

PIONEER

NATURAL RESOURCES

Pioneer Natural Resources USA Inc.
5205 N. O'Connor Blvd. Suite 200
Irving, Texas 75039-3746
Main: 972-444-9001 Fax: 972-969-3576

March 20, 2017

Director Matt Lepore
Colorado Oil & Gas Conservation Commission
1120 Lincoln Street, Suite 801
Denver, Colorado 80203

RE: COGCC Rule 502.b Variance Request for 1001.c Surface Owner Waiver
for the Gabriel 14-12, API# 05-071-09418, Location ID: 386820
Township 34 South, Range 65 West, 6th P.M.
Section 12: SW/4SW/4
Las Animas County, Colorado

Dear Director Lepore,

We have obtained a Surface Owner Waiver under Rule 1001.c for final reclamation of the Gabriel 14-12 location and related access road. We have performed final reclamation on this location in accordance with the surface owner's request. Due to the surface owner's final reclamation requests of the well pad and access road, we are requesting your approval for a variance from requirements of Rule 1004. (a) as specified in Section III "Reclamation Plan Details" of the Site-Specific Final Reclamation Plan within this document. We have provided all of the information and documentation in accordance with COGCC Operator Guidance on Rule 1001.c: Reclamation Variances and Waives from December 17, 2015.

Pioneer has entered into an agreement with the surface owner regarding topsoil protection and reclamation of the Gabriel 14-12 location. Pioneer has also completed an evaluation of whether public health, safety and welfare will be protected and significant adverse environmental impacts would be prevented if compliance with specified provisions of Rule 1004 is not required. Pioneer's evaluation, along with evidence and demonstrations are included in the Site-Specific Reclamation Plan included in this letter.

The following attached documents contained in this letter for the Gabriel 14-12 were developed in accordance with the December 17, 2015 version of the COGCC 1001.c: Reclamation Variances and Waivers guidance document:

(1) "Surface Owner Reclamation Letter Agreement" and "Reclamation Consultation Form"

*These two documents fulfill the five requirements of Section I in the December 17, 2015 version of the COGCC 1001.c: Reclamation Variances and Waivers" guidance document.

(2) "Site Specific Final Reclamation Plan"

*This document, along with all images and exhibits, fulfill the eight requirements of Section II.B in the December 17, 2015 version of the COGCC 1001.c: Reclamation Variances and Waivers" guidance document.

(3) Pioneer's Field-Wide Final Reclamation Plan and Best Management Practices

*This document provides more detailed information concerning the local environment and land conditions in the Raton Basin where Pioneer operators, as well as more detailed information concerning Pioneer's application and use of specific reclamation practices and techniques.

We have made a good faith effort to provide the necessary information and evidence requested in the December 17, 2015 version of the COGCC 1001.c: Reclamation Variances and Waivers guidance document in order for the Director to evaluate our request for waiving specified provisions of Rule 1004 to fulfill the surface owner's requests for final reclamation.

We respectfully ask you to review and approve our variance request from the specified sections of the 1004 final reclamation requirements.

Sincerely,

Pioneer Natural Resources USA, Inc.

A handwritten signature in black ink that reads "Kathryn Q. Gillen". The signature is written in a cursive style with a light gray rectangular background behind it.

Kathryn Q. Gillen
Environmental Specialist II

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**Surface Owner Reclamation
Letter Agreement**

Rule 1001.c. Surface Owner Waiver of 1000-Series Rules
(Attachment)

PIONEER

NATURAL RESOURCES

Pioneer Natural Resources USA, Inc.
5205 N. O'Connor Blvd. Suite 200
Irving, Texas 75039-3746
Main: 972-444-9001 Fax: 972-969-3576

November 29, 2016

Meredith Lynn Laine
5816 Mossycup Court
Loveland, CO 80538

Re: Final Reclamation Agreement
Gabriel 14-12
Township 34 South, Range 65 West
Section 12: SW/4SW/4
Las Animas County, Colorado

Dear Madam,

Pioneer Natural Resources USA, Inc. ("Pioneer") consulted with you on October 14, 2016 concerning final reclamation on your property following the abandonment of the Gabriel 14-12 location. This location was constructed but never drilled, and was officially abandoned on January 28, 2014. A copy of your consultation has been included for your reference.

During our consultation with you concerning final reclamation on your property, you requested that Pioneer not reclaim certain features of the location to the pre-construction conditions. This letter agreement (including any exhibits) sets forth the agreement between you and Pioneer regarding final reclamation.

Exhibit "A" to this letter agreement sets forth the specific reclamation plan for your property, including, identifying those specific portions of the access road and/or the location for which you have requested Pioneer waive final reclamation requirements under Colorado Oil and Gas Conservation Commission ("COGCC") Rule 1004 and a description of the reclamation plans on those areas that are not subject to the waiver. Pioneer shall conduct its final reclamation in accordance with such plan.

The reasons you have provided for waiving Pioneer's obligation to preform final reclamation include:

- 1) Landowner requests the flat area of the location be left in place for a camp site and the access road, which existed prior to pad construction, will be used to access to flat area.
- 2) Landowner prefers the Pioneer Interim seed mix to seed the areas as specified in the consultation form.

By waiving Pioneer's obligations for final reclamation required under COGCC Rule 1004 as set forth in this letter agreement, you are acknowledging that the current condition of the portions of the access road and/or oil and gas location subject to the waiver is satisfactory to

you. By executing below and agreeing to the reclamation plan set forth in this letter agreement (including Exhibit "A"), you acknowledge that you are knowingly and forever waiving all reclamation protections otherwise afforded by COGCC Rule 1004.

This letter agreement contains all of the agreements, conditions, promises and covenants between the parties with respect to the subject matter hereof and supersedes all prior or contemporaneous agreements, representations or understandings with respect to the subject matter hereof. This letter agreement shall be binding upon and inure to the benefit of the parties and their respective agents, officers, employees, shareholders, directors, insurers, legal representatives, heirs, successors and assigns. This letter agreement shall be construed and governed in accordance with the laws of the State of Colorado without regard to the choice of law provisions thereof. This letter agreement may be executed via facsimile or email by PDF format in one or more counterparts, all of which when taken together shall constitute one agreement.

If you are in agreement with the terms and conditions of this letter agreement, please sign below and return a fully executed copy of this letter in the enclosed self-addressed stamped envelope, or scan and email to chris.hollmann@pxd.com

Sincerely,

Pioneer Natural Resources USA, Inc.


Chris Hollmann
Staff Landman

ACCEPTED AND AGREED:

 12-14-2016
Meredith Lynn Laine Date

EXHIBIT "A"

Final Reclamation Agreement

COGCC FACILITY/LOCATION STATUS: ACTIVE		Location ID: 386820	
API	Well Name	Location	COGCC Rule Variance
05-071-09418-0000	Gabriel 14-12	T34S-R65W Sec.12: SW/4SW/4	1004.a Line(s) 3, 4, 5 and 6

This document sets forth the specific reclamation plan for your property, including, identifying those specific portions of the access road and/or the location for which you have waived Pioneer's reclamation requirements under COGCC Rule 1004; and a description of the reclamation plans for those areas that are not subject to the waiver. Pioneer shall conduct its final reclamation in accordance with this plan.

- 1) The access road existed prior to well site construction and will be left in place with gravel. Water bars or similar erosion controls will be fixed or added in two places along the road and the gate will be left in place;
- 2) The well pad will not be returned to pre-disturbance contour. The well pad shall remain flat with gravel and the pit will be backfilled and reseeded. The 'run on' ditches will be left around to pad and the sediment trap at the SE corner will be removed and a rocked (riprap) ditch will be added to the culvert;
- 3) Areas that require re-seeding will be seeded with the Pioneer Interim seed mix.

All other reclamation requirements required in COGCC Rule 1004 will be completed by Pioneer. Additionally, Pioneer shall preform all reclamation requirements as specified in COGCC Rule 1004 which cannot be waived by the Surface Owner.

The Gabriel 14-12 location has been abandoned. All Pioneer trash and debris shall be removed from the location. Pioneer will be responsible for noxious weed control and stormwater management on location per COGCC Rule 1002.f until the COGCC Final Reclamation Inspection and approval for release of the location.

Well Pad for Gabriel 14-12 T34S, R65W, Sec 12: SW/4SW/4



Right-of-Way for Gabriel 14-12 T34S, R65W, Sec 12: SW/4SW/4



**Pioneer Final Reclamation
Consultation Form**

Rule 305.f. (6) Final Reclamation Consultation

(Attachment)

Final Reclamation Landowner
Consultation Form

WELL NAME: GABRIEL 14-12

TWN 345 RNG 65 W QTR/QTR SW/SW

Please confirm below if the road corridor and any associated stream or drainage crossing(s) on your property utilized by Pioneer to access this well existed prior to the drilling of the well:

Existed prior to well drilling
Description of original road or
corridor: _____

What are your requests involving the well pad and associated access road on your property?
Do you want Pioneer to perform:

Full Reclamation and restore all disturbed areas as nearly as practicable to predrilling conditions within the boundaries of the surface use agreement
Description _____

Partial Reclamation (identify improvements of value to you as a landowner (well pad, road, etc.) that you would like to retain
Description WELL PAD WILL PROVIDE GREAT PLACE FOR CAMP SITE

Seed Mix to be used for Reclamation Reseeding and Revegetation

Use Recommended NRCS Seed Mix
Comments or changes to this mix: _____

Use Landowner Specified Seed Mix
Comments USE PNR INTERIM MIX

(Provide seed mix tag for variance request)

Reclamation of Access Road(s)

What are your specific requests involving the access road on your property associated with this well?
Do you want Pioneer to:

Close the access road and reclaim and recontour. Grade and remove all culverts and any other road improvements and obstructions (fences, gates, cattle guards) that were a part of the access road.
Comments: _____

Leave access road, culverts, and other stormwater controls in place for Landowner's use.
Comments: ADD WATER BAR OR RACKED DIP IN TWO PLACES

Reclamation or other work to be completed on access road(s) if Landowner requests that the road be left in place for the Landowner's use;

Landowner's reason for keeping the access road and intended land use: ROAD WAS IN PLACE BEFORE BUILDING OF PAD. IS USED TO ACCESS PROPERTY

Access Road

- Regrade road
- Fix or add erosion and stormwater controls
- Rip and seed Road

Gravel on access road(s) if seeding:

- Remove prior to seeding/ Seed
- Leave in place

Gate to Access Road

- Remove
- Leave in place

Access road to be left in place (show on photo or map): _____

Access road to be closed (if any, as shown on photo or map): _____

Reclamation of Well Pad

- Reclaim well pad to, remove gravel, recontour and reseed

Comments: _____

- Leave well pad in place with location of plugged well appropriately marked

Comments: _____

Reclamation work to be completed on well pad if Landowner requests that well pad be left in place for future use

Landowner's reason for keeping the well pad and intended final designated land use: CAMP SITE

Size of well pad to be left in place (indicate on map, drawing, or photo): _____

Portions of well pad to be reclaimed (indicate on map, drawing or photo): _____

Gravel on well pad

- Remove/ Reseed
- Leave Gravel/ Reseed
- Leave Gravel/ NO Reseed

Comments: FILL IN PIT. REMOVE CELLAR RESERO AREA.

- Show location of additional stormwater, erosion control structures to be added on photo, map or drawing

The COGCC rules require certain actions on the part of Pioneer which cannot be waived by a landowner. Here are some examples of activities Pioneer must perform until COGCC approves final reclamation upon inspection and releases well site from bond:

- Remove all Pioneer oil and gas production equipment from location
- Remove all Pioneer waste material and debris onsite
- Reclaim all pits, cellars, rat holes and other bores
- Remove guy line anchors
- Perform noxious weed control
- Stabilize areas disturbed during operations and reclaim location for erosion control
- Install stormwater management controls on affected location
- Ensure that leaving a road or well pad in place will not result in significant environmental impact

Comments/Other:

LANDOWNER REQUESTS TO LEAVE ROW ON DITCHES AROUND PAD TO HELP WITH EROSION CONTROL. REMOVE SEDIMENT TRAP AT SE CORNER AND ADD ROCKS DITCH TO CULVERT.

Pioneer represented by:

[Handwritten Signature]

(Sign)

RYAN COBERLY

(Print)

Discussed this

14th

day of

October

2016

NOTE: THIS FORM IS FOR THE PURPOSE OF OBTAINING SURFACE OWNER REQUESTS REGARDING THE MATTERS SET FORTH ABOVE AND EXECUTION OF THIS FORM IS NOT INTENDED TO CREATE A BINDING AGREEMENT. ALL REQUESTS ARE SUBJECT TO OPERATOR & COGCC APPROVAL AND IN ACCORDANCE WITH ALL GOVERNMENTAL REGULATIONS IN EFFECT.

Once final reclamation has been performed by Pioneer and approved by the COGCC, Pioneer (the OPERATOR) IS NOT RESPONSIBLE FOR future MAINTENANCE Of WELL PADS OR RIGHTS OF WAY or access roads on your property.

Surface Owner Signature:

[Handwritten Signature]

(Sign)

MEREDITH L LANE

(Print)

(Sign)

(Print)

Owner's Address:

5816 MOSSY CUP CT Loveland CO 80538

Telephone No.:

970-481-1171

Requests made on this form shall be formalized in a letter agreement prepared by a Pioneer Landman. The letter agreement will be sent to you for signature and once the plan set forth in such letter agreement is approved by the COGCC the letter agreement shall be a binding agreement between Pioneer and you as the landowner for the subject well.



RESULTS: AREA
UNIT: acres

AREA: 1.0 AC

- WELL LOCATION
- PIT LOCATION
- PIT LINED
- PIT PERMITTED
- SEEDING
- PITS WATER QUALITY
- WORK ORDER
- WATER WELL

CBM WELL	
CBM WELL DETAILS	
Well Name	GABRIEL 14-12
Well Type	CBM
API	05071094180000
Unit	Long Canyon
Spud Date	
Well Status	NOT DRILLED
Suitable for Road Spreading?	N/A
COGCC Record	Click Here
Qtr-Qtr	SWSW
Section	12
Township	34S
Range	65W
Lat NAD83	37.09541
Long NAD83	-104.62981
Land Ownership	MEREDITH LAINE 10058501
Foreman	John Garcia
ASSOCIATED PITS	
Pit Name	GABRIEL J 14-12(05-071-09418-P1)
PitID	05-071-09418-P1
Pit Status	UNDER REVIEW
Pit Lat NAD83	37.09536
Pit Long NAD83	-104.62941
Location	On Pad
Pit Ever Constructed	True
Pit Permit No (Facility ID)	
COGCC Record	N/A



The surface owner requested during the final reclamation consultation and has entered into an agreement with Pioneer concerning these specified reclamation plans; that the well pad should not be returned to contour; that the gravel should not be removed from the flat portions of the well pad; that the pit will be backfilled and reseeded; that the run on ditches will be left around the pad; and that the sediment trap in the SE corner will be removed and a ditch added; Pioneer will leave some disturbed areas compacted, stabilized and covered with gravel that will remain in place to minimize new soil disturbance and minimize soil erosion; and that the well pad should be drilled and seeded with the PNR interim seed mix.

In order to fulfill the surface owner's requests concerning final reclamation Pioneer is seeking a variance for the below specified portions of the well pad from select requirements in Rule 1004.(a):

Rule 1004.a;

- 1) Sentence 3 – “All access roads to plugged and abandoned wells and associated production facilities shall be closed, graded and re-contoured.”**
- 2) Sentence 5 – “Well locations, access roads and associated facilities shall be reclaimed.”**
- 3) Sentence 6 – “As applicable, compaction alleviation, restoration, and re-vegetation of well sites, associated production facilities, and access roads shall be performed to the same standards as established for interim reclamation under Rule 1003.”**

and Rule 1004.c.(2);

- 4) Sentence (1) – On non-crop land, reclamation has been performed as per Rules 1003 and 1004, and disturbed areas have been either built on, compacted, covered, paved, or otherwise stabilized in such a way as to minimize erosion to the extent practicable, or a uniform vegetative cover has been established that reflects pre-disturbance or reference area forbs, shrubs, and grasses with total percent plant cover of at least eighty percent (80%) of pre-disturbance or reference area levels, excluding noxious weeds, as determined by the Director through a visual appraisal.**

Since the surface owner has requested that the gravel be left on the well pad the vegetative growth will not likely reach a total percent plant cover of eighty percent (80%) of pre-disturbance or reference area levels; therefore, a variance from rule 1004.c.(2) has been requested as a requirement for achieving successful final reclamation thresholds for release of financial assurance.

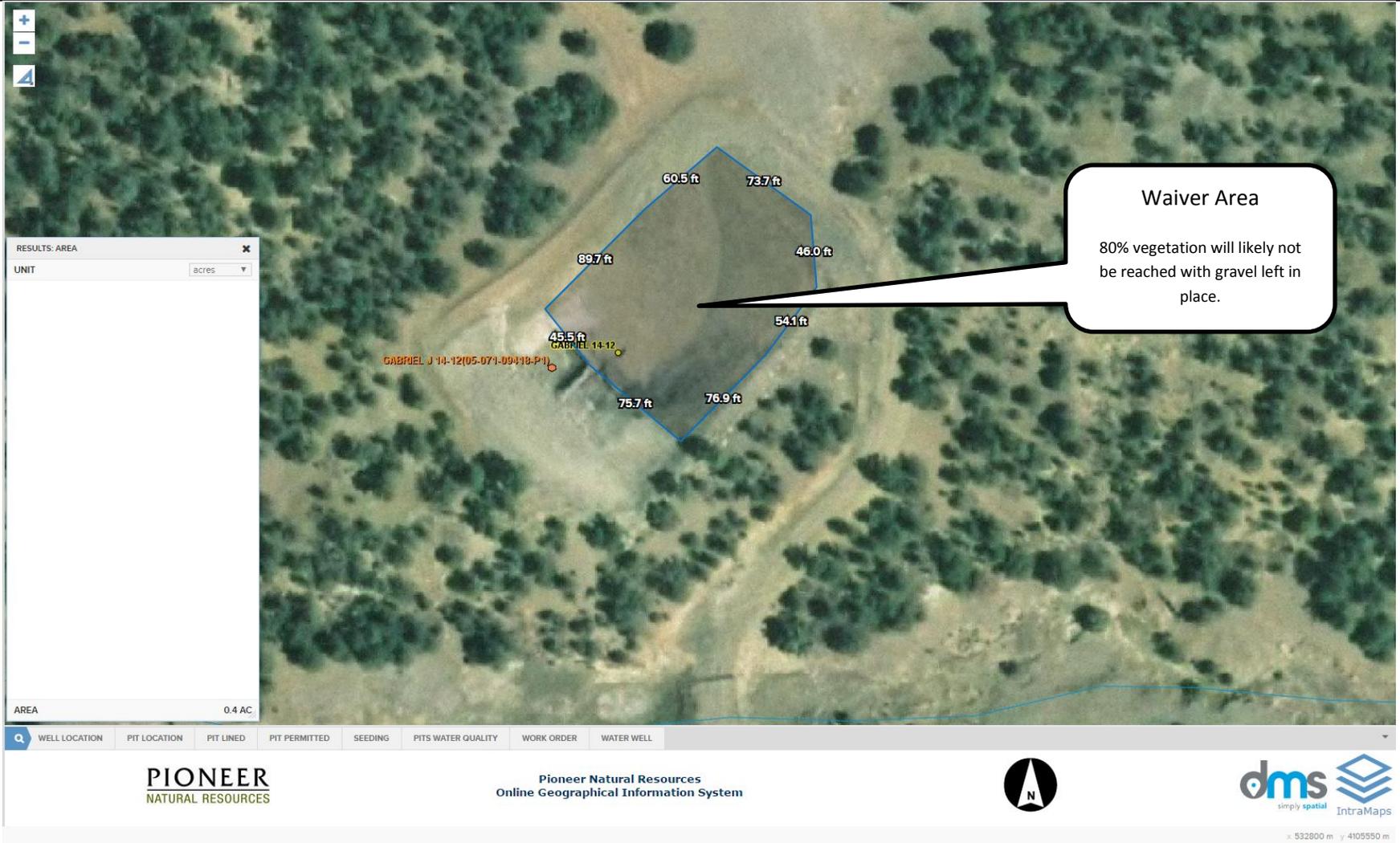
Pioneer has performed all other specified requirements in 1004.(a) on the Gabriel 14-12 location including;

- Sentence 1 – “All pits, mouse and rat holes and cellars shall be backfilled.”
- Sentence 2 – “All debris, abandoned gathering line risers and flowline risers [if existed] have been removed.”
- Sentence 2 – Guy line anchors and guy liner anchor markers have been removed.
- Sentence 7 – “All other equipment, supplies, weeds, rubbish, and other waste materials that existed on location have been removed.”

Additionally, Pioneer has performed the following reclamation work on the well pad to achieve successful reclamation on the location and to a condition satisfactory to the surface owner.

- The cut slope where the well pad was constructed was graded to achieve slope stabilization.
- The slope was cross-rippled and seeded to establish slope stabilization.
- The surface owner requested the PNR interim seed mix be used to seed the well pad.
- Stormwater BMPs were constructed and maintained to achieve site stabilization.
- Pioneer has performed additional seeding on the well pad as needed.

After all reclamation has been completed, disturbed surface of the “Waiver Area” for the well pad is approximately 0.4 acres (down from 1.0 acres) (see **Image B** below). Pioneer left some disturbed areas compacted, stabilized and covered with gravel that will remain in place to minimize new soil disturbance and minimize soil erosion.



Access Road ROW

The annotated polygon on the aerial image (see **Image C** below) is the approximate, disturbed surface area before reclamation work was completed. The disturbed area of the Gabriel 14-12 access road for Pioneer operations was approximately 0.3 acres (less than 1 acre).

The surface owner requested during the Final Reclamation Consultation and has entered into an agreement with Pioneer concerning these specified reclamation plans; that the Right-of-Way (access road) existed prior to well site construction and will be left in place with gravel; that water bars or similar erosion controls will be fixed or added in two places along the ROW; that the gate will be left in place; and that any spots along the Right-of- Way (access road) should be seeded with the PNR interim seed mix.

In order to fulfill the surface owner's requests concerning final reclamation, Pioneer is seeking a variance for the specified below portions of the Right-of-Way (access road) from select requirements in Rule 1004.(a):

5) Sentence 3 – “All access roads to plugged and abandoned wells and associated production facilities shall be closed, graded and re-contoured.”

6) Sentence 4 – “Culverts and any other obstructions that were part of the access road(s) shall be removed.”

7) Sentence 5 – “Well locations, access roads and associated facilities shall be reclaimed.

8) Sentence 6 – “As applicable, compaction alleviation, restoration, and re-vegetation of well sites, associated production facilities, and access roads shall be performed to the same standards as established for interim reclamation under Rule 1003.

and Rule 1004.c (2);

9) Sentence 1 – “On non-crop land, reclamation has been performed as per Rules 1003 and 1004, and disturbed areas have been either built on, compacted, covered, paved, or otherwise stabilized in such a way as to minimize erosion to the extent practicable, or a uniform vegetative cover has been established that reflects pre-disturbance or reference area forbs, shrubs, and grasses with total percent plant cover of at least eighty percent (80%) of pre-disturbance or reference area levels, excluding noxious weeds, as determined by the Director through a visual appraisal.”

Since the surface owner has requested that the gravel be left on the Right-of-Way (access road) the vegetative growth will not likely reach a total percent plant cover of eighty percent (80%) of pre-disturbance or reference area levels; therefore, a variance from rule 1004.c.(2) has been requested to waive this requirement for achieving successful final reclamation thresholds for release of financial assurance.

Pioneer performed the following reclamation work on the Right-of-Way (access road) to achieve successful reclamation on the location and to a condition satisfactory to the Surface Owner:

- The cut slope where the ROW was constructed was graded to achieve slope stabilization.
- The slope was cross-rippled and seeded to establish slope stabilization.
- The surface owner requested the PNR interim seed mix be used.
- Stormwater BMPs were constructed and maintained to achieve site stabilization.



RESULTS: AREA
UNIT: acres

AREA: 0.3 AC

- WELL LOCATION
- PIT LOCATION
- PIT LINED
- PIT PERMITTED
- SEEDING
- PITS WATER QUALITY
- WORK ORDER
- WATER WELL

CBM WELL	
CBM WELL DETAILS	
Well Name	GABRIEL 14-12
Well Type	CBM
API	05071094180000
Unit	Long Canyon
Spud Date	
Well Status	NOT DRILLED
Suitable for Road Spreading?	N/A
COGCC Record	Click Here
Qtr-Qtr	SWSW
Section	12
Township	34S
Range	65W
Lat NAD83	37.09541
Long NAD83	-104.62981
Land Ownership	MEREDITH LAINE 10058501
Foreman	John Garcia
ASSOCIATED PITS	
Pit Name	GABRIEL J 14-12(05-071-09418-P1)
PitID	05-071-09418-P1
Pit Status	UNDER REVIEW
Pit Lat NAD83	37.09536
Pit Long NAD83	-104.62941
Location	On Pad
Pit Ever Constructed	True
Pit Permit No (Facility ID)	
COGCC Record	N/A



Image D provides an overview of well pad and Right-of-Way reclamation tasks for the Gabriel 14-12 location



Well Pad
-Will not be returned to countour
-Ditches around well pad will be left and sediment trap removed from SE corner
-80% vegetative cover not likely reached with gravel being left in place
-PNR interim seed mixture to be used per landowner request

ROW
-Existed prior to well site construction
-Water bars and similar controls to be repaired or added where necessary
-80% vegetative cover not likely reached with gravel left and continued use

Beginning of Disturbance

Photographs of Location

Photographs of location fulfillment of the **Section II.B.2- Section II.B.4 and Section II.B.6 and 7** of the COGCC Rule 1001.c Reclamation Variances and Waivers” guidance document dated December 17, 2015.

(Attachment)



Picture 1. Well pad will be left in place for use by landowner as a future camp site.



Picture 2. All areas were seeded using the PNR interim mix as requested by the landowner.



Picture 3. Sotrmwater controls were added or improved and left in place.



Picture 4. Road was in place before oil and gas activities. All improvements left in place.

COGCC FORM 6 – WELL ABANDONMENT REPORT

“Approved Well Abandonment – Subsequent Form 6” in fulfillment of the **Section II.B.I** of the COGCC Rule 1001.c Reclamation Variances and Waivers guidance document dated December 17, 2015.

(Attachment)

Well pad was built but never drilled and will not require a Form 6

COGCC FORM 27- REMEDIATION WORK PLAN

Facility Closure for Production Pit

“Approved Remediation Work Plan Form 27” in fulfillment of the **Section II.B.8** of the COGCC Rule 1001.c Reclamation Variances and Waivers” guidance document dated December 17, 2015.

(Attachment)

Well pad was built but never drilled and will not require a Form 27

**CHECKLIST OF INFORMATION and DOCUMENTATION PROVIDED FOR
DIRECTORS' REVIEW & APPROVAL OF 1001.c: RECLAMATION VARIANCE
REQUEST**

In fulfillment of COGCC Rule 1001.c Reclamation Variances and Waivers guidance document dated
December 17, 2015.

IV -- Guidance Document Section I Requirements

Section I of the “Rule 1001.c Reclamation Variances and Waivers” guidance document dated December 17, 2015 requires a signed agreement between the operator and the surface owner. Specifically, there are five bullet points that highlight these requirements. Many of these requirements have been addressed with a signed agreement with the surface owner that is attached to this variance request.

Completeness Checklist

Rule 1001.c Reclamation Variances and Waivers” guidance document dated December 17, 2015. Below is a checklist and summary of where the requirements have been fulfilled in the attachments contained in this variance request:

Rule 1001.c Reclamation Variances and Waivers” guidance document Section I.1 through I 1.5

I.1 A clear description of the specific portions of an access road or oil and gas location for which the surface owner is waiving the operator’s obligation to perform interim or final reclamation.

Requirements fulfilled in attached Documents:

- ✓ **Listed in Exhibit A of the “Surface Owner Reclamation Letter Agreement”**
- ✓ **Maps contained in Site Specific Final Reclamation Plan**

I.2 A brief explanation of the surface owner’s reasons for waiving the operator’s obligation to perform interim or final reclamation for the specified portions of an access road or oil and gas location.

Requirements fulfilled in attached Documents:

- ✓ **Landowner Reclamation Letter Agreement**

I.3 The surface owner’s acknowledgement that the current condition of the portions of the access road or oil and gas location subject to the waiver is satisfactory to the surface owner or will be satisfactory once the operator performs the agreed upon plan.

Requirements fulfilled in attached Documents:

- ✓ **Signed Landowner Reclamation Letter Agreement**

I.4. For interim reclamation waiver requests, the surface owner’s acknowledgement.

- ***DOES NOT APPLY TO THIS LOCATION SINCE IT IS 1004. FINAL RECLAMATION***

I.5 In addition to items 1 through 4, above, if an operator intends to seek a variance under Rule 502.b. to be relieved from its obligation to comply with specified provisions of Rule 1004 – Final Reclamation Well Sites and Associated Production Facilities – the following information should be included in a written agreement:

a. The surface owner’s acknowledgement that once the variance is approved and all agreed upon actions have been conducted the surface owner knowingly, and forever, waives all reclamation protections otherwise afforded by the specified provisions of Rule 1004; and

b. A brief description of the operator’s plans for compliance with the specified provisions of Rule 1004 on areas of the oil and gas locations or access roads that are not subject to the variance.

Requirements fulfilled in attached documents:

- ✓ **Listed in Exhibit A of the “Landowner Reclamation Letter Agreement”**
- ✓ **305.f.(6) Final Reclamation Consultation Form**
- ✓ **Maps and description contained in Site Specific Final Reclamation Plan**

V -- Guidance Document Section II.B Requirements

Section II.B of the “Rule 1001.c Reclamation Variances and Waivers” guidance document dated December 17, 2015 describes the baseline information necessary for COGCC to evaluate whether public health, safety and welfare will be protected and significant adverse environmental impacts prevented if compliance with specified provisions of Rule 1004 is not required. There are eight bullet points that highlight the baseline evidence and information for COGCC evaluation.

Completeness Checklist: Rule 1001.c Reclamation Variances and Waivers guidance document dated December 17, 2015. Below is a checklist and summary of where the requirements have been fulfilled in the attachments contained in this variance request:

Rule 1001.c Reclamation Variances and Waivers guidance document Section II.B through II.B.8

II.B.1 Evidence that all wells on the location are plugged and abandoned, and that a Form 6 subsequent was submitted for each well.

Requirements fulfilled in attached documents:

- ✓ **Well was never drilled, therefore no form 6 was required**

II.B.2 Evidence that all oil and gas equipment has been removed from the location, including flowline risers and gathering line risers.

Requirements fulfilled in attached documents:

- ✓ **Attached photos of the location**

II.B.3 Evidence that trash and debris belonging to the operator or its agents has been removed from the location.

Requirements fulfilled in attached documents:

- ✓ **Attached photos of the location**

II.B.4 Evidence that noxious weeds have been controlled as required by Rule 1004.

Requirements fulfilled in attached documents:

- ✓ **Attached photos of the location**
- ✓ **Reference Pioneer’s Field-Wide Reclamation and Best Management Practices**

II.B.5 Documentation showing the operator consulted in good faith with the surface owner regarding final reclamation pursuant to Rule 305.f.(6) Information describing the consultation (who, what, where, when) should be provided.

Requirements fulfilled in attached documents:

- ✓ **305.f.(6) Final Reclamation Consultation Form**

II.B.6 Documentation of the existing state/condition of reclamation for the entire location.

Requirements fulfilled in attached documents:

- ✓ **Attached photos of the location**

II.B.7 Documentation detailing how the oil and gas location will be stabilized and details about what required stormwater management controls will be in place prior to COGCC's final signoff reclamation inspection.

Requirements fulfilled in attached documents:

- ✓ **Attached photos of the location**
- ✓ **Site-Specific Final Reclamation Section III Plan Reclamation Plan Details**

II.B.8 The operator's analysis of how public health, safety, and welfare will be protected and significant adverse environmental impacts prevented if compliance with the specified provisions of Rule 1004 receive a variance.

Requirements fulfilled in attached documents:

- ✓ **Site-Specific Reclamation Plan**
- ✓ **The Form 2A was reviewed to identify specific information relevant to the evaluation of potential impacts and standards for final reclamation**

Analysis of Public Health, Welfare, Safety and Adverse Environmental Impact

Pioneer has evaluated if variance from compliance with the specific sections of the 1004.(a) rule requested for this location prevent the protection of public health, public welfare, and public safety and if compliance with the specified sections of rule 1004.(a) are necessary to prevent significant adverse environmental impacts. The depth of Pioneer's analysis was conducted in accordance with the scope of the variance requested. In cases where Pioneer utilized existing ranch roads, the enhanced construction of the road directly benefits the land owner adding economic value and utility to their property. The surface owner's request to retain flat surface areas of the well pad and the access roads for future access does not present any significant adverse impact to the environment. Pioneer has performed reclamation on disturbed areas in order to achieve overall soil stability. The analysis expected by COGCC as stated in the final paragraph of Section II.B. 8 in the Rule 1001.c Reclamation Variances and Waivers" guidance document include: "1) the specific nature of the location, including urban vs. rural, proximity to surface water, wildlife areas, 317B area, or sensitive area classification have been completed and verified using information about the location in official records provided to COGCC. (e.g. Form 2A, Form 27, COGCC Map GIS Layers for Wildlife, Sensitive Area, 608.b Water Wells, 317B Areas etc.); and "2) comparative benefits of re-contouring and reseeding vs. just reseeding" is discussed in detail in our *Raton Basin Field-Wide Final Reclamation Plan and Best Practices*, which has been provided to COGCC Reclamation Staff for review.

Public Health

The specified variances requested from Rule 1004. (a) for the Gabriel 14-12 well pad and access road are minor requests which have minimal potential for negative impact on public health. Pioneer is not requesting any variance from the reclamation requirements of the COGCC 1000 or 900 series rules for any aspect of reclamation of the gas operations at the location that would adversely affect public health.

- ✓ The fulfillment of waste remediation under the COGCC 900 series rules was successfully completed for the site/facility remediation and closure of the production pit associated with the Gabriel 14-12. The Gabriel 14-12 location was never drilled and therefore no form 27 was required.

- ✓ The Reclamation Rule variance requests as specified in “Exhibit A” and the “Site-Specific Plan” do not trigger under COGCC 1000 Reclamation Rules the requirement to consult with Colorado Department of Public Health and Environment or Division of Water Resources. *Verified in Form 2A, COGIS Database-Water Resources, Colorado Parks and Wildlife, Surface Ownership Layers
- ✓ Variance from compliance with the specific sections of Rule 1004.(a) which have been requested for this location are remotely or unrelated to public health as the location has been remediated of all oil and gas waste and there are no potential receptors in close proximity; therefore it will have minimal potential to negatively impact public health.

Public Welfare

The specified variances requested from Rule 1004.(a) for the Gabriel 14-12 well pad and access road are minor requests which will not prevent the protection of public welfare. The enhanced construction of the road and well pad directly benefits the surface owner adding economic value and utility to their property. Pioneer is not requesting any variance from the reclamation requirements of the 1000-series rules for any aspect of reclamation of the gas operations at the location that is likely to adversely affect public welfare.

- ✓ The Gabriel 14-12 location is on private property with restricted access to the public.
- ✓ The Gabriel 14-12 location is not on cropland and the adjacent land use is non-cropland.
- ✓ The county zoning for the Gabriel 14-12 location is classified as “rural.” The reclamation requests by the surface owner for the Gabriel 14-12 location are consistent with the local county land use zoning standards. *Verified in Las Animas, County Zoning Maps
- ✓ Variance from compliance with the specific sections of Rule 1004.(a) which have been requested for this location have minimal potential to negatively impact public welfare rather, the variance allows for the surface owner to retain features of the location which add value to the property. Variance from the reclamation rules requested for this location will have minimal potential to negatively impact public welfare.

Public Safety

The specified variances requested from Rule 1004.(a) for the Gabriel 14-12 well pad and access road are minor requests which will not prevent the protection of public safety. Pioneer is not requesting any variance from the reclamation requirements of the 1000-series rules for any aspect of reclamation of the gas operations at the location that would endanger public safety.

- ✓ Variance from compliance with the specific sections of Rule 1004.(a) which have been requested for this location are unrelated to public safety as the location is under private property ownership with restricted access to the public, and no feature(s) of the oil, and gas operations have been left unreclaimed that could be a public safety hazard; therefore, it will have minimal potential to endanger public safety.

Environmental Impacts

The specified variances requested from Rule 1004.(a) for the Gabriel 14-12 well pad and access road are minor requests which are unlikely to result in any significant adverse environmental impact. The location has been remediated of all oil and gas equipment and waste that could potentially impact the environment in accordance with COGCC rules. The location has been reclaimed to meet the conditions for final land use as set by the surface owner. Pioneer is not requesting any variance from the reclamation requirements of the 1000-series rules for any aspect of reclamation of the gas operations at the location that could potentially result in a significant adverse environmental impact.

- ✓ The Gabriel 14-12 location is not within an “Urban Mitigation Area” as defined in the COGCC definitions. *Verified in Form 2A, COGIS Database
 - 0 Urban Mitigation Areas within ½ mile
 - Nearest Urban Mitigation Area greater than 1 mile

- ✓ The Gabriel 14-12 location is not within a Sensitive Wildlife Habitat or a Restricted Surface Occupancy Area. *Verified in Form 2A, COGIS Database
 - 0 Sensitive wildlife habitats within ½ mile
 - Nearest Sensitive Wildlife Habitat is greater than 1 mile
 - 0 Restricted Surface Occupancy Areas within ½ mile
 - Nearest Restricted Surface Occupancy Area greater than 1 mile

- ✓ The Gabriel 14-12 location is not within a zone defined in COGCC Rule 317B.*Verified in Form 2A, COGIS Database
 - Nearest Rule 317B area greater than 1 mile

- ✓ The Gabriel 14-12 location is not in a designated wetlands area and did not require any Army Corp of Engineers Section 404 Permit. *Verified in Form 2A, COGIS Database
 - 1 designated wetlands areas within ½ mile
 - Nearest designated wetlands area 275’

- ✓ The Gabriel 14-12 location has 5 likely receptors i.e., water wells, surface waters, Public Water Supply Systems etc. within ½ mi *Verified in Form 2A, COGIS Database-Water Resources Layer
 - Nearest permitted Water Well-1055’ (based on SEO database)
 - 4 permitted water wells within ½ mile
 - Nearest live surface water-275’ (USGS 24K series topo map waterway)
 - 1 live surface water bodies within ½ mile

- ✓ Variance from compliance with the specific sections of Rule 1004.(a) which have been requested for this location have minimal potential result in any significant adverse environmental impact as the location has achieved soil stabilization and contains no environmentally hazardous materials or features. The Gabriel 14-12 location is not on Colorado Parks and Wildlife land or within RSO or SWH area, there are two perennial, surface water body within a ½ mile radius of the location; however, the features of the location for which a variance has been requested, pose no substantial risk of impacting the surface water bodies in any way; therefore, the variances requested for this location will have minimal potential to result in any significant adverse environmental impact.

Field-Wide Reclamation and Best Management Practices

Pioneer has created a Field-Wide Final Reclamation Plan which documents the process for evaluating the potential impacts of the variance requests. This document also provides important information concerning the reclamation objectives for every Pioneer location subject to the COGCC 1003 and 1004 rules. Pioneer uses this plan to meet the reclamation performance standards described in COGCC Rule 1003 and 1004. Pioneer's reclamation practices are adapted to the site specific conditions, environmental constraints, and the landowner preferences. Included in the Field-Wide Reclamation Plan are the procedures and practices Pioneer employs for all areas of the location for which Pioneer is not seeking variance from the reclamation requirements under COGCC 1004. Pioneer has provided our *Raton Basin Field-Wide Reclamation and Best Management Practices* to COGCC Reclamation Staff. This document was provided to COGCC Reclamation Staff to accompany Pioneer's Reclamation variance requests under Rule 1001.c.