

STATE OF  
COLORADO

EnviroScan - DNR, OGCC &lt;dnr\_ogcc.enviroscan@state.co.us&gt;

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**Fwd: CM Productions: Rice Location Sensitive Area Determination**

1 message

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**Axelson - DNR, John** <john.axelson@state.co.us>  
To: OGCC EnviroScan - DNR <OGCC.EnviroScan@state.co.us>Fri, Dec 5, 2014 at 8:23 AM  
NOAV 200399090  
REM 8461  
Doc 2313336

Cc. NOAV #200399090, Rem #8461 - Correspondence

----- Forwarded message -----

From: **Mueller, Kirk** <Kirk.Mueller@dgsllaw.com>  
Date: Thu, Dec 4, 2014 at 3:44 PM  
Subject: CM Productions: Rice Location Sensitive Area Determination  
To: "Ferrin - DNR, Jeremy (jeremy.ferrin@state.co.us)" <jeremy.ferrin@state.co.us>,  
"john.axelson@state.co.us" <john.axelson@state.co.us>  
Cc: "James Hix (jhix@olssonassociates.com)" <jhix@olssonassociates.com>

Jeremy/John:

Thank you and your staff for visiting with me and James yesterday regarding the NOAV at the Rice Location. James has contacted a vendor, Site Services Drilling, which has a combination probe/solid stem auger rig mounted on a rubber track that we believe can access the locations we want to sample. Site Services also has hollow stem auger rigs which may be able to drill the proposed locations. James has forwarded to them photos and illustrations of the site to determine if they can and to estimate the time to get up there and do the work. James estimates we will need to go to 25 or 30 feet or to auger to refusal; he will coordinate with John Axelson regarding locations and other specifics. If we encounter shallow groundwater, we can set monitoring wells and collect samples for analysis. James is optimistic we can access and drill the wells on or before December 19. The sample results from those wells should be ready on or by December 31, with consideration of the holidays. If water can be collected, we expect sampling and analysis could be completed on or by January 2, 2015.

We have also had discussions CM's operations folks and informed them of your directive that they cease delivery of produced water to all three of the pits. Compliance with this directive will require CM to shut-in the field and cease all production which, in turn, will create a significant hardship for CM and forfeiture of revenues for an apparently indeterminate length of time. Given the hardship, and for the reasons discussed below, CM respectfully has asked if the commission might reconsider its position and allow CM to continue to using just the south pit to contain produced water. Shutting in the field in the winter may cause lines to freeze and break causing releases of produced water that would not occur if the field were operating.

Olsson will provide a work plan and a Form 27 tomorrow that outlines the proposed drilling locations and a description of the rigors of the assessment. Upon approval of the work plan, Olsson will confirm with Site Services the drilling schedule.

Olsson and CM were under the impression that if we collected surface water samples in the drainage and installed the hand auger point down gradient of the pits, that would be sufficient assessment as we had discussed. The piezometer alone was not expected to satisfy the COGCC, but it does extend 10 feet below the base of the main drainage, and was dry in July and again when checked in September.

Given the hardship posed by shutting in the field, the generally promising indications of the sensitive area study thus far, the fact that pits have existed at this location for decades, previous investigations concluded that it was not a sensitive area, and the accelerated schedule we are endeavoring to implement, we would very much appreciate the Commission's permission to utilize just the south pit for an additional 60 days while we complete the sensitive area study.

Thank you for your attention to this, and best regards,

- Kirk

**R. KIRK MUELLER** ATTORNEY

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