

Dave Kubeczko - DNR

From: Dave Kubeczko - DNR
Sent: Thursday, July 16, 2015 12:13 PM
To: Dave Kubeczko - DNR
Subject: Coachman Energy Operating Company LLC, Shavetail Federal Well Pad 28, NESE Sec 28 T1N R103W, Rio Blanco County, Form 2A#400820604 Review

Categories: Operator Correspondence

Scan No 2107622

OPERATOR CORRESPONDENCE

2A#400820604

From: Neyeska Mut [mailto:neyeska@cynosure-energy.com]

Sent: Tuesday, July 14, 2015 8:44 PM

To: Dave Kubeczko - DNR

Cc: rickobe1@aol.com; kkuhnbud@gmail.com; Kevin O'Connell; Frank Canepa

Subject: RE: Coachman Energy Operating Company LLC, Shavetail Federal Well Pad 28, NESE Sec 28 T1N R103W, Rio Blanco County, Form 2A#400820604 Review

Dave,

I may have not been as clear as I should have been this afternoon. Our team has reviewed the COA's and find them to be acceptable. My point was that we will be working to make sure all the points made are included in our plans.

Neyeska

Neyeska G. Mut

Managing Director

neyeska@cynosure-energy.com

From: Neyeska Mut

Sent: Tuesday, July 14, 2015 4:21 PM

To: 'Dave Kubeczko - DNR'

Cc: rickobe1@aol.com; kkuhnbud@gmail.com; Kevin O'Connell; Frank Canepa

Subject: RE: Coachman Energy Operating Company LLC, Shavetail Federal Well Pad 28, NESE Sec 28 T1N R103W, Rio Blanco County, Form 2A#400820604 Review

Dave,

Thank you very much for taking the time to put this COA together for us. It appears to be very thorough. We are working through it at this time and are confident we will be able to comply with the requirements. We will reach out to you with any needed guidance, questions or clarifications.

Thanks again,

Neyeska

Neyeska G. Mut

Managing Director

neyeska@cynosure-energy.com

From: Rick Obernolte [mailto:rickobe1@aol.com]

Sent: Tuesday, July 14, 2015 11:42 AM

To: dave.kubeczko@state.co.us; neyeska@cynosure-energy.com

Subject: Re: Coachman Energy Operating Company LLC, Shavetail Federal Well Pad 28, NESE Sec 28 T1N R103W, Rio Blanco County, Form 2A#400820604 Review

Dave,

Good morning,

Thank you again for once again working over the weekend to expedite our permit. The COAs are all acceptable. Please let me know if you need anything else to obtain the Director's signature on the APD and well location form. Is it likely that Coachman can begin construction next Monday?

Take care,

Rick

Rick Obernolte
Access Environmental, LLC
106 South White Tail Drive
Franktown, Colorado 80116-8825
Tel: (303) 660-9633
Cell: (303) 810-4345
rickobe1@aol.com

-----Original Message-----

From: Dave Kubeczko - DNR <dave.kubeczko@state.co.us>

To: neyeska <neyeska@cynosure-energy.com>

Cc: rickobe1 <rickobe1@aol.com>

Sent: Mon, Jul 13, 2015 3:05 pm

Subject: Coachman Energy Operating Company LLC, Shavetail Federal Well Pad 28, NESE Sec 28 T1N R103W, Rio Blanco County, Form 2A#400820604 Review

Neyeska,

I have been reviewing the Shavetail Federal Well Pad 28 **Form 2A** (#400820604). COGCC would like to attach the following conditions of approval (COAs) based on the information and data Coachman Energy Operating Company LLC (Coachman) has submitted on or attached to the Form 2A prior to passing the Oil and Gas Location Assessment (OGLA) review.

Planning: The following condition of approval (COA) will apply:

COA 91 - Notify the COGCC 48 hours prior to start of pad construction, rig mobilization, spud, start of hydraulic stimulation operations, start of flowback operations (if different than hydraulic stimulation operations), and pipeline

testing 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 (as shown on the Construction Layout Drawings attachment); 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 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 [per CDPHE requirements] and after significant precipitation events), and maintained in good condition.

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 25 - If the well(s) is(are) 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 or storage vessel 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 constructed to be sufficiently impervious to contain any spilled or released material.

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 condition of approval (COA) will apply:

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.

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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Rifle, CO 81650
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