

**STATE OF
COLORADO****Andrews - DNR, Doug <doug.andrews@state.co.us>**

COGCC Form 2A review of Magpie Operating's Bunker 8 Pad location - Doc #401803881

2 messages

Andrews - DNR, Doug <doug.andrews@state.co.us>
To: magpieoil@yahoo.com

Wed, Mar 6, 2019 at 10:46 AM

James & Ryan,

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

- 1) A review of the drawings for this Form 2A it appears that the proposed disturbance area for these new wells and production facilities will encompass your existing Bunker 8 well location (Location ID #307209). Therefore, I would like to change this Form 2A to indicate Magpie is amending this existing Oil & Gas Location instead of permitting a new location.
- 2) Based on my request above, please let me know what Magpie's intentions are for the existing Bunker 8 well. Currently our records indicate this well is shut-in. If Magpie intends to keep this well and not plug & abandon it, I'd like to update the Facilities section to indicate there will be a total of 10 wells on this Oil & Gas Location.
- 3) In the Construction section Magpie has indicated the size of this location after interim reclamation will be 1.1 acres. While we appreciate operator's efforts to interim reclaim as much of the disturbance area as possible, I'm concerned that 1.1 acres of operating area for a 9/10 well pad with production is not feasible to do safely and meet COGCC equipment setbacks. Magpie has included a Proposed Reclamation Map attachment which indicates the size of the location after interim reclamation will be 4.2 acres. This appears to be a more realistic after interim reclamation area. Please let me know if the after interim reclamation area should change from 1.1 acres to 4.2 acres.
- 4) In the Cultural Setback Distance section Magpie has indicated the distance to the nearest Building from a well is 1,861 feet and the distance to the nearest Building Unit from a well is 1,818 feet. Building Units are a specific type of Building. When a Building Unit is closer than any other Building, that distance should also be listed for the nearest Building as well. Therefore, I would like to change the distance to the nearest Building from a well to 1,818 feet.
- 5) A Public Comment has been placed on this Form 2A indicating there is a licensed child care facility approximately 3/4-mile northeast of this location. Licensed child care facilities are considered High Occupancy Building Units. During my review I was able to confirm this claim. See the attached aerial image. Please provide me with the distance to this child care facility from both the nearest well and nearest production facility.



6) In the Water Resources section Magpie has indicated the nearest downgradient surface water feature is 839 feet from this Oil & Gas Location. Topographic downgradient appears to be to the north and per the Hydrology Map the nearest surface water feature in that direction is an irrigation ditch 494 feet away. Therefore, I would like to change this distance from 839 feet to 494 feet.

7) In the Water Resources section Magpie has indicated the nearest water well is 844 feet from this Oil & Gas Location. During my review I was unable to confirm there is a water well this distance from the Oil & Gas Location. The nearest water wells I could identify were over 1/2-mile from this Oil & Gas Location. How was this distance determined?

8) Due to the proximity of surface water features and likely shallow groundwater, please provide a Leak Detection Plan BMP that details Magpie Operating's plan to monitor, report, and repair any leaks observed from wells and production facilities on this location.

9) The following Conditions of Approval will be placed on this Form 2A:

Green Completions - *Test separators and associated flow lines, sand traps and emission control systems shall be installed on-site to accommodate green completions techniques. When commercial quantities of salable quality gas are achieved at each well, the gas shall be immediately directed to a sales line or shut in and conserved. If a sales line is unavailable or other conditions prevent placing the gas into a sales line, the operator shall not produce the wells without an approved variance per Rule 805.b.(3)C.*

Operator shall post a copy of the approved Form 2A on the location during all construction, drilling, and well completion activities.

The location is in a sensitive area due to shallow groundwater, therefore, the operator shall line the secondary containment areas for the tanks and separators with an impervious material.

Please respond to this correspondence by April 6, 2019. If you have any questions, please contact me. Thank you.

Doug Andrews

Oil & Gas Location Assessment Specialist - Northeast Colorado

 co_dnr_div_ogcc_300_rgb_ltrhd_v3

303.894.2100 Ext. 5180
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doug.andrews@state.co.us | <http://cogcc.state.co.us/>



COLORADO
Oil & Gas Conservation
Commission
Department of Natural Resources

image003.jpg
5K

sb@s-companies.com <sb@s-companies.com>
To: doug.andrews@state.co.us
Cc: Ryan Warner <magpieoil@yahoo.com>

Wed, Apr 10, 2019 at 9:38 AM

Doug – Please see my comments below in **red**.

Thanks,

Sam Bradley

VP Petroleum Engineering

Summit Companies

Summit Financial

Summit Energy Research

Schneider Summit Services

(C): 970.593.8626

www.S-Companies.com

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From: Ryan Warner <magpieoil@yahoo.com>
Sent: Wednesday, March 6, 2019 10:58 AM
To: Sb <sb@s-companies.com>; Trisha Fanning <tfanning@eagle-enviro.com>
Subject: Fwd: COGCC Form 2A review of Magpie Operating's Bunker 8 Pad location - Doc #401803881

Begin forwarded message:

From: Doug Andrews - DNR <doug.andrews@state.co.us>
Date: Mar 6, 2019 at 10:46 AM

To: Magpieoil <magpieoil@yahoo.com>

Subject: COGCC Form 2A review of Magpie Operating's Bunker 8 Pad location - Doc #401803881

James & Ryan,

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2) Based on my request above, please let me know what Magpie's intentions are for the existing Bunker 8 well. Currently our records indicate this well is shut-in. If Magpie intends to keep this well and not plug & abandon it, I'd like to update the Facilities section to indicate there will be a total of 10 wells on this Oil & Gas Location. **That is correct... the Bunker 8 will remain.**

3) In the Construction section Magpie has indicated the size of this location after interim reclamation will be 1.1 acres. While we appreciate operator's efforts to interim reclaim as much of the disturbance area as possible, I'm concerned that 1.1 acres of operating area for a 9/10 well pad with production is not feasible to do safely and meet COGCC equipment setbacks. Magpie has included a Proposed Reclamation Map attachment which indicates the size of the location after interim reclamation will be 4.2 acres. This appears to be a more realistic after interim reclamation area. Please let me know if the after interim reclamation area should change from 1.1 acres to 4.2 acres. **Yes please.**

4) In the Cultural Setback Distance section Magpie has indicated the distance to the nearest Building from a well is 1,861 feet and the distance to the nearest Building Unit from a well is 1,818 feet. Building Units are a specific type of Building. When a Building Unit is closer than any other Building, that distance should also be listed for the nearest Building as well. Therefore, I would like to change the distance to the nearest Building from a well to 1,818 feet. **1,818' is fine.**

1. 5) A Public Comment has been placed on this Form 2A indicating there is a licensed child care facility approximately 3/4-mile northeast of this location. Licensed child care facilities are considered High Occupancy Building Units. During my review I was able to confirm this claim. See the attached aerial image. Please provide me with the distance to this child care facility from both the nearest well and nearest production facility. **4185 feet from the nearest wellhead to childcare facility, and 4292 feet from nearest production facility to childcare facility. Please see attached pictures.**



6) In the Water Resources section Magpie has indicated the nearest downgradient surface water feature is 839 feet from this Oil & Gas Location. Topographic downgradient appears to be to the north and per the Hydrology Map the nearest surface water feature in that direction is an irrigation ditch 494 feet away. Therefore, I would like to change this distance from 839 feet to 494 feet. **Sounds good.**

7) In the Water Resources section Magpie has indicated the nearest water well is 844 feet from this Oil & Gas Location. During my review I was unable to confirm there is a water well this distance from the Oil & Gas Location. The nearest water wells I could identify were over 1/2-mile from this Oil & Gas Location. How was this distance determined? **You are correct... this is an error. The closest is the one that is 1/2 mile away.**

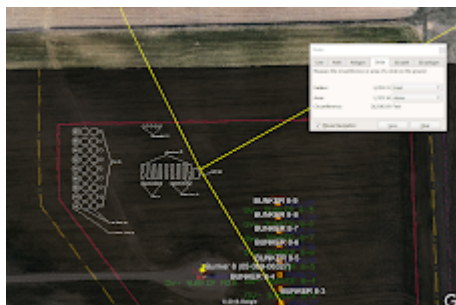
8) Due to the proximity of surface water features and likely shallow groundwater, please provide a Leak Detection Plan BMP that details Magpie Operating's plan to monitor, report, and repair any leaks observed from wells and production facilities on this location.

604.c.(2)F. Leak Detention Plan: Operator will monitor production facilities weekly at a minimum to a maximum of daily to identify fluid leaks, including, but not limited to, visually inspecting all wellheads, tanks and fittings. Additionally annual SPCC inspections will be conducted and documented. Annual flowline testing will also occur according to COGCC rules 1101 and 1102. Inspection and record retention of flowline testing will be in accordance per COGCC regulation. All records will be made available to the COGCC upon request

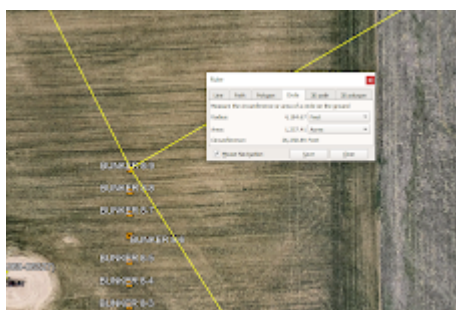
604.c.(2)R Tank Specifications: Tanks will be designed, constructed and maintained in accordance with NFPA Code 30 (2008 version). All tanks are visually inspected by the operator weekly at a minimum to a maximum of daily and annual SPCC inspections will be conducted and documented. Inspection and record retention of tank inspections will be in accordance per SPCC regulation. All records will be made available to the COGCC upon request.

[Quoted text hidden]

2 attachments



Bunker 8 nearest production facility to childcare facility.PNG
1686K



Bunker 8 nearest wellbore to childcare facility.PNG
1480K