

Before the Oil and Gas Conservation Commission
of the State of Colorado

IN THE MATTER OF THE PROMULGATION) CAUSE NO. 1
AND ESTABLISHMENT OF FIELD RULES)
TO GOVERN OPERATIONS IN A PORTION) DOCKET NO. 1208-GA-14
OF THE GREATER WATTENBERG AREA)

SECOND AMENDED APPLICATION

The City and County of Broomfield ("Broomfield"), together with Noble Energy Inc. ("Noble" or "Operator"), Anadarko E&P Company LP and Anadarko Land Corp. ("Anadarko"), (referred to collectively as "the Parties"), request that the Commission issue its order providing for certain specified operational practices to be applied to the drilling and operation of wells located on the following lands:

A parcel of land being described as Parcel 1 in Special Warranty Deed between Hoopes Farm, LLC and the City and County of Broomfield, dated May 20, 2005 as recorded at Reception No. 2005006594, on May 20, 2005, City and County of Broomfield, State of Colorado and Tract EE, Anthem Filing No. 22, recorded at Reception No. 2009003716 on March, 31, 2009, located within the City and County of Broomfield, State of Colorado.

(the "Property" or the "Application Lands")

Recitals

A. Broomfield is a home rule city and county that has acquired the Application Lands as the site for the Broomfield Drinking Water Reservoir ("Reservoir"). The City intends that the Reservoir will be surrounded by a public, multi-use recreation area (trails, beach areas, etc.). Broomfield owns the surface of the Application Lands. Anadarko owns the mineral rights for that portion of the Application Lands in the S/2 of Section 7, Township 1 South, Range 68 West, 6th P.M., certain of which rights have been leased to Noble. Noble is the Operator for drilling and operation of wells on the Application Lands.

B. This Second Amended Application ("SAA") substitutes for the original and first amended applications submitted in this docket by Broomfield, both of which were protested by Noble and Anadarko, including a motion to dismiss. This SAA represents a compromise and settlement of the matters in dispute, and Broomfield agrees to hold its first amended application in abeyance pending Commission consideration of the

SAA. Likewise, the Companies agree that their protests and motion to dismiss shall be held in abeyance pending the Commission consideration of the SAA.

C. This SAA pertains to unique factual circumstances, specific to the Application Lands, and the Parties agree that this SAA does not otherwise establish or set precedent, for any purpose whatsoever, nor establish procedural or operational practices to be applied to the drilling and operation of other wells elsewhere in the City and County of Broomfield, or in Colorado.

D. The Parties agree that should the Commission deny this SAA, or adopt it with substantially revised content, Broomfield shall have the right to revert to its first amended application.

E. The Parties agree that this SAA is contingent upon the successful negotiation, approval and execution by all of the Parties of a related Surface Use Agreement that establishes oil and gas operations areas ("OGOAs"), as described and limited in said Surface Use Agreement.

F. The Parties agree, and represent to the Commission, that this Order may be amended only by mutual agreement of the Parties and the submission of a joint application to the Commission for the amendment. The Parties agree, and represent to the Commission, that the venue for remedy of any claim of violation of this Order shall be solely with the Commission.

G. It is the mutual desire of the Parties to resolve, in advance, certain operational issues in a manner that provides assurance to Broomfield that the water quality of the Reservoir and the use of the surrounding area for recreation purposes will be protected.

Conditions of Approval

Accordingly, the Parties request that the following conditions of approval be attached to well permits (Form 2 or Form 2A, as appropriate) that have been or will be issued on the Property:

1. (a) In accordance with COGCC Rule 324A, the Operator shall take precautions to prevent significant adverse environmental impacts to air, water, soil, or biological resources to the extent necessary to protect public health, safety and welfare, particularly with respect to the protection of the Reservoir, including the environment and wildlife resources, taking into consideration cost-effectiveness and technical feasibility, to prevent the unauthorized discharge or disposal of oil, gas, exploration and production (E&P) waste, chemical substances, trash, discarded equipment or other oil field waste.

(b) All water, fluids and waste of any nature whatsoever which are used, produced or discharged from the operations or facilities shall be used, produced

or discharged in accordance with all applicable rules and regulations of the state and federal governmental agencies having jurisdiction over such matters.

2. The Operator shall construct secondary containment around crude oil/condensate storage tanks as specified herein. Secondary containment shall consist of installing an impermeable liner inside of and fastened to corrugated steel panels. The liner shall meet the standards of COGCC Rule 904.b and be a minimum 40 mils in thickness. The liner shall be topped by a felt (or similar material as selected by the Operator) pad and gravel pack prior to placement of the tanks. No more than two tanks shall be placed inside any one secondary containment area, which shall be designed with sufficient capacity to contain 150% of the volume of the largest tank in the containment area in accordance with COGCC Rule 603.e(12). The tanks shall meet the standards of COGCC Rule 603.e(13), and the loadlines shall be bull-plugged or capped in compliance with COGCC Rule 603.e(9) and be equipped with a catchment system at the connection for offloading crude oil/condensate.

3. The grading design and drainage system for the OGOAs shall be incorporated in a Broomfield grading and erosion control permit or construction plan approval. The Broomfield permit or approval will be consistent with the terms of the construction storm water permit issued by the Colorado Department of Public Health and Environment for oil and gas locations adjacent to a public drinking water supply. The grading design and drainage system shall prevent storm water run-on and run-off from the OGOAs, and ensure that any releases of crude oil/condensate, produced water or other fluids, or other E&P waste drain away from the Reservoir to a collection point for removal and offsite disposal.

4. The Operator shall, consistent with industry best management practices, utilize non-corrosive, above-ground, low-profile tanks for all produced water, fluids and other E&P waste, which tanks shall be located within the secondary containment area(s).

5. The Operator shall employ pitless drilling systems, and drilling mud, cuttings, flowback fluids, oily waste and all other E&P waste connected with the drilling, deepening, recompletion, re-fracturing or re-working of any wells on the Property shall be managed in accordance with the COGCC 900 Series of Rules and industry best-management practices. All such E&P waste shall be discharged only into above-ground, self-contained tanks and shall be removed from the Property as soon as feasible. No E&P waste may be disposed of on, under or near the Property.

6. The Operator shall not utilize hydraulic fracturing fluids containing diesel, as defined by EPA rule, and shall provide to the City a hard copy of the FracFocus disclosure required by COGCC Rule 205A as soon as feasible, but in no event later than 60 days after the completion of a hydraulic fracturing operation. To the extent that hydraulic fracturing fluids comprised of non-hazardous and biodegradable constituents are commercially available, economically practicable and technically appropriate for the

expected geologic and reservoir conditions, Operator shall make a good faith effort to identify and utilize such fluids in its hydraulic fracturing operations on the Property.

7. In addition to the pipeline materials and design standards of COGCC Rule 1101, the Operator shall install and properly maintain a cathodic protection system against corrosion and shall supply the results of the annual integrity test required by Rule 1101.e(1) to Broomfield.

8. Because Broomfield intends to use the Property for the construction and operation of a water reservoir which will be used to supply potable water to its citizens and constituents, as well as for associated educational and recreational facilities, the Operator shall conduct drilling, completion, production and storage operations in accordance with the standards and requirements of COGCC Rule 317B.d applicable to such operations within the intermediate buffer zone to protect a public surface water supply (except that secondary containment shall be constructed as provided herein), regardless of whether the Reservoir is designated on the Public Water System Surface Water Supply Area Map maintained by the Commission or built at the time oil and gas operations are conducted on the Property.

9. The Operator shall, in accordance with applicable requirements of the United States Environmental Protection Agency's Spill Prevention, Control and Countermeasure (SPCC) Program, 40 C.F.R. Part 112, use good engineering practices to avoid the spill, release or discharge of any pollutants, contaminants, chemicals, solid wastes, or industrial, toxic or hazardous substances or wastes at, on, in, under, or near the Property. Any such spill, release or discharge, including without limitation, of oil, gas, grease, solvents, or hydrocarbons that occurs at, on, in, under, or near the Property shall be remediated in compliance with COGCC Rule 906, including immediate notification to Broomfield. In the event of a release or discharge that threatens to impact the Property, the Operator shall comply with Rule 906.b(4) with respect to notification of emergency responders and the local government designee for Broomfield.

10. The Operator shall at all times keep the well sites and the corresponding OGOAs, access roads used by the Operator, and pipeline easements used by the Operator, safe and in good order and free of noxious weeds, litter and debris. The Operator shall dispose of all litter, sewage, E&P waste, and debris off the Property at an appropriate disposal site. The Operator shall promptly reclaim and reseed the well sites and corresponding OGOAs in accordance with COGCC Rules 1003 and 1004.

11. The Operator shall install a 6-foot tall chain link fence with opaque beige mesh screening at the edge of the OGOAs at the Livingston Location and the North Location. The chain link fence shall be secured by a locked gate (keys for which shall be given to Broomfield), and shall be of a quality comparable to that typically used in the oil and gas industry.

12. The Operator shall use crushed asphalt on access roads and turnarounds to eliminate dust and mud issues at access points to Lowell Boulevard.

13. The Operator shall not be required to plant trees or other vegetation around the OGOAs; however, Broomfield reserves the right to plant trees or other vegetation on the surface of the Property outside of the OGOAs; provided that, such vegetation or trees do not interfere with or block access by the Operator to the OGOAs and pipeline easements and, provided, further, that the Operator shall not be liable for or be required to replace any such trees or vegetation that are damaged from their non-negligent oil and gas operations.

14. The Parties reserve their rights: (1) under any Surface Use Agreement or other agreement among the Parties concerning the Property; (2) COGCC Rules 306 (Consultation) and 503.b(7) (Hearings on Applications for Permit to Drill) with respect to matters not addressed in this Order; and (3) to implement additional requirements upon mutual written amendment among the Parties when site specific conditions or technological developments make it appropriate to reconsider a term of this Order and the submission by them of a joint application to the COGCC for the amendment.

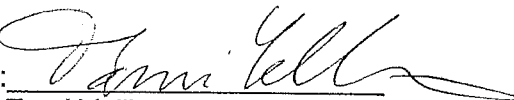
15. This Order is binding on Noble, as current Operator, as well as any successor Operator, without the necessity of an amendment hereto.

Dated: October 26, 2012.

ANADARKO E&P COMPANY LP,
ANADARKO LAND CORP. AND
NOBLE ENERGY, INC.

CITY AND COUNTY OF BROOMFIELD

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