

Dave Kubeczko - DNR

From: Dave Kubeczko - DNR
Sent: Tuesday, November 04, 2014 8:41 AM
To: dave.kubeczko@state.co.us
Subject: FW: WPX Energy Rocky Mountain LLC, SG 22-32 Pad, SENW Sec 32 T7S R96W, Garfield County, Form 2A #400623785 Review

Categories: Operator Correspondence

Scan No 2107133 CORRESPONDENCE 2A#400623785

From: Haddock, Reed [mailto:Reed.Haddock@wpxenergy.com]
Sent: Wednesday, October 22, 2014 8:20 AM
To: Dave Kubeczko - DNR
Cc: Mestas, April; Blaney, Karolina
Subject: RE: WPX Energy Rocky Mountain LLC, SG 22-32 Pad, SENW Sec 32 T7S R96W, Garfield County, Form 2A #400623785 Review

Dave:

WPX is fine with all the COA's except for COA 22 and 54. Karolina and or someone from the completions team will be contacting COGCC regarding the wording in COA 54. WPX does not like the sleeving of temporary frac lines or adding additional valves on frac lines. If you have any further questions please respond to "all" in the reply back. Reed

From: Dave Kubeczko - DNR [mailto:dave.kubeczko@state.co.us]
Sent: Tuesday, October 21, 2014 7:15 AM
To: Haddock, Reed
Subject: WPX Energy Rocky Mountain LLC, SG 22-32 Pad, SENW Sec 32 T7S R96W, Garfield County, Form 2A #400623785 Review

Reed,

I have been reviewing the SG 22-32 Pad **Form 2A** (#400623785). COGCC would like to attach the following conditions of approval (COAs) based on the information and data 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, pipeline testing, start of hydraulic stimulation operations, start of flowback operations, and start of injecting using Form 42 (the appropriate COGCC individuals will automatically be email notified, including the LGD for hydraulic stimulation operations).

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

COA 23 - Operator must ensure secondary containment for any volume of fluids contained at well site during drilling and completion operations; 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 after precipitation events), and maintained in good condition.

COA 44 - The access road will be maintained as to not allow any sediment to migrate from the access road to nearby surface water or any drainages leading to surface water.

COA 76 - Strategically apply fugitive dust control measures, including enforcing established speed limits on private roads, to reduce fugitive dust and coating of vegetation and deposition in water sources.

COA 58 - Berms or other containment devices shall be constructed to be sufficiently impervious (corrugated steel with poly liner) to contain any spilled or released material around crude oil, condensate, and produced water storage tanks.

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

COA 38 - The moisture content of drill cuttings managed onsite shall be kept as low as practicable to prevent accumulation of liquids greater than de minimis amounts. After drilling and completion operations have been completed, the drill cuttings that will remain on the well pad location (cuttings management area, the cut portion of the pad, cuttings trench, dry cuttings drilling pit), must meet the applicable standards of Table 910-1. After the drill cuttings have been amended (if necessary) and placed on the well pad, sampling frequency of the drill cuttings (to be determined by the operator) shall be representative of the material left on location. No offsite disposal of cuttings to another oil and gas location shall occur without prior approval of a Waste Management Plan (submitted via a Form 4 Sundry Notice) specifying disposal location and waste characterization method. Commercial disposal of drill cuttings will only require notification to COGCC via a Form 4 Sundry Notice.

COA 48 - Operator must submit an as-built drawing (plan view and cross-sections) of the injection well pad and associated equipment within 30 calendar days of construction.

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

COA 25 - If the well is to be hydraulically stimulated, 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.

COA 46 - Operator will use qualified containment devices for all appropriate chemicals/hazardous materials used onsite during the operation of the injection well.

COA 41 - All tanks and aboveground vessels containing fluids must have secondary containment structures. All secondary containment structures/areas must be lined. Operator must ensure a minimum of 110 percent secondary containment for the largest structure containing fluids within each bermed area the facility during operations. The construction and lining of the secondary containment structures/areas shall be supervised by a professional engineer or their agent.

COA 51 - Operator shall equip and maintain on all tanks an electronic level monitoring device.

COA 52 - Operator shall install a steel containment ring around tank batteries to provide secondary containment and install a synthetic liner that underlies the entire battery and is keyed into the top of the containment ring.

COA 2 - Approval of this Form 2A does not authorize operator the right to inject. Authorization to inject into the selected Formation(s) requires approval of both the Form 31 and the Form 33.

COA 22 - Before hydraulic stimulation of the well, operator shall collect a groundwater sample from the Iles Formation and analyze for total dissolved solids (TDS); unless previously notified by COGCC that a sample will not be necessary.

COA 26 - Potential odors associated with the completions process and/or with long term production operations must be controlled/mitigated.

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.

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 and

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. 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. In addition, 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 54 - Operator will implement BMPs necessary to mitigate a potential for a release of fluids to impact streams, intermittent streams, ditches, and drainage crossings. For these crossings: if poly pipe is used on the surface, operator will ensure appropriate containment by either installing over-sized pipe "sleeves" which extend the length of the crossing and beyond to a distance deemed adequate to capture (catchment basins) and/or divert any possible release of fluids and prevent fluids from reaching the stream or drainage; installing over-sized pipe "sleeves" which extend the length of the crossing and installing shut off valves on either side of crossing instead of catchment basins; or develop an alternative means for containment. For all other pipeline materials, operator will implement BMPs necessary to mitigate a potential for E&P fluids to reach groundwater or flowing surface water.

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.

COGCC would appreciate your concurrence with attaching these COAs to the Form 2A permit prior to passing the OGLA review. 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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