

STATE OF
COLORADO

Andrews - DNR, Doug <doug.andrews@state.co.us>

COGCC Form 2A review of Longs Peak Resources Oxnard East pad - Doc #401334890

6 messages

Andrews - DNR, Doug <doug.andrews@state.co.us>

Thu, Aug 17, 2017 at 12:04 PM

To: David Clarkson <dclarkson@vrtxep.com>, David Platt <david@windmillenergy.net>

David,

I have reviewed the referenced Form 2A Oil & Gas Location Assessment and have the following comments.

1) In the Cultural Setback Distance section Longs Peak has indicated the nearest Public Road is 5,280 feet/greater than one mile from the nearest well and production facility. During my review I identified US Highway 85 approximately 5,000 feet to the east of this proposed Oil & Gas Location. Please provide the distance to this Public Road from the nearest well and production facility and I will update the Form 2A.

2) In the Water Resources section Longs Peak has indicated the nearest water well (Permit #60734-F) is 4,815 feet and the estimated depth to groundwater is 355 feet. During my review I identified a water well (Permit #26581) located approximately 2,500 feet northwest of this proposed Oil & Gas Location. A review of this water well's permit indicates a static water level of 120 feet (see attached permit). Therefore, I would like to revise the Water Resources section to reflect this water well.

3) In the Facilities section Longs Peak has indicated this proposed Oil & Gas Location will have up to four flares and no gas compressors. The nearby Oxnard West, Talsiker West, & Talisker East Form 2As also indicate the same. Why are four flares being proposed on each location? Colorado Interstate Gas Company has their Cheyenne Compressor Station within a mile of these four proposed Oil & Gas locations and aerial photos show multiple gas pipeline right-of-ways servicing this compressor station. Production records show that Longs Peak's nearby Pismo East #35-2-2-2CH well and Railay #28-3-1CH well do produce gas but it is not being sold, only flared. What is Longs Peak's plan to develop and manage the gas that is produced from these wells without wasting the resource?

Please respond to this correspondence by September 17, 2017. If you have any questions, please contact me. Thank you.

Doug Andrews

Oil & Gas Location Assessment Specialist - Northeast Colorado

**COLORADO**
Oil & Gas Conservation
Commission
Department of Natural Resources

1120 Lincoln St., Suite 801
Denver, CO 80203
doug.andrews@state.co.us
303-894-2100 Ext. 5180

**Water Well Permit No. 26581.pdf**
160K**David Platt** <david@windmillenergy.net>

Thu, Aug 31, 2017 at 10:44 AM

To: "Andrews - DNR, Doug" <doug.andrews@state.co.us>, David Clarkson <dclarkson@vrtxep.com>

Cc: Mark McNamee <mark@windmillenergy.net>

Doug,

Thanks for your review on Oxnard East. LPR would like to prioritize the Oxnard East pad for possible construction beginning late September. I will be providing the APD priority to Barbara Westerdale shortly. In response to your comments:

- 1) The distance from the nearest well and production facility is 5025'. An revised location drawing is attached.
- 2) Please revise the Water Resources section to reflect water well (Permit #26581) located approximately 2,500 feet northwest of this proposed Oil & Gas Location and a static water level of 120 feet.
- 3) The pipelines and compressor stations in the near vicinity of the Oxnard and Talisker pads are transmission facilities that move utility quality natural gas. The gas that will be produced from the well pads will not meet their quality specs without processing and treating the gas to remove the heavier natural gas components and water. Longs Peak is currently working on plans and in negotiations with pipeline companies to be able to gather and process the wellhead gas and then be able to sell the residue gas into a transmission line. In the meantime the permits included flares in the Form 2A so that if the wells are drilled before the other facilities are in place the gas can be flared on location and not vented into the atmosphere.

Regards,

David Platt

303 573 4436

From: Andrews - DNR, Doug [mailto:doug.andrews@state.co.us]

Sent: Thursday, August 17, 2017 12:05 PM

To: David Clarkson; David Platt

Subject: COGCC Form 2A review of Longs Peak Resources Oxnard East pad - Doc #401334890

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Location Drawing -Oxnard East Well Pad_8-28-17.pdf
1571K

Andrews - DNR, Doug <doug.andrews@state.co.us>

To: Diana Burn - DNR <Diana.Burn@state.co.us>, John Noto - DNR <john.noto@state.co.us>

Thu, Aug 31, 2017 at 1:28 PM

John & Diana,

I asked Longs Peak Resources about their handling of gas that will be produced from some of their pads. Here was my question:

"In the Facilities section Longs Peak has indicated this proposed Oil & Gas Location will have up to four flares and no gas compressors. The nearby Oxnard West, Talsiker West, & Talisker East Form 2As also indicate the same. Why are four flares being proposed on each location? Colorado Interstate Gas Company has their Cheyenne Compressor Station within a mile of these four proposed Oil & Gas locations and aerial photos show multiple gas pipeline right-of-ways servicing this compressor station. Production records show that Longs Peak's nearby Pismo East #35-2-2-2CH well and Railay #28-3-1CH well do produce gas but it is not being sold, only flared. What is Longs Peak's plan to develop and manage the gas that is produced from these wells without wasting the resource?"

Here is their response:

"The pipelines and compressor stations in the near vicinity of the Oxnard and Talisker pads are transmission facilities that move utility quality natural gas. The gas that will be produced from the well pads will not meet their quality specs without processing and treating the gas to remove the heavier natural gas components and water. Longs Peak is currently working on plans and in negotiations with pipeline companies to be able to gather and process the wellhead gas and then be able to sell the residue gas into a transmission line. In the meantime the permits included flares in the Form 2A so that if the wells are drilled before the other facilities are in place the gas can be flared on location and not vented into the atmosphere."

Do you see any problems with this that would give you pause in Final Approving their Form 2A?

Doug Andrews

Oil & Gas Location Assessment Specialist - Northeast Colorado



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Denver, CO 80203
doug.andrews@state.co.us
303-894-2100 Ext. 5180

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 **Location Drawing -Oxnard East Well Pad_8-28-17.pdf**
1571K

David Platt <david@windmillenergy.net>

Thu, Sep 28, 2017 at 3:37 PM

To: "Andrews - DNR, Doug" <doug.andrews@state.co.us>

Cc: "Garrison - DNR, Penny" <penny.garrison@state.co.us>, David Clarkson <dclarkson@vrtxep.com>

Doug,

As we discussed previously, LPR moved the well pad for Oxnard East and resubmitted the Form 2A on 9/13/17. I believe this comes out of the public comment period on 10/4/17. The original questions you had on Oxnard East and our responses below are valid with distances on the Form 2A having been adjusted accordingly. Please let me know if you have any additional questions.

LPR would like to begin construction on the location as soon as possible. When do you think they would be able to get started?

Thanks,

David Platt

303 550 5120

From: David Platt [mailto:david@windmillenergy.net]

Sent: Thursday, August 31, 2017 10:44 AM

To: 'Andrews - DNR, Doug'; 'David Clarkson'

Cc: Mark McNamee

Subject: RE: COGCC Form 2A review of Longs Peak Resources Oxnard East pad - Doc #401334890

Doug,

Thanks for your review on Oxnard East. LPR would like to prioritize the Oxnard East pad for possible construction beginning late September. I will be providing the APD priority to Barbara Westerdale shortly. In response to your comments:

- 1) The distance from the nearest well and production facility is 5025'. An revised location drawing is attached.
- 2) Please revise the Water Resources section to reflect water well (Permit #26581) located approximately 2,500 feet northwest of this proposed Oil & Gas Location and a static water level of 120 feet.
- 3) The pipelines and compressor stations in the near vicinity of the Oxnard and Talisker pads are transmission facilities that move utility quality natural gas. The gas that will be produced from the well pads will not meet their quality specs without processing and treating the gas to remove the heavier natural gas components and water. Longs Peak is currently working on plans and in negotiations with pipeline companies to be able to gather and process the wellhead gas and then be able to sell the residue gas into a transmission line. In the meantime the permits included flares in the Form 2A so that if the wells are drilled before the other facilities are in place the gas can be flared on location and not vented into the atmosphere.

Regards,

David Platt

303 573 4436

From: Andrews - DNR, Doug [mailto:doug.andrews@state.co.us]

Sent: Thursday, August 17, 2017 12:05 PM

To: David Clarkson; David Platt

Subject: COGCC Form 2A review of Longs Peak Resources Oxnard East pad - Doc #401334890

David,

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Andrews - DNR, Doug <doug.andrews@state.co.us>

Mon, Oct 2, 2017 at 10:29 AM

To: David Platt <david@windmillenergy.net>

Cc: "Garrison - DNR, Penny" <penny.garrison@state.co.us>, David Clarkson <dclarkson@vrtxep.com>

David,

I have reviewed the resubmitted Form 2A and have a few additional comments.

1) In the Construction section Longs Peak has indicated the date planned to commence construction is 10/1/17. This Form 2A will not be passed until late this week at the earliest after the Public Comment period ends on 10/5/17. Please provide me with a revised date planned to commence construction that reflects this.

2) In the Water Resources section Longs Peak has indicated the nearest water well is 2,700 feet away. However, the Hydrology Map depicts a water well 873 feet to the northwest. Please confirm the correct distance to the nearest water well. If necessary, revise the Hydrology Map.

3) Due to the proximity of several surface water features, I would like to change the Sensitive Area designation to YES in the Water Resources section.

Please respond to this correspondence by November 2, 2017. If you have any questions, please contact me. Thank you.

Doug Andrews

Oil & Gas Location Assessment Specialist - Northeast Colorado



COLORADO
Oil & Gas Conservation
Commission
Department of Natural Resources

303.894.2100 Ext. 5180

1120 Lincoln St., Suite 801, Denver, CO 80203

doug.andrews@state.co.us | <http://cogcc.state.co.us/>

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David Platt <david@windmillenergy.net>

Tue, Oct 3, 2017 at 10:12 AM

To: "Andrews - DNR, Doug" <doug.andrews@state.co.us>

Cc: "Garrison - DNR, Penny" <penny.garrison@state.co.us>, David Clarkson <dclarkson@vrtxep.com>

Doug,

Thanks for your prompt review of the resubmitted Form 2A. In response to your comments:

1. Please revise the start date for construction to 10/6/17 if that is reasonable. LPR would like to begin building the pad as soon as possible after the location permit is issued.
2. The hydrology map showing a recently drilled water well to 873' northwest is accurate and the reason we moved the well pad. The new water well information had not made it to the DWR database yet so the Water Resources section shows the nearest water well that is in the database. Please make appropriate adjustments to better reflect the new water well.
3. Please change the Sensitive Area designation to YES in the Water Resources section.

Let us know if you have any additional questions or concerns.

Regards,

David Platt

303 573 4436

From: Andrews - DNR, Doug [mailto:doug.andrews@state.co.us]

Sent: Monday, October 02, 2017 10:30 AM

To: David Platt

Cc: Garrison - DNR, Penny; David Clarkson

Subject: Re: FW: COGCC Form 2A review of Longs Peak Resources Oxnard East pad - Doc #401334890

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