

Project: 9024
 Facility: 443910
 Location: 313399
 Document #: 2211748
 Date: 03/02/2016



STATE OF COLORADO

EnviroScan - DNR, OGCC <dnr_ogcc.env>

Fwd: Gamma State 14-15D Form 10 Approval, Location ID 313399, API 05-081-07439, Pit Facility ID 443910

1 message

Fischer - DNR, Alex <alex.fischer@state.co.us>
 To: OGCC EnviroScan - DNR <dnr_ogcc.enviroscan@state.co.us>
 Cc: Kris Neidel - DNR <kris.neidel@state.co.us>

Wed, Mar 2, 2016 at 9:01 AM

Scanning Work Request:

Please upload this email and the 2 attached files as follows as one document:

Document Name(s)	1. COGCC March 2, 2016 Correspondence to Operators	
Date Received	3/2/2016	
Is data entry needed?	NO	
Indexing Information	Unique ID Type	Unique ID Number
First	Remediation (REM)	9024
Second	Facility ID (FAC)	443910
Third*	Location	313399
Additional Instructions	This is an email chain with separate attachments.	

Thanks!

-

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



P 303.894.2100 x5138 | F 303.894.2109

1120 Lincoln Street, Suite 801, Denver, CO 80203

|alex.fischer@state.co.us www.colorado.gov/cogcc

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

From: **Fischer - DNR, Alex** <alex.fischer@state.co.us>

Date: Wed, Mar 2, 2016 at 8:58 AM

Subject: Gamma State 14-15D Form 10 Approval, Location ID 313399, API 05-081-07439, Pit Facility ID 443910

To: durangpplc@earthlink.net, OGP-CO@comcast.net, Cheryl Rowell <Cheryl_Rowell@swn.com>,
sean_burke@swn.com

Cc: Teri Ikenouye - DNR <teri.ikenouye@state.co.us>, Kris Neidel - DNR <kris.neidel@state.co.us>, Peter Gowen - DNR <peter.gowen@state.co.us>, Greg Deranleau - DNR <greg.deranleau@state.co.us>

All,

The Form 10 for the Gamma State 14-15D, Location ID 313399 has been approved. An Inspection of the Location and Pit Facility was conducted on March 1, 2016. See Document Number 685100013 attached.

SWN and Santa Fe, note the following:

There is an active pit remediation (REM 9024) at Location ID 313399 and Pit Facility ID 443910.

- The pit shall not be back filled until it is demonstrated to the COGCC that the sidewalls and base of the pit excavation meet Table 910-1 constituent levels. Only material that meets Table 910-1 constituent levels shall be allowed to be used to backfill the pit.
- Current stockpiles of E&P waste shall be managed per the 900 Series Rules including Rule 907 and via an approved Form 27 workplan. The workplan shall state how the operator will manage the E&P waste stockpiles. The stockpiles shall not be moved until the workplan is received and approved.
- Contact COGCC Staff Kris Neidel (kris.neidel@state.co.us, 970-871-1963) 72-hours prior to moving the E&P waste stockpiles and prior to back filling the pit.
- *Storm water and snow melt issues shall be addressed immediately to prevent the potential for E&P waste being tracked across and off of the Location.*
- *Any accumulation of storm water or snow melt in contact with the E&P soil stockpile waste shall be treated as E&P waste and disposed of at an approved facility, unless it demonstrated that there are no exceedance of Table 910-1 constituents. NOTE: Documentation such as haul tickets or analytical results will be required.*
- *The pit shall be fenced or other means used to prevent unauthorized access including wildlife.*
- Provide an update of the current status of the pit closure and remediation of the soil stockpiles by **March 11, 2016 or sooner.**

Thanks
Alex

—

Alex Fischer, P.G.

Environmental Supervisor, Western Colorado



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2 attachments

 **INSP 685100013.pdf**
636K

 **Scanned from a Xerox Multifunction Device (7).pdf**
100K

FORM INSP
Rev 05/11

**State of Colorado
Oil and Gas Conservation Commission**

1120 Lincoln Street, Suite 801, Denver, Colorado 80203
Phone: (303) 894-2100 Fax: (303) 894-2109



Inspection Date:
03/01/2016
Document Number:
685100013
Overall Inspection:
ACTION REQUIRED

FIELD INSPECTION FORM

Location Identifier	Facility ID	Loc ID	Inspector Name:	On-Site Inspection	2A Doc Num:
	<u>296018</u>	<u>313399</u>	<u>NEIDEL, KRIS</u>	<input type="checkbox"/>	

Operator Information:

OGCC Operator Number:	<u>10396</u>
Name of Operator:	<u>SWN PRODUCTION COMPANY LLC</u>
Address:	<u>PO BOX 12359</u>
City:	<u>SPRING</u> State: <u>TX</u> Zip: <u>77391</u>

- THIS IS A FOLLOW UP INSPECTION
- FOLLOW UP INSPECTION REQUIRED
- NO FOLLOW UP INSPECTION REQUIRED
- INSPECTOR REQUESTS FORM 42 WHEN CORRECTIVE ACTIONS ARE COMPLETED

Contact Information:

Contact Name	Phone	Email	Comment
Burke, Sean	501-339-7059	sean_burke@swn.com	Production Southwestern Energy inspection
Gowen, Peter		peter.gowen@state.co.us	
Rowell, Cheryl		Cheryl_Rowell@swn.com	
Fischer, Alex		alex.fischer@state.co.us	
SULLIVAN, MICHAEL		durangopl@earthlink.net	
Ikenouye, Teri		teri.ikenouye@state.co.us	

Compliance Summary:

QtrQtr: SWSW Sec: 15 Twp: 7N Range: 93W

Insp. Date	Doc Num	Insp. Type	Insp Status	Satisfactory /Action Required	PA P/F/I	Pas/Fail (P/F)	Violation (Y/N)
04/02/2015	669300189	PR	EI	ACTION REQUIRED	F		No
09/10/2010	200271076	PR	PD	ACTION REQUIRED	I		Yes

Inspector Comment:

Temperature 33 degrees, mostly cloudy, all photos taken 3/1/2016. COGCC Environmental staff, Kris Neidel inspected location to assess the status of Remediation Project number 9024. It appears that the E&P waste piles (treated soil piles) are in the same (physical) locations as they came off the soil treater. The pad has a gentle slope that slopes into the pit. E&P waste should be stored per rule 907; in a way that prevents migration of soil or water that was in contact with E&P waste, to migrate from it's storage location. E&P waste berms, shall not be constructed of material that was treated as a part of this project. -A request for beneficial reuse use of material on location has NOT been received by the COGCC at this location. -NO E&P waste shall be placed in the pit until demonstration of, the pit wall and bottom soil concentrations are below COGCC table 910-1.

Related Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status
296018	WELL	PR	06/05/2014	GW	081-07439	Gamma State 14-15D	PR <input type="checkbox"/>
422697	WELL	AL	03/20/2014	SI	081-07650	Gamma State 23-15	AL <input type="checkbox"/>
422700	WELL	AL	03/20/2014	SI	081-07651	GAMMA STATE 23A-15	AL <input type="checkbox"/>
422705	WELL	AL	03/20/2014	SI	081-07652	GAMMA STATE 23B-15	AL <input type="checkbox"/>

443910	PIT	AC	11/10/2015	-	Gamma State drill pit	AC
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Equipment:		Location Inventory	
Special Purpose Pits: _____	Drilling Pits: _____	Wells: <u>4</u>	Production Pits: <u>1</u>
Condensate Tanks: _____	Water Tanks: <u>1</u>	Separators: <u>4</u>	Electric Motors: _____
Gas or Diesel Mortors: _____	Cavity Pumps: _____	LACT Unit: _____	Pump Jacks: <u>4</u>
Electric Generators: _____	Gas Pipeline: <u>1</u>	Oil Pipeline: _____	Water Pipeline: _____
Gas Compressors: _____	VOC Combustor: _____	Oil Tanks: <u>6</u>	Dehydrator Units: _____
Multi-Well Pits: _____	Pigging Station: _____	Flare: <u>1</u>	Fuel Tanks: _____

Location

Lease Road:				
Type	Satisfactory/Action Required	comment	Corrective Action	Date

Signs/Marker:				
Type	Satisfactory/Action Required	Comment	Corrective Action	CA Date

Emergency Contact Number (S/AR): _____ Corrective Date: 01/15

Comment: _____

Corrective Action: _____

Good Housekeeping:				
Type	Satisfactory/Action Required	Comment	Corrective Action	CA Date

Spills:				
Type	Area	Volume	Corrective action	CA Date

Multiple Spills and Releases?

Fencing/:				
Type	Satisfactory/Action Required	Comment	Corrective Action	CA Date
PIT	ACTION REQUIRED	Fencing around the pit is not continuous.	Fencing should prevent unintended entry to pit.	04/01/2016 <small>01/15</small>

Equipment:	
Type:	#
Comment	Satisfactory/Action Required:
Corrective Action	Date:

Venting:	
Yes/No	
Comment	

Flaring:	
Type	Satisfactory/Action Required

Comment:		
Corrective Action:		Correct Action Date:

Predrill

Location ID: 296018

Site Preparation:

Lease Road Adeq.: _____ Pads: _____ Soil Stockpile: _____

S/IAR: _____

Corrective Action: _____ Date: _____ CDP Num.: _____

Form 2A COAs:

Group	User	Comment	Date
OGLA	kubeczkod	<p>GENERAL SITE COAs:</p> <p>Operator must implement best management practices to contain any unintentional release of fluids, including any fluids conveyed via temporary surface pipelines.</p> <p>The moisture content of any drill cuttings in a cuttings pit, trench, or pile shall be as low as practicable to prevent accumulation of liquids greater than de minimis amounts.</p> <p>Flowback and stimulation fluids must be sent to tanks to allow the sand to settle out before the fluids can be placed into any pipeline or pit located on the well pad. The flowback and stimulation fluid tanks 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 (per Rule 604.a.(4)).</p> <p>Berms or other containment devices shall be constructed in compliance with Rule 604.a.(4) around crude oil, condensate, and produced water storage tanks.</p>	04/05/2011

S/IAR: _____ **Comment:** _____

CA: _____ **Date:** _____

Wildlife BMPs:

S/IAR: _____ **Comment:** _____

CA: _____ **Date:** _____

Comment: _____

Staking:

On Site Inspection (305):

Surface Owner Contact Information:

Name: _____ Address: _____

Phone Number: _____ Cell Phone: _____

Operator Rep. Contact Information:

Landman Name: _____ Phone Number: _____

Date Onsite Request Received: _____ Date of Rule 306 Consultation: _____

Request LGD Attendance: _____

LGD Contact Information:

Name: _____ Phone Number: _____ Agreed to Attend: _____

Summary of Landowner Issues:

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Summary of Operator Response to Landowner Issues:

Onsite Inspection Memorandum Summarizing Discussions at Inspection as Attachment:

Facility

Facility ID: 0 Type: _____ API Number: - Status: _____ Insp. Status: _____

Environmental

Spills/Releases:

Type of Spill: _____ Description: _____ Estimated Spill Volume: _____

Comment: _____

Corrective Action: _____ Date: _____

Reportable: _____ GPS: Lat _____ Long _____

Proximity to Surface Water: _____ Depth to Ground Water: _____

Water Well:

Lat _____ Long _____

DWR Receipt Num: _____ Owner Name: _____ GPS: _____

Field Parameters:

Sample Location: _____

Waste Management:

Type	Management	Condition	Comment	GPS (Lat)	(Long)
Oily Soil	Land Treatment	Inadequate	E&P waste should be stored per rule 907; in a way that prevents migration of soil or water that was in contact with E&P waste, to migrate from it's storage location. E&P waste berms, shall not be constructed of material that was treated as a part of this project. A request for beneficial reuse of material on location has been received by the COGCC at this location.		

Emission Control Burner (ECB): _____

Comment: _____

Pilot: _____ Wildlife Protection Devices (fired vessels): _____

Reclamation - Storm Water - Pit

Interim Reclamation:

Date Interim Reclamation Started: _____ Date Interim Reclamation Completed: _____

Land Use: RANGELAND

Comment: _____

1003a. Waste and Debris removed? _____

CM _____

CA _____ CA Date _____

Unused or unneeded equipment onsite? _____

CM _____

CA _____ CA Date _____

Pit, cellars, rat holes and other bores closed? _____

CM _____

CA _____ CA Date _____

Guy line anchors marked? _____

CM _____

CA _____ CA Date _____

1003b. Area no longer in use? _____ Production areas stabilized? _____

1003c. Compacted areas have been cross ripped? _____

1003d. Drilling pit closed? _____ Subsidence over on drill pit? _____

Cuttings management: _____

1003e. Areas no longer needed for drilling or subsequent operations for have been re-vegetated to 80% of pre-existing? _____

Production areas have been stabilized? _____ Segregated soils have been replaced? _____

RESTORATION AND REVEGETATION

Cropland

Top soil replaced _____ Recontoured _____ Perennial forage re-established _____

Non-Cropland

Top soil replaced _____ Recontoured _____ 80% Revegetation _____

1003 f. Weeds Noxious weeds? _____

Comment: _____

Overall Interim Reclamation

Final Reclamation/ Abandoned Location:

Date Final Reclamation Started: _____ Date Final Reclamation Completed: _____

Final Land Use: RANGELAND

Reminder: _____

Comment: _____

Well plugged _____ Pit mouse/rat holes, cellars backfilled _____

Debris removed _____ No disturbance /Location never built _____

Access Roads Regraded _____ Contoured _____ Culverts removed _____

Gravel removed _____

Location and associated production facilities reclaimed _____ Locations, facilities, roads, recontoured _____

Compaction alleviation _____ Dust and erosion control _____

Non cropland: Revegetated 80% _____ Cropland: perennial forage _____

Weeds present _____ Subsidence _____

Comment: _____

Corrective Action: _____ Date _____

Overall Final Reclamation _____ Well Release on Active Location Multi-Well Location

Storm Water:						
Loc Erosion BMPs	BMP Maintenance	Lease Road Erosion BMPs	Lease BMP Maintenance	Chemical BMPs	Chemical BMP Maintenance	Comment

S/AV: **ACTION REQUIRED** Corrective Date: **03/03/2016**

Comment: **. E&P waste should be stored per rule 907; in a way that prevents migration of soil or water that was in contact with E&P waste, to migrate from it's storage location. E&P waste berms, shall not be constructed of material that was treated as a part of this project. A request for beneficial reuse use of material on location has NOT been received by the COGCC at this location.**

CA: **Ensure E&P waste is being stored per rule 907. Corrective Action date per COGCC, SOP corrective Action date matrix.**

Pits: NO SURFACE INDICATION OF PIT

Pit Type: Drilling Pit Lined: NO Pit ID: _____ Lat: _____ Long: _____

Lining:
 Liner Type: _____ Liner Condition: _____
 Comment: pit liner has been removed as part of rem 9024.

Fencing:
 Fencing Type: Safety Fencing Condition: Inadequate
 Comment: **Fencing should prevent unintended entry to pit.**

Netting:
 Netting Type: _____ Netting Condition: _____
 Comment: _____

Anchor Trench Present: _____ Oil Accumulation: _____ 2+ feet Freeboard: _____

Pit (S/AV): _____ Comment: _____

Corrective Action: _____ Date: _____

Attached Documents

You can go to COGCC Images (<https://cogcc.state.co.us/webjink/>) and search by document number:

Document Num	Description	URL
685100014	pictures taken 3/1/2016	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3796630



View at entrance to location, looking south; Piles appear to be in the same locations as they came off the soil treater. Berm around E&P waste is not continuous. E&P waste should be maintained per Rule 907.



Picture taken looking South-east: E&P waste containment observed to be inadequate, E&P waste should be maintained per Rule 907.





Picture taken looking West: E&P waste containment observed to be inadequate, E&P waste should be maintained per Rule 907.



Picture taken looking North: E&P waste containment observed to be inadequate, E&P waste should be maintained per Rule 907.



Picture taken looking North: E&P waste containment observed to be inadequate, E&P waste should be maintained per Rule 907. Waste piles appear to be in the same location as they came off the soil treater.



Pit facility 443910, Picture taken looking South-east: pit is snow covered. Pad slopes into pit.



Pit facility 443910, Picture taken looking North-east: pit is snow covered. Pad slopes into pit. Fencing around pit is not continuous.



j



Picture taken looking South: pit is snow covered. Pad slopes into pit. Fencing around pit is not continuous, Storage of E&P waste is not per rule 907.



Location view, looking south.

FORM 10 Rev 10/12

State of Colorado Oil and Gas Conservation Commission 1120 Lincoln Street, Suite 801, Denver, Colorado 80203 Phone: (303) 894-2100 Fax: (303) 894-2109



OGCC RECEPTION Receive Date: 02/26/2016 Document Number: 2211679

CERTIFICATION OF CLEARANCE AND/OR CHANGE OF OPERATOR

This form is to be used for Certification of Clearance to transport product off lease. A Form 10 shall be filed for a well within 30 days of first production or a change of transporter/gatherer. A Form 10 shall be filed within 15 days of a change or transfer of ownership of a well, location, pit or facility. Documentation for ratification of sale or transfer of ownership must be attached for Change of Operator. It is the Operator's responsibility to mail approved copies to the Transporter and/or Gatherer for each well listed. This form is not used for well name or well status changes. For more information, visit www.http://ogcc.state.co.us

OGCC Operator Number: 10525 Contact Person: JOE MAZOTTI Company Name: SANTA FE NATURAL RESOURCES INC Phone: (720) 226-5791 Address: 4833 FRONT STREET UNIT B 506 Fax: () City: CASTLE ROCK State: CO Zip: 80104 Email: OGP-CO@COMCAST.NET

Operator Bond Status: [X] Blanket Surety ID: 2014-0076 Individual Surety ID: see listing by individual well

[] New Well Cert of Clearance [X] Change of Operator [] Add/Change Transporter or Gatherer

Effective Date of Change Below 02/12/2016 Form is being submitted by: Buyer

Non-Submitting Operator Information:

OGCC Number of NON-Submitting 10396 Name of NON-Submitting SWN PRODUCTION COMPANY LLC NON-submitting Operator is Seller Contact Name MICHAEL SULLIVAN Title: CEO NON-submitting Operator Contact Email: DURANGOPLC@EARTHLINK.NET

Add/Change Transporter or Gatherer

[X] Add [] Delete Product: [X] Oil [] Gas

OGCC Transporter No: 70505 Suffix: Trans./Gatherer Name: PLAINS MARKETING LP Address: 333 CLAY ST #1600 City: HOUSTON State: TX Zip: 77002 Phone: () Email Contact:

Remark:

I hereby certify that the statements made in this form are, to the best of my knowledge, true, correct and complete. The transporter(s)/gatherer(s) is (are) authorized to transport the oil and/or gas produced from the listed well(s) and that this authorization will be valid until further notice to the transporter named herein or until cancelled by the Colorado Oil and Gas Conservation Commission.

SUBMITTED BY:

Signed: Title: AGENT Print Name: MAZOTTI,JOE Email: OGP-CO@COMCAST.NET Date: 02/26/2016

CHANGE OF OPERATOR:

Name of Buying Operator: SANTA FE NATURAL RESOURCES INC Name of Selling Operator: SWN PRODUCTION COMPANY LLC Signature: Date: 02/12/2016 Signature: Date: 02/12/2016 Print Name: MAZOTTI,JOE Title: AGENT Print Name: MICHAEL SULLIVAN Title: CEO

COGCC Approved: [Signature] Title: Director of COGCC Date: 03/02/2016

**FORM
10**

**State of Colorado
Oil and Gas Conservation Commission**

1120 Lincoln Street, Suite 801, Denver, Colorado 80203 Phone: (303) 894-2100 Fax: (303) 894-2109



**Document Number:
2211679**

FOR OGCC USE ONLY

CHANGE OF TRANSPORTER/GATHERER and/or CHANGE OF OPERATOR

OGCC Operator Number: 10525

Name of Operator: SANTA FE NATURAL RESOURCES INC

CENTRALIZED EP WASTE MGMT FAC: 0	GAS STORAGE FACILITY: 0	SERVICE SITE: 0	UIC SIMULTANEOUS DISPOSAL: 0
GAS COMPRESSOR: 0	LOCATION: 0	TANK BATTERY: 0	UIC WATER TRANSFER STATION: 0
GAS GATHERING SYSTEM: 0	PIPELINE: 0	UIC DISPOSAL: 0	WATER GATHERING SYSTEM LINE: 0
GAS PROCESSING PLANT: 0	PIT: 1	UIC ENHANCED RECOVERY: 0	WELL: 1

Total Approved: **2** Total out of Total Total Submitted: **2** are listed below:

#	TYPE	API	FAC ID	Loc#	Facility		Location (QQ/S/T/R)	Surety ID	Transporter / Gatherer
					Name	Number			
1	WELL	081-07439	296018	313399	Gamma State	14-15D	SWSW/15/7N/93		70505
2	PIT	081-	443910	313399	Gamma State drill pit		sww/15/7n/93w		

Total Deleted: **0** Total out of Total Total Submitted: **2** are listed below:

#	TYPE	API	FAC ID	Loc#	Facility		Location (QQ/S/T/R)	Surety ID	Transporter / Gatherer
					Name	Number			

Total Pending: **0** Total out of Total Total Submitted: **2** are listed below:

#	TYPE	API	FAC ID	Loc#	Facility		Location (QQ/S/T/R)	Surety ID	Transporter / Gatherer
					Name	Number			