waste profile been calculated according to Rule 908.b.6? Answer: Yes.

**COGCC Comment:** None.

14) Form 28, Question 14.

Has facility design and engineering been provided as required by Rule 908.b.7? Answer: Yes.

**COGCC Comment:** None.

15) Form 28, Question 15.

Has an operating plan been completed as required by Rule 908.b.8? Answer: Yes.

**COGCC Comment:** None.

16) Form 28, Question 16.

Has ground water monitoring for the site been provided? Answer: Yes.

**COGCC Comment:** None

17) Form 28, Question 17.

Has financial assurance been provided as required by Rule 704? Answer: Yes.

**COGCC Comment:** Prior to approval, financial assurance shall be provided. The COGCC is currently having a third party review the closure of the facility and prepare an independent closure cost estimate.

18) Form 28, Question 18.

Has a closure plan been provided? Answer: Yes.

**COGCC Comment:** None.

19) Form 28, Question 19.

Have local government requirements for zoning and construction been complied with? Answer: Yes.

**COGCC Comment:** None.20) Form 28, Question 20.

Have permits and notifications required by local governments and other agencies been provided? Answer: NA.

**COGCC Comment:** Weld County that states this facility would be a "use by right" and not require a "use by special review" permit.

#### DFMF #2

- As indicated in the permit application and referenced in Weld County's "use by Right," the referenced facility will only accept water-based bentonitic drilling fluids and associated drill cuttings generated by Kerr-McGee Oil & Gas Onshore LP (Kerr-McGee) to be incorporated as a beneficial amendment into the native soils. No other E&P waste shall be accepted at the facility.
- Are the three existing residences located in the southwest corner, east central along County Road (CR) 21 and south central along CR 18 to be within the footprint of the DFMF #2?
- Kerr-McGee shall be responsible for dust control and for preventing drilling mud from being tracked onto county roads by exiting trucks.
- The operating plan did not include the hours of operation. Please provide the hours of operation.
- In addition to the site controls listed on Form 28, Question 9, Kerr-McGee shall provide signs at each entrance facing the county road(s) with the following information: Facility Name, Company Name, Company Contact Information, Address, and Location (including lat/long of entrance).
- Groundwater shall be monitoring on a quarterly basis. Total Petroleum Hydrocarbons (TPH) gasoline range organics (GRO) and diesel range organics (DRO) shall be included in addition to the proposed benzene, toluene, ethylbenzene, and xylenes.
- Please notify COGCC after facility construction is complete and prior to receipt of the first load of water-based bentonitic drilling fluids to allow for a field inspection to document that facility design and engineering requirements have been met.

- Prior to the Form 28 approval, financial assurance shall be provided to the COGCC. Was the removal of the "Concrete Liquids Handling Center", and "300' X 300' Earthen Berm Containment" included the closure costs? The COGCC is currently having a third party review the closure of the facility and prepare an independent closure cost estimate.
- A Site Investigation and Remediation Workplan, Form 27 shall be submitted sixty (60) days prior to closure of the facility for approval by the Director. The workplan shall describe the final closure.

Should you have any questions, please contact me at 303-894-2100 extension 5138.

Sincerely,



Alex Fischer, P.G.  
Environmental Supervisor-Western Colorado

Cc: Stephen C. Jenkins, P.E., C.P.E.S.C.