

# OCD Exhibit 11

## E&P WASTE MANAGEMENT

### 901. INTRODUCTION

- a. **General.** The rules and regulations of this series establish the permitting, construction, operating and closure requirements for pits, methods of E&P waste management, procedures for spill/release response and reporting, and sampling and analysis for remediation activities. The 900 Series rules are applicable only to E&P waste, as defined in § 34-60-103(4.5), C.R.S., or other solid waste where the Colorado Department Of Public Health And Environment has allowed remediation and oversight by the Commission.
- b. **COGCC reporting forms.** The reporting required by the rules and regulations of this series shall be made on forms provided by the Director. Alternate forms may be used where equivalent information is supplied and the format has been approved by the Director.
- c. **Additional requirements.** Whenever the Director has reasonable cause to believe that an operator, in the conduct of any oil or gas operation, is performing any act or practice which threatens to cause or causes a violation of Table 910-1 and with consideration of water quality standards or classifications established by the Water Quality Control Commission (“WQCC” ) for waters of the state, the Director may impose additional requirements, including but not limited to, sensitive area determination, sampling and analysis, remediation, monitoring, permitting and the establishment of points of compliance. Any action taken pursuant to this Rule shall comply with the provisions of Rules 324A. through D. and the 500 Series rules.
- d. **Alternative compliance methods.** Operators may propose for prior approval by the Director alternative methods for determining the extent of contamination, sampling and analysis, or alternative cleanup goals using points of compliance.
- e. **Sensitive area determination.** When the operator or Director has data that indicate an impact or threat of impact to ground water or surface water, the Director may require the operator to make a sensitive area determination and that determination shall be subject to the Director’s approval. The sensitive area determination shall be made using appropriate geologic and hydrogeologic data to evaluate the potential for impact to ground water and surface water, such as soil borings, monitoring wells, or percolation tests that demonstrate that seepage will not reach underlying ground water or waters of the State and impact current or future uses of these waters. Operators shall submit data evaluated and analysis used in the determination to the Director.
- f. **Sensitive area operations.** Operations in sensitive areas shall incorporate adequate measures and controls to prevent significant adverse environmental impacts and ensure compliance with the concentration levels in Table 910-1, with consideration to WQCC standards and classifications.

### 902. PITS - GENERAL AND SPECIAL RULES

- a. Pits used for exploration and production of oil and gas shall be constructed and operated to protect public health, safety, and welfare and the environment, including soil, waters of the state, and wildlife, from significant adverse environmental, public health, or welfare impacts from E&P waste, except as permitted by applicable laws and regulations.
- b. Pits shall be constructed, monitored, and operated to provide for a minimum of two (2) feet of freeboard at all times between the top of the pit wall at its point of lowest elevation and the fluid level of the pit. A method of monitoring and maintaining freeboard shall be employed.

name, a description of the location, type, capacity and use of pit, engineering design, installation features and water quality data, if available, was required for the following:

A. Lined production pits and lined special purpose pits constructed after July 1, 1995.

B. Unlined production pits constructed prior to July 1, 1995 which are lined in accordance with Rule 905. by December 30, 1997.

(2) An Application For Permit For Unlined Pit, Form 15 was required for the following:

A. Unlined production pits and special purpose pits in sensitive areas constructed prior to July 1, 1995, and not closed by December 30, 1997.

B. Unlined production pits outside sensitive areas constructed after July 1, 1995 and not closed by December 30, 1997.

(3) An Application For Permit For Unlined Pit, Form 15 and a variance under Rule 904.e.(1). (repealed, now Rule 502.b.) was required for unlined production pits and unlined special purpose pits in sensitive areas constructed after July 1, 1995.

(4) A Sundry Notice, Form 4 was required for unlined production pits outside sensitive areas receiving produced water at an average daily rate of five (5) or less barrels per day calculated on a monthly basis for each month of operation constructed prior to December 30, 1997.

e. The Director may have established points of compliance for unlined production pits and special purpose pits and for lined production pits in sensitive areas constructed after July 1, 1995.

**f. Closure requirements.**

(1) Operators of production or special purpose pits existing on July 1, 1995 which were closed before December 30, 1997, were required to submit a Sundry Notice, Form 4, within thirty (30) days of December 30, 1997. The Sundry Notice, Form 4 shall include a copy of the existing pit permit, if a permit was obtained, and a description of the closure process.

(2) Pits closed prior to December 30, 1997 were required to be reclaimed in accordance with the 1000 Series rules. Pits closed after December 30, 1997 shall be closed in accordance with the 900 Series rules and reclaimed in accordance with the 1000 Series rules.

(3) Operators of steel, fiberglass, concrete or other similar produced water vessels buried or partially buried and located in sensitive areas were required to repair or replace vessels and tanks found to be leaking. Operators shall repair or replace vessels and tanks found to be leaking. Operators shall submit to the Director a Sundry Notice, Form 4, describing the integrity testing results and action taken within thirty (30) days of December 30, 1997.

(4) Closure of pits and steel, fiberglass, concrete or other similar produced water vessels, and associated remediation operations conducted prior to December 30, 1997 are not subject to Rules 905., 906., 907., 909. and 910.

**912. VENTING OR FLARING NATURAL GAS**

- a. The unnecessary or excessive venting or flaring of natural gas produced from a well is prohibited.
- b. Except for gas flared or vented during an upset condition, well maintenance, well stimulation flowback, purging operations, or a productivity test, gas from a well shall be flared or vented only after notice has been given and approval obtained from the Director on a Sundry Notice, Form 4, stating the estimated volume and content of the gas. The notice shall indicate whether the gas contains more than one (1) ppm of hydrogen sulfide. If necessary to protect the public health, safety or welfare, the Director may require the flaring of gas.
- c. Gas flared, vented or used on the lease shall be estimated based on a gas-oil ratio test or other equivalent test approved by the Director, and reported on Operator's Monthly Report of Operations, Form 7.
- d. Flared gas that is subject to Sundry Notice, Form 4, shall be directed to a controlled flare in accordance with Rule 903.b.(2) or other combustion device operated as efficiently as possible to provide maximum reduction of air contaminants where practicable and without endangering the safety of the well site personnel and the public.
- e. Operators shall notify the local emergency dispatch or the local governmental designee of any natural gas flaring. Notice shall be given prior to flaring when flaring can be reasonably anticipated, or as soon as possible, but in no event more than two (2) hours after the flaring occurs.

**Table 910-1  
CONCENTRATION LEVELS<sup>1</sup>**

Contaminant of Concern	Concentrations
<b>Organic Compounds in Soil</b>	
<b>TPH (total volatile and extractable petroleum hydrocarbons)</b>	<b>500 mg/kg</b>
<b>Benzene</b>	<b>0.17 mg/kg<sup>2</sup></b>
<b>Toluene</b>	<b>85 mg/kg<sup>2</sup></b>
<b>Ethylbenzene</b>	<b>100 mg/kg<sup>2</sup></b>
<b>Xylenes (total)</b>	<b>175 mg/kg<sup>2</sup></b>
<b>Acenaphthene</b>	<b>1,000 mg/kg<sup>2</sup></b>
<b>Anthracene</b>	<b>1,000 mg/kg<sup>2</sup></b>
<b>Benz(a)anthracene</b>	<b>0.22 mg/kg<sup>2</sup></b>
<b>Benzo(b)fluoranthene</b>	<b>0.22 mg/kg<sup>2</sup></b>
<b>Benzo(k)fluoranthene</b>	<b>2.2 mg/kg<sup>2</sup></b>
<b>Benzo(a)pyrene</b>	<b>0.022 mg/kg<sup>2</sup></b>
<b>Chrysene</b>	<b>22 mg/kg<sup>2</sup></b>
<b>Dibenzo(a,h)anthracene</b>	<b>0.022 mg/kg<sup>2</sup></b>
<b>Fluoranthene</b>	<b>1,000 mg/kg<sup>2</sup></b>
<b>Fluorene</b>	<b>1,000 mg/kg<sup>2</sup></b>
<b>Indeno(1,2,3,c,d)pyrene</b>	<b>0.22 mg/kg<sup>2</sup></b>
<b>Naphthalene</b>	<b>23 mg/kg<sup>2</sup></b>
<b>Pyrene</b>	<b>1,000 mg/kg<sup>2</sup></b>
<b>Organic Compounds in Ground Water</b>	
<b>Benzene</b>	<b>5 µg/l<sup>3</sup></b>
<b>Toluene</b>	<b>560 to 1,000 µg/l<sup>3</sup></b>
<b>Ethylbenzene</b>	<b>700 µg/l<sup>3</sup></b>
<b>Xylenes (Total)</b>	<b>1,400 to 10,000 µg/l<sup>3,4</sup></b>
<b>Inorganics in Soils</b>	
<b>Electrical Conductivity (EC)</b>	<b>&lt;4 mmhos/cm or 2x background</b>