



STATE OF
COLORADO

Andrews - DNR, Doug <doug.andrews@state.co.us>

COGCC Form 2A review of Incline Operating's Hungenberg Pad location - Doc #401732132

3 messages

Andrews - DNR, Doug <doug.andrews@state.co.us>
To: Regulatory Team <regulatory@ascentgeomatics.com>

Thu, Jan 24, 2019 at 12:12 PM

Justin,

I have reviewed the referenced Form 2A Oil & Gas Location Assessment and have the following comments.

1) Julie Friday is given as the Contact for this Form 2A. However, our records do not show her as being someone who can be listed as a company contact for Incline Operating on COGCC permits. Please provide contact information from the Designated Agency List for Incline Operating.

COGIS - Company Employees

COMPANY EMPLOYEE LIST

INCLINE OPERATING LLC - #10689
5019 N CENTRAL EXPRESSWAY SUITE B
DALLAS , TX 80631
USA
PHONE (214) 274-3800 FAX (214) 242-2255 EMERGENCY (512) 350-6642

Last Name	First Name	Email	Phone Type	Number
* FRANCIS	WILLIAM	william@inclineresources.com	PHONE	(214) 274-3800
			FAX	(214) 242-2255
LOUIS	ANDREW	andy@inclineresources.com	PHONE	(512) 350-6642

* Denotes Principal Agent

DESIGNATED AGENT LIST

Name	eForm Access	Company (if not same as above)
FRANCIS , WILLIAM	eForm Administrator (COUA)	
LOUIS , ANDREW	eForm user	
CROSS , AARON	eForm user	PETROLEUM FIELD SERVICES ADBA ASCENT GEOMATICS SOL
FELDMAN , ANN L	eForm user	PETROLEUM FIELD SERVICES ADBA ASCENT GEOMATICS SOL
GARRETT , JUSTIN	eForm user	PETROLEUM FIELD SERVICES ADBA ASCENT GEOMATICS SOL

2) In the pipeline description section Incline Operating has indicated "*4" Steel gas lines from Vapor recovery units to wellheads...*" However, no Vapor Recovery Units (VRUs) are indicated as being used in the Facilities section. Please confirm whether VRUs will be used or not. If not,

please revise this part of the pipeline description.

- 3) In the Construction section Incline Operating has indicated the date planned to commence construction is 1/2/19 and begin interim reclamation is 6/2/19. Please provide updates to these two dates.
- 4) The Siting Rationale could use some improvement. As a Public Comment has been placed on this Form 2A questioning the site selection, were any other locations considered for this Oil & Gas Location that would place the facilities a further distance from Building Units? If so, why were they not selected? For example, to the east across Weld County Road 45 on the property owned by Saddle Butte Rockies Storage Terminal. Or the northeast corner of this Hungenberg UH Farms property?
- 5) Several of the 604.c.(2) mitigation measure BMPs need more specific responses:
- 604.c.(2)L - Drill stem tests: Will drill stem tests be performed?
 - 604.c.(2)V - Development from existing well pads: Were existing well pads considered for this development?
 - 604.c.(2)F - Lead Detection Plan: Please be more specific (e.g. every day, week, month, etc.) as to the "*regular schedule*" Incline Operating will monitor production facilities. What happens when a leak is detected? Who responds to it and how promptly?
 - 604.c.(2)K - Pit level indicators: This Rule states that pit level indicators shall be used yet this BMP indicates they will not. Please revise this BMP to explain why.
 - 604.c.(2)A - Noise: This BMP indicates *sound walls or hay bales may be used...should noise be of concern to Building Unit owners*. This is unacceptable to wait for a noise concern to be made before mitigating noise impacts. As there are at least two Building Units within the Buffer Zone of this location, this BMP needs to be revised to address how Incline Operating will be proactive in mitigating noise impacts to the occupants of those two Building Units both during construction, drilling, and completion of the wells and subsequently during the production phase of the location (gas compressors are noisy).
 - 604.c.(2)C - Green Completions-Emission Control Systems: This BMP needs to include a discussion of Incline Operating's intentions regarding sending any fluids into a pipeline, specifically connecting the gas produced from these wells to a pipeline. The use of pipelines was also a concern listed in the Public Comment placed on this Form 2A.
- 6) Incline Operating included a BMP that only restates Rule 603.h.(2)B. This Rule pertains to the requirements of Oil & Gas Locations within a floodplain. As this proposed Oil & Gas Location is not in a floodplain does Incline Operating intend to adhere to the requirements of this Rule (i.e. anchoring equipment)?
- 7) Now that the Public Comment period has ended, please provide me with a letter certifying Incline Operating's compliance with Rule 306.e. If any meetings/consultations were requested, please also indicate their outcome.

Please respond to this correspondence by February 24, 2019. If you have questions, please contact me. Thank you.

Doug Andrews

Oil & Gas Location Assessment Specialist - Northeast Colorado

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303.894.2100 Ext. 5180

1120 Lincoln St., Suite 801, Denver, CO 80203

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image003.jpg



COLORADO 5K
Oil & Gas Conservation
Commission
Department of Natural Resources

Justin Garrett <jgarrett@ascentgeomatics.com>

Fri, Jan 25, 2019 at 2:08 PM

To: "Andrews - DNR, Doug" <doug.andrews@state.co.us>, Regulatory <regulatory@ascentgeomatics.com>

Doug –

I know we are usually a little quicker at getting back to you, but we are thoroughly examining your comments and getting feedback from Incline before responding.

Hopefully, we should have something to you by the end of next week.

Thank you

Justin Garrett

Regulatory Analyst

Ascent Geomatics Solutions (Formerly PFS)

Office: 303.928.7128

[8620 Wolff Court](#)

[Westminster, CO 80031](#)

TBPLS Firm Registration No. 10194123



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Justin Garrett <jgarrett@ascentgeomatics.com>

Mon, Feb 4, 2019 at 10:25 AM

To: "Andrews - DNR, Doug" <doug.andrews@state.co.us>, Ann Feldman <afeldman@ascentgeomatics.com>, Aaron Cross <ACross@ascentgeomatics.com>, Julie Friday <julie@inclineresources.com>

Doug –

Responses in **Red** below.

Thank you

Justin Garrett

Regulatory Analyst

Ascent Geomatics Solutions (Formerly PFS)

Office: 303.928.7128

8620 Wolff Court

Westminster, CO 80031

TBPLS Firm Registration No. 10194123



From: Andrews - DNR, Doug <doug.andrews@state.co.us>

Sent: Thursday, January 24, 2019 12:12 PM

To: Regulatory <regulatory@Ascentgeomatics.com>

Subject: COGCC Form 2A review of Incline Operating's Hungenberg Pad location - Doc #401732132

Justin,

I have reviewed the referenced Form 2A Oil & Gas Location Assessment and have the following comments.

- 1) Julie Friday is given as the Contact for this Form 2A. However, our records do not show her as being someone who can be listed as a company contact for Incline Operating on COGCC permits. Please provide contact information from the Designated Agency List for Incline Operating.

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GARRETT , JUSTIN	eForm user	PETROLEUM FIELD SERVICES ADBA ASCENT GEOMATICS SOL

Julie Friday is listed as an employee under Incline's operator 10689 A: We cannot put "A" in the operator number on eForm.

2) In the pipeline description section Incline Operating has indicated "*4" Steel gas lines from Vapor recovery units to wellheads...*" However, no Vapor Recovery Units (VRUs) are indicated as being used in the Facilities section. Please confirm whether VRUs will be used or not. If not, please revise this part of the pipeline description.

Please revise to: 2" steel flowline from wells to separator, 2" steel lines for oil/water lines to tank battery, 4" steel line for gas from tanks to vapor combustion units, 4" steel line for gas from separator to gas gathering pipeline.

3) In the Construction section Incline Operating has indicated the date planned to commence construction is 1/2/19 and begin interim reclamation is 6/2/19. Please provide updates to these two dates.

Please revise to 1/2/2020 and 6/2/2020.

4) The Siting Rationale could use some improvement. As a Public Comment has been placed on this Form 2A questioning the site selection, were any other locations considered for this Oil & Gas Location that would place the facilities a further distance from Building Units? If so, why were they not selected? For example, to the east across Weld County Road 45 on the property owned by Saddle Butte Rockies Storage Terminal. Or the northeast corner of this Hungenberg UH Farms property?

Any move to the East and North would put the pad closer to the critical flight zone of the Greeley Weld Airport. Any move to the West would put the pad closer to the floodplain. Incline looked at the two tracts to the North (Platte River Midstream and NGL Terminals) but the only location a pad could be placed is on the southern portion and it is covered by right of ways that don't allow structures to be placed on top of the surface. Saddle Butte Rockies Storage Terminal is owned by Noble Energy who will not grant a surface location on their property to another operator.

5) Several of the 604.c.(2) mitigation measure BMPs need more specific responses:

604.c.(2)L - Drill stem tests: Will drill stem tests be performed?

No.

604.c.(2)V - Development from existing well pads: Were existing well pads considered for this development?

Yes, considered but not used. The ownership of the mostly single-well pad locations presented feasibility issues for expansion into a multi-well pad location.

604.c.(2)F - Lead Detection Plan: Please be more specific (e.g. every day, week, month, etc.) as to the "*regular schedule*" Incline Operating will monitor production

facilities. What happens when a leak is detected? Who responds to it and how promptly?

Tanks and all visible pipelines and valves etc. are inspected on a daily basis by company lease operators. Operator also conducts formal annual SPCC inspections, and formal site specific and random audits, by third-party consultants to inspect for general site conditions as well as condition of tanks, pipelines, and containment structures. Company lease operators and Production staff review production records, including volumes and pressures, looking for irregularities that may indicate a problem with a tank or pipeline. If an irregularity is detected that may indicate a potential release the suspect tank and/or pipeline(s) are removed from service, isolated, and either pressure tested or visibly inspected for indications of a potential leak. All malfunctions, improper operation of equipment, evidence of leakage, spills, stained or discolored soil, etc. are logged and communicated in a timely manner to the supervisor for proper response.

604.c.(2)K - Pit level indicators: This Rule states that pit level indicators shall be used yet this BMP indicates they will not. Please revise this BMP to explain why.

You and I have discussed changing this BMP for another operator. This was originally added since there are no pits on location. Please change this BMP to say: "604.c.(2)K. Tank level indicators will be used at this location."

604.c.(2)A - Noise: This BMP indicates *sound walls or hay bales may be used...should noise be of concern to Building Unit owners*. This is unacceptable to wait for a noise concern to be made before mitigating noise impacts. As there are at least two Building Units within the Buffer Zone of this location, this BMP needs to be revised to address how Incline Operating will be proactive in mitigating noise impacts to the occupants of those two Building Units both during construction, drilling, and completion of the wells and subsequently during the production phase of the location (gas compressors are noisy). This location is in an airport overlay. An FAA determination that the pad can be constructed without being an obstruction to Greeley-Weld Airport has been applied for. Any height restriction contained in that determination will have to be applied to any sound wall modeling. The statement about third party recommendations is intended to indicate that Incline is not waiting for a complaint to have to do something.

Also, this location and the residences to the South are in an airport noise overlay. Incline has to be very careful to not just shield the noise from its own operations, but to not channel existing noises towards those locations. These steps are being taken to know what constraints there are before any negotiations with surface owners about noise can be done. SUA says that operator will provide noise abatement sound walls to comply with COGCC requirements.

604.c.(2)C - Green Completions-Emission Control Systems: This BMP needs to include a discussion of Incline Operating's intentions regarding sending any fluids into a pipeline, specifically connecting the gas produced from these wells to a pipeline. The use of pipelines was also a concern listed in the Public Comment placed on this Form 2A.

Please update this BMP to: Rule 604.c.(2).C. Green Completions - Emission Control Systems: Flow lines, separators, and sand traps capable of supporting green completions as described in Rule 805 shall be installed at any Oil and Gas Location at which commercial quantities of gas are reasonably expected to be produced based on existing adjacent wells within 1 mile. Operator will connect to a gas sales line prior to flowback and immediately direct salable quality gas down line.

6) Incline Operating included a BMP that only restates Rule 603.h.(2)B. This Rule pertains to the requirements of Oil & Gas Locations within a floodplain. As this proposed Oil & Gas Location is not in a floodplain does Incline Operating intend to adhere to the requirements of this Rule (i.e. anchoring equipment)?

No, please remove this BMP.

7) Now that the Public Comment period has ended, please provide me with a letter certifying Incline Operating's compliance with Rule 306.e. If any meetings/consultations were requested, please also indicate their outcome.

Please see attached.

Please respond to this correspondence by February 24, 2019. If you have questions, please contact me. Thank you.

Doug Andrews

Oil & Gas Location Assessment Specialist - Northeast Colorado

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