From: RBruner@nobleenergyinc.com
To: Greg Deranleau - DNR
Cc: cmoore@nobleenergyinc.com; EJacobsen@nobleenergyinc.com; Jane Stanczyk - DNR; Jost, Jamie; JKajiwara@nobleenergyinc.com; kristyweyerman@nobleenergyinc.com; Rob Young - DNR; Sarah Freeman - DNR; SRobbins@nobleenergyinc.com
Subject: Re: Burton Form 2As - on hold (400407690 & 400436788)
Date: Friday, October 25, 2013 10:00:10 AM
Attachments: ATT00279.png
Burton 3 well - Location Mitigation Checklist 10_25_2013.pdf
BURTON K25 SCALED FACILITY (2013-10-07).pdf
ATT00285.txt

Greg,

Here's what our mitigation engineer is requiring for BMP's regarding noise and visual impact. Let me know if you have further questions.

Thanks

Ryan Bruner
EHSR
Environmental and Regulatory Supervisor

direct: 303.228.4158
cell: 303.552.6763
fax: 303.228.4286
nobleenergyinc.com

From: Greg Deranleau - DNR <Greg.Deranleau@state.co.us>
To: RBruner@nobleenergyinc.com
Cc: Jane Stanczyk - DNR <jane.stanczyk@state.co.us>, JKajiwara@nobleenergyinc.com, kristyweyerman@nobleenergyinc.com, Rob Young - DNR <rob.young@state.co.us>, Sarah Freeman - DNR <sarah.freeman@state.co.us>, SRobbins@nobleenergyinc.com, cmoore@nobleenergyinc.com, EJacobsen@nobleenergyinc.com, "Jost, Jamie" <jjost@bwenergylaw.com>
Date: 10/25/2013 07:41 AM
Subject: EXTERNAL: RE: Burton Form 2As - on hold (400407690 & 400436788)

Ryan,
Thanks again for meeting to discuss these locations. I hope that it is clear to you that COGCC was not trying to apply the setback rules effective August 1, 2013 to these applications, which were submitted prior to that date. Our primary concern regarding these Form 2As from the start has been the protection of public health, safety, and welfare, and COGCC still believes that the southwest corner of the northwest quarter of the section provides better protection, primarily due to the proximity of residences in the northwest corner.

COGCC understands that the surface owner and tenant farmer have already agreed to the locations as submitted by Noble, and that renegotiating with those parties is not an option for Noble at this time.

During our meeting, you indicated that Noble had recently evaluated the northern Burton location (Form 2A doc 400436788) with your mitigation engineer and had come up with some plans to minimize the noise and visual

impacts from your facilities to the residence to the west. Can you please provide that information for inclusion into the Form 2A?

Thanks,

Greg Deranleau
Oil & Gas Location Assessment Supervisor
Colorado Oil and Gas Conservation Commission
303-894-2100 ext. 5153

From: RBruner@nobleenergyinc.com [mailto:RBruner@nobleenergyinc.com]
Sent: Tuesday, October 08, 2013 10:21 AM
To: Greg Deranleau - DNR
Cc: Jane Stanczyk - DNR; JKajiwara@nobleenergyinc.com; kristyweyerman@nobleenergyinc.com; Rob Young - DNR; Sarah Freeman - DNR; SRobbins@nobleenergyinc.com; cmoore@nobleenergyinc.com; EJacobsen@nobleenergyinc.com; Jost, Jamie
Subject: Re: Burton Form 2As - on hold (400407690 & 400436788)

Greg,

We'd like an opportunity to meet with you as well regarding this location. Noble has a number of concerns with your comments regarding the production facilities on this location.

1. Noble has a Surface Use Agreement in place with the surface owner. The SUA mandates the location of the production facilities on the surface owners private property. The Surface Use Agreement is a private contract between Noble and the surface owner. The surface owner has agreed to the production facilities being placed as described on the Form 2A. The COGCC's interference with this SUA is an interference with the surface owners' private property rights.
2. The Form 2A was filed prior to August 1, 2013. The COGCC staff's consideration of a home 650' away "from the stake" has no bearing on this Form 2A. The new setbacks rules did not go into effect until August 1, 2013, and the COGCC is beyond its authority to mandate compliance with the new rules for Form 2A's that were filed prior to August 1, 2013.
3. The COGCC staff's treatment of Form 2A's filed prior to August 1, 2013 as being required to comply with the new rules, or at least to consider movement of facilities because the COGCC staff believes that their location is better than the operator's proposed location, prevents reliable permitting procedures and also results in unreliable operational costs and time. Anytime Noble is required to move a production facility, this take time and significantly increases the costs of a given project.
4. The Form 2A has gone through the completeness check, comment period and final review. There have been zero concerns lodged by the COGCC or any other surrounding surface owners regarding the staked location. The COGCC staff is now holding this matter up because they are incorrectly trying to apply the new rules to a Form 2A filed prior to August 1, 2013.
5. The surface owner leases the surface out to a tenant farmer. The tenant farmer does not want the production facilities moved to the location stated by Mr. Deranleau as it will cause a greater impacts to the surface where he has his crops.
6. The COGCC has not stated that Mr. Deranleau's request is based on public health, safety, welfare or an environmental concern. And, none of those exist here, because the home that the COGCC staff is concerned with is the tenant farmer's home and he is in support of the production facilities being located where they are in the Form 2A.
7. Noble would like to meet with Mr. Deranleau about this matter and to address the issues set forth above. However, if the COGCC staff's position remains that Noble has to change the location of the production facility, then Noble will request that this matter be placed on the October 28th hearing docket.

Please give me a call to discuss getting a meeting scheduled as soon as possible.

Ryan Bruner
EHSR
Environmental and Regulatory
Supervisor

direct: 303.228.4158
cell: 303.552.6763
fax: 303.228.4286
nobleenergyinc.com

From: Greg Deranleau - DNR <Greg.Deranleau@state.co.us>

To: JKajiwara@nobleenergyinc.com
Cc: Jane Stanczyk - DNR <jane.stanczyk@state.co.us>, RBruner@nobleenergyinc.com, Rob Young - DNR <rob.young@state.co.us>, Sarah Freeman - DNR <sarah.freeman@state.co.us>, SRobbins@nobleenergyinc.com, kristyweyerman@nobleenergyinc.com

Date: 09/26/2013 06:47 AM
Subject: EXTERNAL: RE: Burton Form 2As - on hold (400407690 & 400436788)

Jan,
I had a chance to visit these locations.

In response to the points you made regarding the current site selection, please consider the following.

1. I am not suggesting that you change the surface hole locations for the wells. I am only talking about the location of production facilities.
2. In this case I am not suggesting that the production equipment be moved onto a different surface owner. However, the consolidation of facilities onto one owner over another would not be out of the question, and will be a required consideration under the new rules.
3. Your plans already include the moving of existing production facilities in the NWNW, so accommodating existing equipment in the SWNW would not appear to be technically infeasible or economically impracticable. The area is already lost to crop production due to the demolished building and trees. If the proposed production facilities can fit in the field corner in the NWNW, there would be no reason it would not fit in the same acreage in the SWNW. A facility layout drawing would help make clear your intentions.
4. The surface owner is the same in SWNW as it is in NWNW.

I would like a chance to discuss this in person with both Noble's regulatory and land groups.

The attached document shows the following:
1. A comparison of the Location Photo provided with Noble's Form 2A for the northern proposed location with a photo taken on my site visit. Notice that one significant background feature is excluded from the submitted photo. The house visible in the second photo is 650' from the stake.
2. A photo of a production facility location which may be of similar scale to this proposed location, taken from 650' away. The facility dominates the landscape and is quite loud, even at this distance.
3. 3 photos showing the area in the SWNW where production facilities could be located. If oriented along a

west-east axis, the trees would not even have to be removed.

Thank you for your consideration, I look forward to discussing further with you. I would be happy to meet onsite or at COGCC offices. I am also willing to meet with the surface owner.

Thanks,

Greg Deranleau
Oil & Gas Location Assessment Supervisor
Colorado Oil and Gas Conservation Commission
303-894-2100 ext. 5153

From: JKajiwara@nobleenergyinc.com [mailto:JKajiwara@nobleenergyinc.com]
Sent: Wednesday, September 18, 2013 8:05 AM
To: Greg Deranleau - DNR
Cc: Jane Stanczyk - DNR; RBruner@nobleenergyinc.com; Rob Young - DNR; Sarah Freeman - DNR; SRobbins@nobleenergyinc.com; kristyweyerman@nobleenergyinc.com
Subject: Re: Burton Form 2As - on hold (400407690 & 400436788)

Greg,

Below is the response on your concerns. Please let me know if you have any questions.

Thanks Greg.
Jan

1) The well surface locations were selected based on two factors 1) drilling restrictions that would not allow for more surface consolidation, a different well SHL layout would cause the lateral build curve to be too great and create too much torque and drag for the rig, this was reviewed and advised by Noble drilling 2) both surface owners had requested we located the wells outside of the pivot irrigated fields to avoid farming conflicts and that SHL would also allow Noble to have year-round workover rig access to the well.

2) It's Noble's policy to place the well(s) and associated production facilty on the same surface owner and both are tied to a Surface Use Agreement. The agreement applies to both the wells and facility and that's how the SUA's have been termed for years. If we were to consolidate all production facility equipment at one location it would conflict with the agreements and you'd have one surface owner getting all the production facility equipment.

3) Additionally, if you were to locate all production facility equipment at one location the facility size would spill out into the pivot irrigation with is in conflict with the farmer as well as it causes issues when the facility is getting flooded out from the sprinkler. Also going back to the point made in #2 the preferred consolidated location would be near the 1/2 section line to reduce flowline length but that area already has an existing Noble battery that we have to accommodate for as well as and existing Anadarko battery that crowds the area so there is limited room and a smaller facility accommodating less well occupies a smaller footprint to fit in the corner of the field out of the farm ground.

4) Keep in mind both facility locations are proposed adjacent to existing production facility locations that have been in place for some time and Noble has fully executed surface use agreements with both surface owners mutually accepting the proposed sites.

From: Greg Deranleau - DNR <Greg.Deranleau@state.co.us>

To: JKajiwara@nobleenergyinc.com, RBruner@nobleenergyinc.com
Cc: Rob Young - DNR <rob.young@state.co.us>, Sarah Freeman - DNR <sarah.freeman@state.co.us>, Jane Stanczyk - DNR <jane.stanczyk@state.co.us>
Date: 09/15/2013 08:36 PM
Subject: EXTERNAL: Burton Form 2As - on hold (400407690 & 400436788)

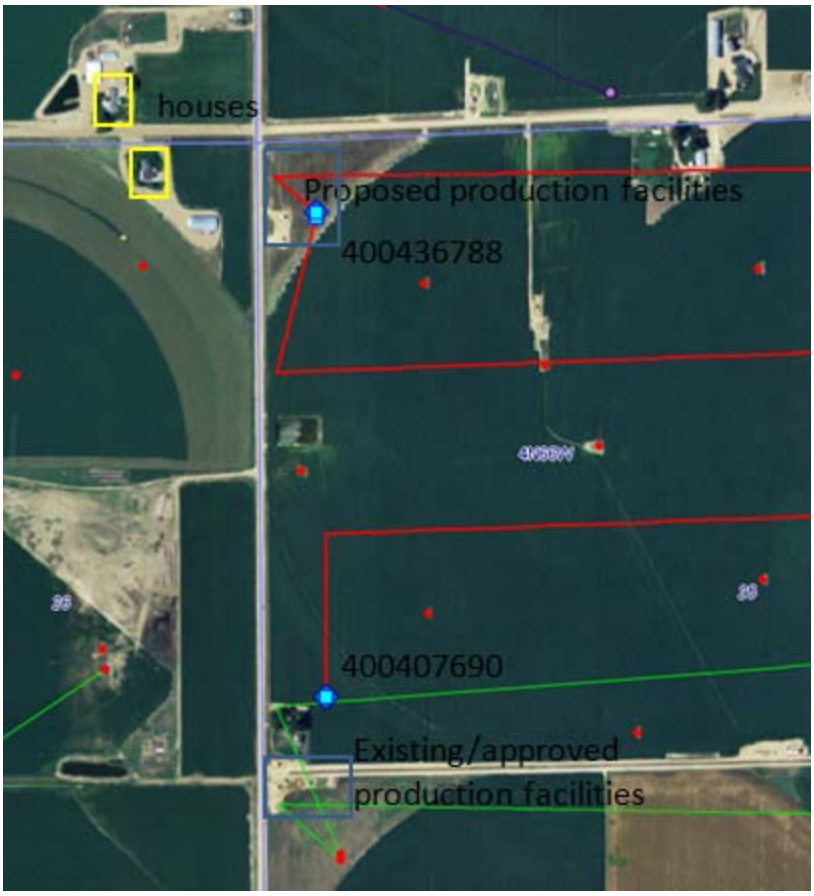
Jan,

I am conducting the review of several Noble Energy locations for Director Lepore's final approval.

Noble is proposing to locate a multi-well tank battery and production facilities location (400436788) with 13 separators, 17 oil tanks, 3 compressors, 7 VOC combustors and many other production facilities supporting 2 onsite horizontal wells and at least 1 offsite horizontal well and other offsite vertical wells in the NW of the NW quarter of Section 25, T 4N, R 66W and approximately 650' from one residence and 900' from another. The offsite horizontal well location (400407690) is proposed in the SW of the NW of the same section and according to the Form 2A submitted is 1,780' to the nearest building. Additionally, at the NW of the SW, there is an existing/approved tank battery which is supporting horizontal development.

The Form 2As contain no information as to why it would not be technologically infeasible or economically impracticable to locate all production equipment for these wells in either the SW NW of section 25 or the NW SW of Section 25.

The Form 2As (400407690 and 400436788) will be placed ON HOLD to discuss modification.



Greg Deranleau
Oil and Gas Location Assessment Supervisor

Colorado Oil & Gas Conservation Commission
1120 Lincoln Street, Suite 801
Denver, CO 80203
303-894-2100, ext 5153

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