

STATE OF
COLORADO

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

COGCC Form 2A review of Nickel Road Operating's DEHAAN SOUTH WELL PAD location - Doc #401515579

2 messages

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

Thu, Mar 1, 2018 at 12:15 PM

To: Kit Tincher <kit.tincher@nickelroadoperating.com>, Jennifer Lind <jen@jenlindllc.com>

Kit & Jennifer,

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

- 1) This Form 2A indicates MLVTs will be utilized to complete the wells. However, the Facilities section does not list the number of MLVTs. Therefore, based on what is shown on the drawings and stated in the operator comments, I would like to update the Facilities section to indicate two (2) MLVTs will be utilized. Please let me know if this is acceptable.
- 2) Nickel Road has provided a siting rationale for this well pad. However, the siting rationale is only required for the production facilities. I would like to add a comment to the siting rationale section indicating the siting rationale for the production facilities can be found on its Form 2A (Doc #401528729). Please let me know if this is acceptable.
- 3) Nickel Road has included a BMP discussing permanent lighting indicating it will be installed around the facility. If this lighting will be installed only around the production facilities and not this well pad, this BMP should be revised to indicate there will be no permanent lighting at the well pad.
- 4) Nickel Road has included a BMP discussing Berm Construction around the oil and water storage tanks. As there will be no oil or water tanks on this well pad I would like to remove the Berm Construction BMP. Please let me know if this acceptable.
- 5) Nickel Road has included a Green Completions BMP that indicates "*All gas shall be directed to the sales line or shut in and conserved if a sales line is unavailable.*" While shutting in wells if a sales line is not available is an excellent way to prevent waste of the resource, both Extraction and PDC Energy have several wells within one mile of this proposed Oil & Gas Location in which they are selling gas. So it seems that a sales line is available. Therefore, this portion of the Green Completions BMP needs to be revised to be more definitive as to what Nickel Road is currently doing to tie into a sales line and when they anticipate getting gas into the sales line.
- 6) Now that the Public Comment period has ended please provide me with a letter certifying Nickel Road's compliance with COGCC Rule 306.e. If any meetings/consultations were requested, please also indicate their outcome.

Please respond to this correspondence by April 1, 2018. If you have any questions, please contact me. Thank you.

Doug Andrews

Oil & Gas Location Assessment Specialist - Northeast Colorado



COLORADO
Oil & Gas Conservation
Commission
Department of Natural Resources

303.894.2100 Ext. 5180

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

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

Jen Lind <jen@jenlindllc.com>

Thu, Mar 8, 2018 at 8:13 AM

To: "Andrews - DNR, Doug" <doug.andrews@state.co.us>, Kit Tincher <kit.tincher@nickelroadoperating.com>

Doug, please see NRO's response, below in red.

Thank you,

Jennifer

Jennifer Lind
Contract Regulatory Specialist
[303-406-1117](tel:303-406-1117)
jen@jenlindllc.com

From: Andrews - DNR, Doug

Sent: Thursday, March 1, 2018 12:16 PM

To: Kit Tincher; Jennifer Lind

Subject: COGCC Form 2A review of Nickel Road Operating's DEHAAN SOUTH WELL PADlocation - Doc #401515579

Kit & Jennifer,

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

1) This Form 2A indicates MLVTs will be utilized to complete the wells. However, the Facilities section does not list the number of MLVTs. Therefore, based on what is shown on the drawings and stated in the operator comments, I would like to update the Facilities section to indicate two (2) MLVTs will be utilized. Please let me know if this is acceptable.

Please update the facilities section to include 2 MLVTS – my apologies for the oversight on the original submittal.

2) Nickel Road has provided a siting rationale for this well pad. However, the siting rationale is only required for the production facilities. I would like to add a comment to the siting rationale section indicating the siting rationale for the production facilities can be found on its Form 2A (Doc #401528729). Please let me know if this is acceptable.

Please add the comment regarding the siting rationale for the production facility.

3) Nickel Road has included a BMP discussing permanent lighting indicating it will be installed around the facility. If this lighting will be installed only around the production facilities and not this well pad, this BMP should be revised to indicate there will be no permanent lighting at the well pad.

Please replace the lighting BMP with the following language for the well pad:

803. All lighting, except as demonstrated for safety reasons, shall be directed inward and downward and be shaded in order to prevent direct reflection on adjacent property and residences in the area. Most lighting will be below the sound wall. Drilling mast lighting that is above the sound wall will be downcast and/or shielded to reduce fugitive light outside sound wall and well pad.

4) Nickel Road has included a BMP discussing Berm Construction around the oil and water storage tanks. As there will be no oil or water tanks on this well pad I would like to remove the Berm Construction BMP. Please let me know if this acceptable.

Please remove the berm construction BMPs from this Form 2A.

5) Nickel Road has included a Green Completions BMP that indicates "*All gas shall be directed to the sales line or shut in and conserved if a sales lines is unavailable.*" While shutting in wells if a sales line is not available is an excellent way to prevent waste of the resource, both Extraction and PDC Energy have several wells within one mile of this proposed Oil & Gas Location in which they are selling gas. So it seems that a sales line is

available. Therefore, this portion of the Green Completions BMP needs to be revised to be more definitive as to what Nickel Road is currently doing to tie into a sales line and when they anticipate getting gas into the sales line.

Please replace the Green Completions BMP with the following language:

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.

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

Certification letter attached.

Please respond to this correspondence by April 1, 2018. If you have any 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

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

2 attachments

3/8/2018

State.co.us Executive Branch Mail - COGCC Form 2A review of Nickel Road Operating's DEHAAN SOUTH WELL PAD location - Doc #401515579



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DeHaan South Well Pad_Form 2A 306e Cert.pdf

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