



April Pohl
Permitting Specialist

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ATTACHED TO FORM 4, SUNDRY NOTICE

May 11, 2017

Matthew Lepore
Director, Colorado Oil & Gas Conservation Commission
1120 Lincoln Street, Room 801
Denver, Colorado 80203
Office: EDO's Office

Re: Request to waive compliance with specified provisions of Rule 1004, via a Rule 502.b
Variance

Director Lepore,

Chevron Midcontinent, L.P. ("Chevron") requests that the COGCC, pursuant to Rule 1001.c. (Surface owner waiver of 100-Series Rules), waive compliance with certain final reclamation requirements of Rule 1004 respecting the Crader 3-3 wellpad and access road thereto, to wit:

Wellpad name: Crader 3-3

Location ID: 307024

Facility ID: 297463

API: 05-067-09614

Wellpad legal location: NW/4 NW/4 of Section 2, Township 34N, Range 9W, N.M.P.M., La Plata County, Colorado, Latitude 37.24308, Longitude 107.83191

Access road legal location: W/2 NW/4 of Section 2, Township 34N, Range 9W, N.M.P.M., La Plata County, Colorado

Form 4 Document Number: 401280618

Chevron constructed the Crader 3-3 wellpad but never conducted oil and gas operations at the site, and the surface owner, CK, LLC, Kim Crader Buffalo, Managing Member, prefers to retain the pad as a storage area for farm equipment.

In leaving the wellpad and access road as-is, the requirements of Rule 1004.a., as well as the reclamation thresholds set forth in Rule 1004.c.(2), will not be met. Specifically, the access road will not be closed, graded and recontoured. Culverts and any other obstructions that are part of the access road will stay in place. The wellpad and access road will not be reclaimed. Restoration and revegetation of the wellpad and access road will not be performed.

The only party affected by the waiver is the surface owner, CK, LLC. Chevron land and facilities representatives have met multiple times with Ms. Kim Crader Buffalo to discuss the future of the Crader 3-3 wellpad and access road. Most recently, a Chevron facilities engineer met with Ms. Kim Crader Buffalo on the morning of Friday, April 14, 2017. To satisfy the requirements in Section I of the COGCC Operator Guidance "RULE 1001.c:

RECLAMATION VARIANCES AND WAIVERS” and maintain the site as-is, she has executed a Waiver to Reclaim Surface Lease and Right-of-Way. That document is attached.

To satisfy the requirements in Section II.B. of the COGCC Operator Guidance “RULE 1001.c: RECLAMATION VARIANCES AND WAIVERS,” Chevron contracted the Tetre consulting firm to analyze the Crader 3-3 wellpad and access road. Tetre’s assessment, also attached, concluded that the requested variance would not violate the basic intent of the Oil and Gas Conservation Act in that it would not cause significant impacts to public health, safety, and welfare, and it is reasonably protective from significant environmental or wildlife impacts. Further, Best Management Practices have been employed at the site to mitigate and/or minimize negative effects of the granting of the variance. The Crader 3-3 wellpad has an active stormwater management system consisting of an upslope stormwater intercept ditch and a stormwater detention pond that collects and manages flow from the wellpad. These features are functional and will remain in place after the waiver is granted. Tetre suggested some further work be performed on the stormwater management system (i.e., the re-grading of rills, the placement of energy dissipation rock spreaders at the discharge points, the seeding of repaired areas, and the placement of biodegradable erosion matting and erosion wattles in the repaired areas), and Chevron has completed that work.

I have attached the following for your review in support of this waiver request:

1. Form 4 Sundry Notice
2. The Waiver to Reclaim Surface Lease and Right-of-Way between Chevron and CK, LLC
3. The Tetre report, prepared April 7, 2017, including photographs of the site
4. Photographs taken April 21, 2017 demonstrating completion of the work suggested in the Tetre report

If you have any questions or would like to discuss further, please contact me at (505) 333-1941.

Regards,

Diane Peterson for April Pohl

April E Pohl

Cc: Angie Bible, Counsel