



LARAMIE ENERGY, LLC  
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GRAND JUNCTION, CO 81506

Tel: 970-812-5310

February 7, 2017

Michael Warren  
Energy Liaison, NW Region  
Northwest Regional Center  
711 Independent Ave  
Grand Junction, CO 81505

**RE: Design Change to Increase Capacity of Pond 4, Harrison Creek Water Treatment Facility**

Dear Mr. Warren,

As per my discussion with you on February 1, 2013, Laramie Energy, LLC (previously Piceance Energy, LLC and hereafter referred to as Laramie) is in the final phase of redesigning the Pond 4 water storage impoundment at the Harrison Creek Water Treatment Facility (HCWTF) to accommodate a greater holding capacity. This facility was permitted/approved by the Mesa County Planning Department and the Colorado Oil and Gas Conservation Commission (COGCC) in 2015. After the regulatory approval, construction and initial operation of the HCWTF was completed in mid-2016. Since then, Laramie has acquired additional assets in the Plateau Valley region and as such, has a greater need for storage and reuse of treated, produced water. To this end, Laramie intends to increase the depth of Pond 4 by approximately 25 feet. This will increase the total storage capacity from approximately 500,00 barrels (bbls) to approximately 950,000 bbls. It is important to note that the changes to the design of Pond 4 will not result in any additional surface disturbance. As previously agreed upon with the Colorado Parks and Wildlife (CPW), fencing will surround the impoundment(s) in order to prevent wildlife from entering the impoundment and wildlife escape ramps will also be installed.

In order to accommodate the regulatory requirements related to our proposed changes, Laramie is submitting a Form 4 Sundry notice to the COGCC and requesting an Amendment to our existing Conditional Use Permit (CUP) from the Mesa County (MesaCo) Planning Department.

This letter is intended to reaffirm our commitment the CPW for wildlife protection and to maintaining the water quality of the fluids in the impoundments as originally discussed with the CPW (and detailed in the CPW letter dated in April 13, 2015). Laramie's project plan anticipates construction of the Pond 4 Impoundment will begin in May of 2017. I have attached the most recent re-engineered design drawings of Pond 4 for your review. If you have any questions or concerns related to this project, please contact me immediately.

Your acknowledgement of this letter and our re-affirmation of Laramie's commitment to protecting wildlife at the HCWTF will be provided to the COGCC as part of the Form 4 Sundry package. It is required as part of their overall review process.

Thank you again for your input and cooperation,

Lorne C. Prescott  
Environmental and Regulatory Compliance, Laramie Energy, LLC

cc. Wayne Bankert, Regulatory & Environmental Manager Laramie Energy, LLC

Attachment: Harrison Creek Impoundment 4.pdf