

Objective Criteria Review Memo – Kuenzler & Flora Reserve Company, Baughman Farms 1, Form 2A 401854397

This summary 401854397 within the context of SB 19-181 and for the required Objective Criteria. This Form 2A permit application met the following Objective Criteria -

1. (Criteria 5.c) The proposed Location lies within a Sensitive Area for water resources (proposed Location lies within an area of potential shallow groundwater and a Designated Basin).

COGCC staff met with the Director to discuss whether the Objective Criteria were sufficiently addressed and whether the Form 2A could be approved with the proposed Best Management Practices (BMPs) and applied Conditions of Approval (COAs). The following sections provide details regarding the evaluation of each criterion.

Criteria 5.c: Oil and Gas Locations within a Sensitive Area for water resources.

Site Specific Description of Applicability of Criteria 5.c: The proposed location lies within an area of potential shallow groundwater and within the East Cheyenne Designated Groundwater Management Area and the Northern High Plains Designated Basin and therefore, is considered a Sensitive Area for water resources. The estimated depth to groundwater entered on the Form 2A is 13 feet below ground surface (bgs).

Site Specific Measures to Address Criteria 5.c: The Baughman Farms 1 is a proposed Location consisting of 1 vertical well scheduled to be re-entered. The well Location will be producing to the existing Akers Production Facility located to the south of the proposed Location. During the technical review, Staff verified that the existing production was constructed within lined secondary containment and that all additional production facilities will be constructed within lined secondary containment. In addition, the Operator provided a daily inspection schedule to identify spills at the Location within a timely manner and uses a pitless/closed-loop drilling system to prevent impacts from drilling waste resulting from the use of a drilling pit.

Determination: The Director determined that Criteria 5.c was sufficiently analyzed and that the implementation of previously imposed permit conditions and inclusion of additional BMPs that address the protection of ground and surface water resources met the standard for protection of the sensitive environment and water resources.