

MEMO TO FILE

Vetting Facility – Form 2A Doc #401051216

Vetting 15-H – Form 2A Doc #400940497

Introduction

As part of the technical review of Extraction Oil and Gas LLC's (Extraction) Vetting Facility & Vetting 15-H Form 2A Oil and Gas Location Assessments (Doc #401051216 & 400940497), Colorado Oil and Gas Conservation Commission (COGCC) staff reviewed the Public Comments associated with these two Form 2As. The COGCC is providing this memo describing some of the most prevalent public comments and how they have been addressed through these permits.

Background

Extraction submitted these two Form 2As in compliance with Rule 303.b.(1)A. Several Building Units are within 1,000 feet of the proposed wells on the Vetting 15-H location and production facilities on the Vetting Facility location, placing both locations within a Buffer Zone. Also of interest is the nearby Bella Romero School, located approximately 1,360 feet from the nearest proposed well and 1,364 feet from the nearest proposed production facility. The Weld County Board of County Commissioners approved the Weld County Site Specific Development Plan and Use by Special Review (USR) Permit (USR16-0009) on June 29, 2016.

Public Comment Review and Response Process

COGCC's rules provide for a public comment period for all new Form 2A, Oil and Gas Location Assessments and Form 2, Applications for Permit to Drill. Numerous public comments were made expressing concern with the proposed Vetting 15-H and Vetting Facility developments. Some public comments were general in nature regarding concern about large Oil and Gas facilities being proposed in areas that have nearby existing residential development. Other public comments included various specific concerns that were directly related to the proposed Vetting 15-H and Vetting Facility locations. COGCC reviewed the 15 unique public comments received for the Form 2A and Form 2 permit applications.

During the review, COGCC engaged with the operator, local government officials, and the Colorado Department of Public Health and Environment (CDPHE) regarding the Form 2A and the public comments. COGCC staff considered all public comments and, where necessary and appropriate, has prescribed Condition of Approval (COAs) to eliminate, minimize or mitigate potential adverse impacts to public health, safety, and welfare, including the environment, that were not otherwise addressed by COGCC Rules or operator proposed Best Management Practice (BMPs). The COGCC's Oil and Gas Location Assessment (OGLA) group, Permit group, and Engineering group reviewed these permit applications for compliance with our rules and has determined that approval of these Form 2As are consistent with COGCC's mission to foster the responsible development of the state's oil and gas resource and that the development can occur in a manner that will avoid or minimize adverse environmental impacts, and protect public health, safety and welfare. The following section discusses some of the specific concerns and issues raised during the public comment period.

Public Comment Responses

The public comments centered on five site specific concerns: 1) Proximity to Bella Romero School, 2) Truck traffic on Cherry Avenue and 24th Street, 3) Air & Odor emissions, 4) Noise mitigation, and 5) Inadequate public notification.

Proximity to Bella Romero School: The Vetting 15-H well pad and Vetting Facility locations are sited south and southeast of the Bella Romero School, respectively. The public comments that address concerns with the proximity of the Bella Romero School have indicated that the playground/ballfield area of the Bella Romero School is less than 1,000 feet from the two Vetting locations. By COGCC definition, public school buildings are considered to be High Occupancy Building Units. Per COGCC Rule 604.a.(3), no well or production facility shall be located 1,000 feet or less from a High Occupancy Building Unit without Commission approval following Application and Hearing. As sited, the nearest well on the Vetting 15-H location will be 1,360 feet from the Bella Romero School building. As sited, the nearest production facility on the Vetting Facility location will be 1,364 feet from the Bella Romero School building. COGCC Rules do not address a setback to the property boundary or playground associated with High Occupancy Building Units, only the building itself. Therefore, these two Vetting locations do not require a hearing before the Commission for approval due to their proximity to the Bella Romero School.

Truck Traffic on Cherry Avenue & 24th Street: Extraction submitted these two Form 2As indicating the locations would be accessed from Cherry Avenue to the west and the truck haul route to and from these locations would utilize Cherry Avenue and 24th Street to the south. They also indicated that they were seeking permit approval from the Colorado Department of Transportation (CDOT) to access these two locations directly off of Business U.S. Highway 34 to the east. The public comments that address truck traffic were concerned with the safety of students of Bella Romero School walking along Cherry Avenue and the general inconvenience to residents who live along those stretches of Cherry Avenue and 24th Street from the numerous truck trips that will be needed to construct, drill, complete, and produce these two locations. The COGCC conveyed to Extraction that based on these concerns we would not approve these two Form 2As until the permit process with CDOT was completed. Extraction has successfully obtained a permit from CDOT to access directly onto Business U.S. Highway 34 and have updated their Access Road Map and traffic BMPs to address this change. This will eliminate truck traffic along Cherry Avenue and 24th Street.

Air emissions & Odors: Several public comments expressed concern with the health effects of air emissions and odors associated with the two Vetting Location on the students at the Bella Romero School. Extraction has provided BMPs on these two Vetting Form 2As including conducting regularly scheduled inspections of equipment to identify liquid leaks, using a low VOC level base fluid for their oil based mud drilling fluid, using electricity to power the facilities to eliminate odors associated with combustion generators and/or engines, tying into an existing gas sales line infrastructure, and using Emission Control Devices and Vapor Recovery Units capable of reducing VOC emissions by at least 95%.

Noise mitigation: Extraction provided required Noise mitigation BMPs on these two Vetting Form 2As. These include construction of temporary sound walls around the north, south, and west sides of the Vetting 15-H location, hay bales on the east side of the Vetting 15-H location, and use of electric powered drill rig and production equipment. Extraction will also conduct monitoring of their production equipment to determine if additional permanent mitigation will be required.

Inadequate public notification: A few public comments addressed a concern that the parents of the students of Bella Romero School were not notified of this planned development. COGCC Rules required Extraction notify the surface owner of the location, the owners of Building Units within 1,000 feet, and the local government that they are permitting oil and gas locations with the COGCC. Extraction has indicated they have worked with the school district administrators to inform them of their planned

operations. Additionally, a USR permit from Weld County was required. Weld County's USR process included public hearings on Extraction's planned development.