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June 11, 2010

Mr. Gary McKamie
City Manager of Euless
201 N Ector Drive
Euless, TX, Texas 76039

Re: Case 10-07-CC. Summary comments for the Reveille Pad Gas Well Pad Site Permit application located at 1051 Westpark Way submitted by David H. Arrington Oil & Gas, Inc.

Mr. McKamie,

Application review.
The application for a gas well pad site permit for the Reveille Pad located at 1051 Westpark Way has been reviewed by the Inspection Services Provider Universal Ensco, Inc. (UEI). The inspection services provider, UEI, has completed their assigned part of the review of this gas well pad site permit application and determined it to be in compliance with the technical site requirements of the city's gas well ordinance and submits the following comments.

Proposed site operations & drilling program.

a. The operator is proposing to drill wells 1H and 2H on this pad.
b. Both wells are proposed to be drilled by a rig operated by Nabors Drilling mobilized one time on the site. The rig will be onsite approximately forty-five (45) days.
c. Both wells are to be fractured at the same time and each well is to be fractured in seven (7) stages. A full day is required to fracture, prepare for the next stage and reload the sand tanks.

Public impact of the proposed activity.

1. This pad site is located within 600' of several protected uses. During drilling and fracture-completion operations there will be elevated light and noise levels that can be reduced by the use of abatement methods.
2. During drilling and fracture-completion operations there will be occasional heavy truck traffic. Street conditions near the entrance could become congested, dusty or muddy.
3. The fracture operations are planned to last eight (8) days with four (4) additional days for move in and off site. Fracture operations are to be done during daylight hours on weekdays with no work on weekends.
4. The operator will reload the sand tanks during the day. Approximately eight (8) transport truckloads of sand must be delivered daily and injected into the sand tanks.
5. The freshwater for fracture stimulation will be held in eighteen (18) temporary tanks located on the pad site. Tanks are transported to and removed from the pad site empty. The method used to remove water during the daytime fracture operations from these tanks should not have any noticeable public impact. Water tanks are reloaded overnight from a hydrant.
6. Post fracture water flowback and completion operations can require heavy equipment which could be a source of engine related noise. A swabbing truck could be necessary to start gas flow and would require continuous operation for several days.
7. Green completion methods are proposed for this site. However should flaring be necessary to start gas flow; this operation would be active over a period of several days. Flaring is a loud and bright process which could require additional screening and public education.
8. Unless a gas lift compressor is placed on the pad; production facilities are not considered noise generating sites. Gas lift compressors are point source noise generators and the noise level can be reduced by the use of sound abatement methods.
9. Work crews will access the site during all stages of site operations usually in truck vehicles. During production stage a tanker truck will access the site periodically to remove produced water from the tank facilities.

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Recommended noise and light reduction.

1. Recommend operator provide a Noise Management Plan and monitor the plan with continuous sound level meter recording during drilling and fracture-completion operations.
2. Recommend sound wall blankets or other types of acoustical barriers be setup to reduce noise disturbances from equipment and work activity during both drilling and fracture-completion operations.
3. Recommend light redirection and reduction methods be used on the site.
4. Should flaring be necessary; recommend some type of the public awareness program about the necessity, duration, safety and environment affects of the gas flaring process.

Recommended restrictions or conditions.

- There are no additional recommended restrictions or conditions other than compliance with the Commission Rules, city codes and gas well ordinance.

Minimum separation distance for drilling or other operations.

- There are no additional recommended restrictions or conditions other than compliance with the Railroad Commission Rules, city codes and gas well ordinance.

Special safety equipment and procedures.

- There are no additional recommended safety restrictions or conditions other than compliance with the existing regulations.

Recommended screening.

1. Should flaring be necessary; recommend adequate screening of the flare.

Final pad site permit recommendation of Inspection Services Provider: Release for Approval.

Please contact me if you have need for further assistance.

Regards,

David Lunsford, PG
Public Utility Municipal Planning Coordinator
Gas Well & Pad Site Inspections

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Keith Edmonds, UEI Fort Worth Operations Manager

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