



May 29, 2015

Michael J. Hickey, PE
Northeastern Engineer
Colorado Oil & Gas Conservation Commission
1120 Lincoln Street, Suite 801
Denver, CO 80203

RE: NOAV for Property Reserve 4-65 3-4 #1H, Prosper Farms 4-65 11-12 #1H, and Sky Ranch 4-65 9-10 #1H

Dear Mr. Hickey,

As referenced in the May 8th Notice of Alleged Violation, Property Reserve 4-65 3-4 #1H, Prosper Farms 4-65 11-12 #1H, and Sky Ranch 4-65 9-10 #1H were permitted as wildcat (exploratory) wells, and as such, designed to include a productivity test period following flowback. All wells have produced through temporary facilities during the productivity test, while permanent facilities are being constructed. All temporary oil tanks are enclosed and equipped with emission control devices. Following the productivity test, the wells are typically shut-in for pressure build-up tests prior to connecting to the gas pipeline system and permanent facilities.

The following are key dates for the wells referenced in your letter dated May 8, 2015:

Well	Start of Flowback/ Productivity Test	Shut-in for Pressure Build- up Test	Permanent Facilities Availability	Gas Pipeline System Availability
Sky Ranch 9-10 1H	2/16/2015	5/17/2015	6/16/2015	7/1/2015
Property Reserve 3-4 1H	2/24/2015	5/23/2015	6/24/2015	7/1/2015
Prosper Farms 11-12 1H	4/3/2015	7/2/2015	7/31/2015	7/1/2015

Rule 912b allows for flaring without approval during well stimulation flowback or a productivity test. ConocoPhillips believes we are in compliance with Rule 912b in that we are conducting productivity tests and producing through temporary facilities. We have consulted with the COGCC on multiple occasions about our temporary operations, and have incorporated the emissions control equipment to capture vapors from enclosed oil tanks as a best management practice. For the above mentioned wells, there have been a total of 11 inspections, including 3 flowback inspections, in the past 9 months with only one corrective action to repair soil erosion at the Sky Ranch 9-10 1H well pad.



Enclosed combustors were not used at these locations because they are over 4000' away from the nearest building structure and the anticipated volume of gas for the single well pads was less than the volume of the four-well pad at the Watkins location which was previously discussed with the COGCC. ConocoPhillips voluntarily used enclosed combustors at the Watkins location.

To resolve this NOAV and to address the COGCC's flaring/combustion concerns, ConocoPhillips proposes to implement the following practices:

1. Use enclosed combustion devices from day 1 of flowback.
2. Request permission to combust gas during productivity tests 30 days after the conclusion of flowback.
3. Tie in to the gas pipeline system as soon as possible even if we are still in a productivity test period and permanent facilities are being constructed.

Thank you for your consideration in this matter and please let me know if you have any further questions.

Sincerely,

A handwritten signature in blue ink that reads "amy johnson".

Amy Johnson
Regulatory Supervisor, ConocoPhillips