

Dave Kubeczko - DNR

From: Dave Kubeczko - DNR
Sent: Friday, December 09, 2016 8:52 AM
To: Dave Kubeczko - DNR
Subject: TEP Rocky Mountain LLC, GM 42-3 Frac Pad, SENE Sec 3 T7S R96W, Garfield County, Form 2A#401094364 Review

Importance: High

Scan No. 2108019 CORRESPONDENCE 2A #401094364

From: Vicki Schoeber [mailto:VSchoeber@terraep.com]
Sent: Monday, December 05, 2016 2:35 PM
To: Dave Kubeczko - DNR
Cc: Jeff Kirtland
Subject: RE: TEP Rocky Mountain LLC, GM 42-3 Frac Pad, SENE Sec 3 T7S R96W, Garfield County, Form 2A#401094364 Review
Importance: High

Dave,

Thank you for your review of the GM 42-3 Frac Pad as well as clarification regarding the COAs. TEP is in concurrence with attaching the COAs for the GM 42-3 Frac pad. Also, thank you for correcting the distance to the Building, as this was a discrepancy identified with our survey. Based on the certified survey provided in Plat 4 however, it doesn't appear the corrections are necessary for building unit, public road, above ground utility, rail road, or property line.

If you have questions, please contact Jeff Kirtland at 970-263-2736.

Thank you.

Vicki Schoeber

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From: Dave Kubeczko - DNR [mailto:dave.kubeczko@state.co.us]
Sent: Wednesday, November 30, 2016 5:16 PM
To: Vicki Schoeber <VSchoeber@terraep.com>
Cc: Jeff Kirtland <JKirtland@terraep.com>
Subject: TEP Rocky Mountain LLC, GM 42-3 Frac Pad, SENE Sec 3 T7S R96W, Garfield County, Form 2A#401094364 Review
Importance: High

Vicki,

I have been reviewing the TEP Rocky Mountain LLC (TEP) GM 42-3 Frac Pad **Form 2A #401094364**. COGCC would also like to attach the following conditions of approval (COAs) based on the information and data TEP 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 - In addition to the notifications required by COGCC listed in the **Northwest Notification Policy (Notice of Intent to Construct or Re-construct a New Location and Notice of Intent to Commence Hydraulic Fracturing Operations)** and **Rule 316C. COGCC Form 42. FIELD OPERATIONS NOTICE (a. Notice of Intent to Conduct Hydraulic Fracturing Treatment and c. Notice of Construction or Major Change)**; operator shall notify the COGCC 48 hours prior to onsite flowline/pipeline testing of any temporary surface lines or permanent water pipelines used for hydraulic stimulation and/or flowback operations) using the Form 42 (as described in **Rule 316C.m. Notice of Completion of Form 2/2A Permit Conditions**). The appropriate COGCC individuals will automatically be email notified.

COA 59 - The frac pad / tank battery / well pad location shall be in operation for no longer than 12 months, unless requested by operator for longer via a Form 4 Sundry Notice.

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

COA 23 - Operator must ensure secondary containment for any volume of fluids contained at frac pad / tank battery / well pad location during operations (as described in the Sensitive Area Data 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 frac pad / tank battery / well pad location will be stabilized, inspected at regular intervals (at least every 14 days), and maintained in good condition.

COA 24 - The design/build of any perimeter berm or fluid management structures shall be sized, constructed, and compacted sufficiently to contain and/or manage potential fluid releases during operations in a manner that prevents or controls potential sedimentation and scouring on adjacent lands and drainages. Such design/build of perimeter berms or fluid management structures may include, but are not limited to the following: on location berms; diversion ditches; enhanced vegetation; or other design features necessary to achieve the goal of protecting adjacent lands and drainages from potential sedimentation and scouring.

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

COA 24 - Operator shall stabilize exposed soils and slopes as an interim measure during frac pad operations at this site.

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

COA 6 - Additional containment shall be required where temporary or permanent pumps and other necessary equipment or chemicals are located on the frac pad / tank battery / well pad location.

COA 74 - Operator will use adequately sized containment devices for all chemicals and/or hazardous materials stored or used on the frac pad / tank battery / well pad location.

COA 58 - Berms or other containment devices shall be constructed to be sufficiently impervious to contain any spilled or released material around temporary or permanent produced water storage tanks.

COA 48 - Operator shall submit a scaled as-built drawing (plan view with distances) of the MV 5-10 well pad location; OGCC ID# 322536; (showing wellheads, onsite flowlines, offsite pipelines, and onsite production facilities) and the nearby GM 42-3 frac pad / tank battery / well pad location; OGCC ID #323951; (showing wellheads, onsite flowlines, offsite pipelines, and onsite production facilities) within 30 calendar days of construction of the production equipment on each location. (The same drawing for the MV 5-10 well pad

location, Form 2A #401114299, OGCC ID #322536 can be used for this frac pad / tank battery / well pad location.)

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

COA 25 - Flowback and stimulation fluids must be sent to enclosed tanks, separators, or other containment/filtering equipment before the fluids can be placed into any pipeline storage vessel, or other open top containment located on the frac pad / tank battery / well pad; or into tanker trucks for offsite disposal. No open top tanks can be used for initial flowback fluids containment. The flowback and stimulation fluid tanks, separators, or other containment/filtering equipment must be placed on the frac pad / tank battery / well pad in an area constructed to be sufficiently impervious to contain any spilled or released material. No additional downgradient berming is required if operator constructs a sufficiently sized perimeter berm.

COA 26 - Potential odors associated with the completions process must be controlled/mitigated.

COA 40 - Operator will implement measures to ensure that adequate separation of hydrocarbons from the influent occurs to prevent accumulation of oil on the surface of stored fluids. Operator shall also employ a method for monitoring buildup of phase-separated hydrocarbons on the surface of stored fluids.

Material Handling and Spill Prevention: The following conditions of approval (COAs) will apply to the Form 2A Permit if any temporary surface (**COAs 45, 49, 54, and 55**) or buried permanent (**COA 45**) water lines and/or offsite pipelines (poly or steel) are used during operations at the frac pad / tank battery / well pad location or nearby well pad locations:

COA 45 - Operator shall pressure test pipelines (pipelines from offsite production facilities to onsite storage tanks and any temporary surface lines or buried permanent water lines used for hydraulic stimulation and/or flowback operations) 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. 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 not 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 temporary 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. COGCC can approve this form with a timely response from TEP. 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



Colorado Oil & Gas Conservation Commission
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