



Shell Exploration & Production

Shell Frontier Oil & Gas Inc.
3737 Bellaire Blvd.
Houston, TX 77025

UPS Tracking # 1Z6Y58260399503597

February 13, 2012

Colorado Dept. of Public Health and Environment
Water Quality Control Division
4300 Cherry Creek Dr. South, WQCD-P-B2
Denver, Col 80246-1530

SUBJECT: Notice of Termination of Discharge
Facility Number COG600343
Rio Blanco County, Colorado

P-2012-013

P-2012-014

RECEIVED
FEB 20 2012
GRAND JUNCTION FIELD OFFICE
DIVISION OF
RECLAMATION MINING & SAFETY

To Whom it Concerns:

Shell Frontier Oil & Gas Inc. (SFOGI) is hereby providing the Colorado Department of Public Health and Environment (CDPHE), Water Quality Control Division (WQCD) Notice of Termination for Discharge Permit COG600343. This notice to terminate is in response to a letter dated December 14, 2010 from the WQCD requesting that SFOGI submit a termination form for Permit COG600343. The request to terminate permit COG600343 is based on the determination of the WQCD and Division of Reclamation Mining and Safety (DRMS) that discharges to groundwater associated with mining activities are under the authority of the DRMs and that a WQCD discharge permit is not required. Please find attached to this letter: 1) the required WQCD Notice of Termination of Discharge Form for Permit COG 600343 and 2) a copy of the December 14, 2010 letter from WQCD referenced in this letter.

If you have any questions regarding the information in this report, please contact Jeff Stevenson at (713) 245-7732.

Sincerely,

James Duran
Operations Manager COM/Y

Attachments (2)

- 1- Colorado Water Quality Control Division Notice of Termination Form
- 2 -December 14, 2010 Letter from WQCD to SFOGI

cc: (with attachments)

UPS Tracking # 1Z6Y58260396136801

Travis Marshal

Division of Reclamation, Mining and Safety
101 South 3rd, Suite 301
Grand Junction, Colorado 81501

UPS Tracking # 1Z6Y58260397876411

Steve Shuey

Division of Reclamation, Mining and Safety
101 South 3rd, Suite 301
Grand Junction, Colorado 81501

Attachments (2)

- 1- Colorado Water Quality Control Division Notice of Termination Form
and
- 2 -December 14, 2010 Letter from WQCD to SFOGI

STATE OF COLORADO

Dedicated to protecting and improving the health and environment of the people of Colorado

4300 Cherry Creek Dr. S.
Denver, Colorado 80246-1530
Phone (303) 692-2000
TDD Line (303) 691-7700
Located in Glendale, Colorado
<http://www.cdphe.state.co.us>



Colorado Department
of Public Health
and Environment

FOR DIVISION USE ONLY
CERTIFICATION NUMBER FOR
PERMITS CONVERTED TO
STORMWATER ONLY

COLORADO WATER QUALITY CONTROL DIVISION NOTICE OF TERMINATION

Please print or type all information. Mail original form with ink signatures to the following address. **Emailed and Faxed forms will not be accepted.** All items must be filled out completely and correctly. If the form is not complete, it will be returned

Colorado Dept of Public Health and Environment
Water Quality Control Division
4300 Cherry Creek Dr South WQCD-P-82
Denver, CO 80246-1530

PART A. IDENTIFICATION PERMIT/CERTIFICATION AUTHORIZATION TYPE & TERMINATION PROCESS APPLIED BY THE DIVISION

PLEASE LIMIT SUBMISSION TO ONE PERMIT OR CERTIFICATION / FORM

All Permit Termination Dates are Effective on the date approved by the Division.

Please write the appropriate number in the blank provided to the left of the permit/certification type.

1. INDIVIDUAL PERMIT Termination for an individual permit generally requires inspection by the Division to ensure discharges have ceased; has a 30 day Public Notice Period prior to termination approval; and may require bond release for mining discharge permits. <i>Termination for these permits also require up to date submissions of all annual reports, discharge monitoring reports, or other reporting paperwork for the period prior to the termination date of the permit.</i>	Permit Number
<ul style="list-style-type: none"> • PRETREATMENT Generally requires inspection by the Division to ensure discharges have ceased. <i>Termination for these permits also require up to date submissions of all annual reports, discharge monitoring reports, or other reporting paperwork for the period prior to the termination date of the permit.</i> 	Permit Number
2. CERTIFICATION UNDER A GENERAL PERMIT	
a. Termination for certifications under one of these general permits is based on self-certifying information . <i>Termination for these certifications also require up to date submissions of all annual reports, discharge monitoring reports, or other reporting paperwork for the period prior to the termination date of the permit.</i>	
<ol style="list-style-type: none"> COG070000 Construction De-watering. COG603000 Subterranean Dewatering or Well development COG604000 Hydrostatic Testing COG607000 Commercial Washing of Outdoor Structures COR010000 Light Industry Activities – Stormwater COR020000 Heavy Industry Activities – Stormwater COR060000 Recycling Industry Activities – Stormwater NOX000000 No Exposure Exclusion - - Stormwater 	Cert/Facility Number
b. Termination for certifications under one of these general permits generally requires an inspection by the Division to ensure discharges have ceased. <i>Termination for these certifications also require up to date submissions of all annual reports, discharge monitoring reports, or other reporting paperwork for the period prior to the termination date of the permit.</i>	
<ol style="list-style-type: none"> COG130000 Aquatic Animal Production COG315000 Groundwater Remediation COG588000 Domestic WWTF 100:1 Dilution COG589000 Domestic WWTF Surface Water COG600000 Minimal Industrial Wastewater Discharge COG605000 Non-Contact Cooling Water COG641000 Water Treatment Plant Wastewater Discharges COG840000 Produced Water Treatment Facility COX621000 Domestic Wastewater Treatment > 2000gpd – Groundwater COX622000 Domestic WW Treatment-no GW Monitoring Requirements - Groundwater COX631000 Domestic WW Treatment System – Land Disposal - Groundwater COX632000 Domestic WW Treatment System – Land Treatment - Groundwater COX633000 Domestic WW Treatment System – Land Treatment/Agronomic rate – Groundwater 	Cert/Facility Number COG 600343

PART A. IDENTIFICATION CONTINUED:**2. CERTIFICATION UNDER A GENERAL PERMIT**

- c. Termination for certifications under these general permits requires **inspection by the Division** to ensure discharges have ceased and may also require a **Bond Release** if a Bond was issued. If only process water discharges have ceased and the Bond is not released, the certification may be converted to the appropriate Stormwater Only Permit. *Termination for these certifications also require up to date submissions of all annual reports, discharge monitoring reports, or other reporting paperwork for the period prior to the termination date of the permit.*

1. COG850000 Coal Mining Process Water and Stormwater combined	Cert/Facility Number
2. COG500000 Sand & Gravel Mining Process Water and Stormwater combined	

- d. Termination for certifications issued under the following General Permits requires a **Bond Release** if a Bond was issued and is terminated based on **self-certifying** information. *Termination for these certifications also require up to date submissions of all annual reports, discharge monitoring reports, or other reporting paperwork for the period prior to the termination date of the permit.*

1. COR040000 Metal Mining Industry Activities - Stormwater	Cert/Facility Number
2. COR340000 Sand & Gravel Mining Activities - Stormwater	

3. AUTHORIZATIONS**a. REUSE AUTHORIZATION**

1. **TREATER** Termination for the Treater generally requires inspection by the Division to ensure discharges have ceased.
2. **USER** Termination for the user is based on certification by the Treater that usage has ceased and connection has been severed
Termination for these authorizations also require up to date submissions of all annual reports, discharge monitoring reports, or other reporting paperwork for the period prior to the termination date of the authorization.

Authorization Number

b. BIOSOLIDS AUTHORIZATION

Terminations for this authorization is based on self-certification that land application has ceased and reporting is complete
Termination for these authorizations also require up to date submissions of all annual reports, discharge monitoring reports, or other reporting paperwork for the period prior to the termination date of the authorization.

Authorization Number

PART B. PERMITEE INFORMATION

Company Name	Shell Frontier Oil & Gas Inc.		
Legal Contact	First name James L.	Last name Duran	
Title	Operations Manager, WY/CO	Email JamesDuran@shell.com	
Mailing Address	P.O. Box 478		
City	Meeker	State CO	Zipcode 81648
Phone	307-367-7907		

PART C. FACILITY/PROJECT INFORMATION

Facility/Project Name Core Hole Drilling Operations - Yellow Creek Drainage Basin

Location (address) 13188 RBC Road 24

City Meeker

County Rio Blanco

Zipcode 81641

Local Contact Name John Woods

Phone 970-675-6303

Title Operations supervisor

Email John.Woods@Shell.com

PART D. TERMINATION INFORMATION QUESTIONS

- Please answer the following questions as completely as possible to assist in the approval of this termination request.
- **Only answer those questions that apply to the specific permit or certification being terminated. Not all questions need to be answered.**

D.1. FACILITY IS IN OPERATION

If Facility is in continued operation respond to only one of the following:

1. TERMINATION BASED ON ALTERNATE DISPOSAL OF DISCHARGES.

The Discharge is being disposed in another way:

a. Solid waste disposal unit e.g. Evaporative Ponds

☐

b. No Exposure – Industrial Stormwater Only

NOX Number

c. Combined with another Authorized Discharge

Permit Number

d. Permit is not required : please explain - attach additional pages as needed (includes coverage by low risk policy, etc.)

This permit is associated with Shell's oil shale prospecting activities in Rio Blanco County and covers discharges of ground water produced during core hole drilling and hydrologic testing & monitoring activities at 85 drill pads situated within the Yellow Creek drainage basin. This basin is within the White River Sub-basin, Lower Colorado River Basin. Permit No. COG 600000, Facility No. COG 600343 is being terminated so that SFOGI can proceed with obtaining authorization to discharge from the Colorado Division of Reclamation, Mining and Safety (CDRMS). Authorization will be obtained via submittal of an application for a new Prospecting NOI to cover discharges from all drill pads covered by this permit except pads 135-4-298 and 138-4-298. These 2 drill pads were added to COG 600343 on October 27, 2009 as part of Amendment No. 8 and are associated with oil shale research activities planned for Shell's East RDD Pilot Project. Shell has obtained a Prospecting NOI from CDRMS for the East RDD Pilot Project (P-2010-026) and authorization to discharge from pads 135-4-298 and 138-4-298 will be obtained via submittal of a request to CDRMS for modification of NOI #P-2010-026 to specifically include discharges of ground water produced during drilling and hydrologic testing & monitoring activities at the 2 drill pads. The NOI modification will also include a request for authorization to discharge ground water produced during drilling and testing activities on a 0.9 acre test pad situated immediately adjacent to pad no. 135-4-298.

- ☐ 2. FACILITY covered by the permit, certification, or authorization listed above IS IN OPERATION, however, the ACTIVITY at the facility producing the discharge covered by the permit has ceased.

D.2. FACILITY IS IN NOT IN OPERATION AT THIS LOCATION

Respond to one of the 5 sections:

1. FACILITY IS NOT IN OPERATION

All other permit types, certifications, etc., listed in Part A – Identification of Permit

Wastewater previously authorized for Discharge by the Division has been properly disposed of and all discharges have ceased

☐ YES Go to Part E. Certification & Signature

2. FACILITY IS NOT IN OPERATION and is a STORMWATER INDUSTRIAL

(Light Industry, Heavy Industry, Recycling Industry, or No Exposure Exclusion)

All industrial activity at the identified site has ceased; all potential pollutant sources have been removed; all industrial wastes have been disposed of properly and all elements of the Stormwater Management Plan have been completed.

☐ YES Go to Part E. Certification & Signature

3. FACILITY IS NOT IN OPERATION and is a MINING OPERATION

(Sand & Gravel, Metal Mining, Coal Mining, or Hard Rock Mining)

☐ a. Reclamation for mining site (coal, metal, sand & gravel) is complete;
Bond release from DRMS has been received and a copy of the release letter is attached. (If release letter is not attached, termination of this permit will be delayed.)

☐ b. Reclamation for mining site is complete. There was no bond required by the DRMS for this permit

Go to Part E. Certification & Signature

☐ c. Reclamation of the site is not complete. The DRMS Bond has not been released. This is a request for Stormwater ONLY permit. Go to Part E. Certification & Signature

d. Reclamation of mining site is complete - Is there any continued mine drainage?
e.g. adits or unreclaimed waste piles?

☐ YES Please Explain (Attach additional pages as necessary.)

☐ NO Go to Part E. Certification & Signature

4. FACILITY IS NOT IN OPERATION and is REUSE USER -

Reclaimed water is no longer being used at the site and the connection has been severed?

☐ YES Go to Part E. Certification & Signature

5. FACILITY IS NOT IN OPERATION and is a BIOSOLIDS Land Application Site -

Land application at the site has been discontinued and final reporting on cumulative application has been submitted?

☐ YES Go to Part E. Certification & Signature

☐ **D.1.C PERMITTEE IS NO LONGER THE OWNER/OPERATOR** of site and all efforts have been made to transfer the permit to appropriate parties. (Please attach copies of registered mail receipt, letters, etc.)

THE FOLLOWING SHOULD BE KEPT IN MIND IF YOUR PERMIT IS TERMINATED

1. The permittee will still be responsible and subject to any enforcement action for any discharge or spills into state waters. Should the activities covered in the permit continue after the permit has been terminated and discharge needs to occur, you must apply for AND receive a new permit or authorization prior to discharge. It is unlawful to discharge pollutants from a point source to state waters without a permit. Section 25-8-608 of the Water Quality Control Act provides for assessing civil penalties of up to \$10,000 per day for unlawful discharges.
2. In general, the continued existence of a discharge from a point source to state waters will be the basis for denial of the termination request.

PART E. CERTIFICATION SIGNATURE REQUIRED FOR ALL TERMINATION REQUESTS

Check the appropriate certification box below if it applies and date and sign form.

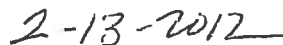
- ☐ **For SAND & GRAVEL Certifications:** I am Requesting and authorizing changing the above listed Sand & Gravel Certification (currently under General Permit COG500000) to a Stormwater only certification (under General Permit COR340000).
- ☐ **For STORMWATER INDUSTRIAL Certifications:** I certify that all industrial activity at the identified site has ceased; all potential pollutant sources have been removed; all industrial wastes have been disposed of properly and all elements of the Stormwater Management Plan have been completed.
- ☐ **For WASTE WATER Certifications:** I certify that all Wastewater previously authorized for Discharge by the Division has been properly disposed of and all discharges have ceased

FOR ALL PERMITS, CERTIFICATIONS, AND AUTHORIZATIONS: I certify that all annual reports, discharge monitoring reports, and/or other reporting paperwork for the period prior to the termination date of the permit, certification, or authorization have been submitted.

I certify under penalty of law that this document and all attachments were prepared under my direction and/or supervision in accordance with a system designed to assure that qualified personnel properly gather and evaluate the information submitted. Based on my inquiry of the person or persons who manage the system, or those individuals immediately responsible for gathering the information, the information submitted is to the best of my knowledge and belief, true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment for knowing violations. " (See 18 USC 1001 and 33 USC 1319)

I also certify that I am the legal representative of the above named company.





Signature of Legally Responsible Party

Date Signed

James L. Duran

Operations Manager, WY/CO

Name (printed)

Title

Signatory requirements: This termination request shall be signed, dated, and certified for accuracy by the permittee in accord with the following criteria:

1. In the case of a corporation, by a principal executive officer of at least the level of vice-president, or his or her duly authorized representative, if such representative is responsible for the overall operation of the operation from which the discharge described herein originates;
2. In the case of a partnership, by a general partner;
3. In the case of a sole proprietorship, by the proprietor;
4. In the case of a municipal, state, or other public operation, by wither a principal executive officer, ranking elected official, or other duly authorized employee.

STATE OF COLORADO

Bill Ritter, Jr., Governor
Martha E. Rudolph, Executive Director

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4300 Cherry Creek Dr. S.
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Phone (303) 692-2000
TDD Line (303) 691-7700
Located in Glendale, Colorado

Laboratory Services Division
8100 Lowry Blvd.
Denver, Colorado 80230-6928
(303) 692-3090

<http://www.cdphe.state.co.us>



Colorado Department
of Public Health
and Environment

December 14, 2010

Shell Frontier Oil & Gas Inc.
ATTN: Greg Monson
Bellaire Technology Center
3737 Bellaire Blvd
Houston, TX 77025

Re: Shell Frontier Oil & Gas Inc. Colorado Discharge System Permits: COG-600343, COG-603102, COG-600162, and COG-600659.

Dear Mr. Monson:

This letter is a follow up to our meeting on October 25, 2010 on the above certifications. After several discussions on the discharge practices at these facilities, the Water Quality Control Division (Division) determined that a Colorado Discharge Permit System permit is no longer needed.

During our meeting, we reached the understanding, for COG-600343 and COG-600³102, that the discharges from these activities are discharges to groundwater (i.e., the extracted well water is sent to an infiltration pit that is designed to contain the water until it infiltrates into the ground or evaporates). The Division discussed jurisdiction (under SB181) for groundwater discharges at mining sites with the Division of Reclamation Mining and Safety (DRMS) representatives (Tony Waldron and Steve Shuey). Agency staff concluded that DRMS had jurisdiction under existing authorization and the Division's permit coverage was no longer needed.

Also, at the meeting Shell Frontier Oil & Gas Inc. (SFOGI) discussed the intent to alter the physical discharge at the Mahogany Research Project (COG-600162). According to SFOGI, the option for discharge to surface water will be removed and all waters from this facility will also be sent to a pit that is designed to contain the water until it infiltrates into the ground or evaporates. Based on this design change, an individual industrial permit from the Division is not needed.

Please submit a CDPS Permits and Authorization Termination Form to the Division for COG-600343, COG-603102, and COG-600162. This form can be found on the Division's website at coloradowaterpermits.com. Please indicate (in section D.1.d. of the form) that the discharges are to ground and covered under the authority of DRMS.

Lastly, the Division has received the termination request for COG-600659 and is in the process of processing this request.

Please feel free to contact me at 303-692-3392 with any questions.

Maura McGovern
Groundwater, Land Application, and Industrial General Permits Unit

CC: Tony Waldron and Steve Shuey, Division of Reclamation Mining and Safety - (via email)
Files: COG600343, COG600102, COG600162, COG600659