

Operator Review of Applicable Director Criteria

KERR MCGEE OIL & GAS ONSHORE LP

NILES MILLER 37-20HZ PAD, Form 2A (Doc No. 401788638)

State Permits Submitted: April 11, 2019

State Permits Re-submitted: June 6, 2019

Regulatory Manager: Jayson VanShura

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Regulatory Analyst: Erin Hampe

Erin.Hampe@anadarko.com

Office: 720-929-3242

NILES MILLER 20-1HZ (Doc No. 401788620)

NILES MILLER 20-2HZ (Doc No. 401788622)

NILES MILLER 20-3HZ (Doc No. 401788627)

NILES MILLER 20-4HZ (Doc No. 401788629)

NILES MILLER 20-5HZ (Doc No. 401788630)

NILES MILLER 20-6HZ (Doc No. 401788633)

NILES MILLER 20-7HZ (Doc No. 401788635)

NILES MILLER 20-8HZ (Doc No. 401788636)

Township 3N, Range 66W

Section 20: SESE

Weld County, CO

LOCAL PERMIT: WOGLA

LOCAL PERMIT SUBMITTED: 4/04/2019

LOCAL PERMIT STATUS: UNAPPROVED

NILES MILLER 37-20HZ PAD

The subject well pad triggers the following Director Review Criteria:

Criteria 1: Oil and Gas Locations within 1,500¹ of a Building Unit

Background: The Niles Miller 37-20HZ pad is located on a surface owned by Niles Miller Family Farms and has been strategically located within this parcel to minimize impact and consolidate the overall oil and gas disturbance. This was originally an approved PDC location (Location ID: 336534), acquired in a trade agreement between PDC Energy and Kerr-McGee. The attached Surface Use Agreement is amended from the original PDC Energy Surface Use Agreement. The Niles Miller 37-20HZ pad has been submitted as a new location, due to the larger pad size required to accommodate our operations.

Criteria 1: The Niles Miller 37-20HZ pad is located within 1,500¹ of two building units, one of the building units is also located within the 1000' Buffer Zone.

The nearest building unit is located 1081' away from the permanent equipment on this proposed oil and gas location, 1252' away from the temporary tanks, and 588' away from nearest wellhead. A Notice of Intent to Conduct Operations ("NICO") was sent to each building unit owner within the 1000' Buffer Zone. Recipients did not contact KMG. No NICO letters were sent to recipients outside of the Buffer Zone.

Marilyn Young, the building unit owner within the 1000' Buffer Zone, and Jerin Young, the building unit owner within 1500¹ of the disturbance area, have both signed NICO Waivers for the Niles Miller 37-20HZ pad and the adjacent, recently approved Sarchet 35-21HZ pad (2A Doc ID: 401782179).

Nuisance BMPs have been proposed in this 2A application to minimize noise, odor, dust, light and visual impacts. A 32' sound mitigation wall will be installed around the East, South and West sides of the drilling pad to dampen noise and minimize impact to the nearby residences located west of the pad during drilling and completions.

As a part of planning this proposed location, Kerr-McGee held multi-disciplinary Surface Impact Planning Meetings regarding the impacts and mitigations associated with this proposed location. The KMG Stakeholder Relations team creates a customized, location-specific outreach and engagement plan for all new well pads. At a minimum, we send courtesy notifications to property owners within one mile of our pad locations prior to drilling operations and again prior to completion operations with information on the nature, duration, and location of the operations taking place, as well as the contact information for our Colorado Response Line and our after-hours emergency line. Our notifications also include a flier that describes the different phases of oil and natural gas development. Depending on the surrounding area, we may also conduct door-to-door outreach, host a community meeting, attend homeowner's association meetings, and meet one-on-one with landowners, schools, or organizations.

We are available via our Colorado Response Line to answer questions and address concerns via phone or email. In addition to the courtesy notifications, the phone number and email for the Colorado Response Line will also be posted at the entrance to the lease access road for stakeholders during drilling and completion operations at this proposed location.

Additional Considerations: The Niles Miller 37-20HZ permits were originally submitted on April 11, 2019. The Niles Miller 37-20HZ permits were re-submitted on June 6, 2019, after they were returned to draft to include local government information. They are on the KMG priority list with a request date of July 19, 2019.

The Sarchet 35-21HZ pad (2A Doc ID: 401782179) wells produce to Niles Miller Facility, and the Sarchet production equipment and flowlines are counted in this facility. Flowlines for Sarchet wells are also described in the approved 2A for the Sarchet 35-21HZ pad.

Niles Miller 37-20HZ pad is in unincorporated Weld County. The WOGLA application was submitted on April 4, 2019 and is in its final stages of review. Once approved, the Haul Route and Emergency Action Plan can be submitted at the request of the commission.

The nearest town is Platteville, however it is not within 1500' of this location. KMG will utilize a lease access road from Weld CR 30 for drilling, completions, and production operations, including maintenance equipment.

No school facility, school property line, or child care center are located within 5280' of the disturbance area.

¹This distance is measured from the edge of the disturbed Oil and Gas Location and not from the Well or Production Facility as in the buffer or exception zone determination.

KERR-MCGEE OIL & GAS ONSHORE LP

1099 18th street, Suite 1800, Denver, CO 80202

October 15, 2018

Jerin M. Young
14064 County Road 30
Platteville, CO 80651

Re: Waiver of Right to Pre Application Notice under COGCC Rule 305a
Niles Miller 16-20HZ well pad; Niles Miller 20-1HZ, Niles Miller 20-2HZ, Niles Miller 20-3HZ, Niles Miller 20-4HZ, Niles Miller 20-5HZ, Niles Miller 20-6HZ, Niles Miller 20-7HZ, Niles Miller 20-8HZ
Niles Miller Family Farms, LLC Property
Township 3 North, Range 66 West
Section 20: E/2 SE/4
Weld County, Colorado

And

Sarchet 35-21HZ well pad; Sarchet 21-1HZ, Sarchet 21-2HZ, Sarchet 21-3HZ, Sarchet 21-4HZ, Sarchet 21-5HZ, Sarchet 21-6HZ, Sarchet 21-7HZ
Scott and Nancy Sarchet Revocable Trust
Township 3 North, Range 66 West
Section 21: SW/4
Weld County, Colorado

Dear Mr. Young:

Kerr-McGee Oil & Gas Onshore LP ("KMG") is diligently working to permit the Sarchet 35-21HZ and the Niles Miller 16-20HZ well pads as indicated above on the adjacent properties.

Colorado Oil and Gas Conservation Commission's ("COGCC") Rules and Regulations under Rule 305a necessitates, that an oil and gas location proposed within a Buffer Zone Setback, requires that an Operator is to provide a "Notice of intent to Conduct Oil and Gas Operations" ("NICO") to the person(s) specified within a Buffer Zone Setback no less than 30 days prior to submitting a Form 2A (Oil and Gas Location Assessment).

To provide expediency in this effort to amend the Applications of Permit to Drill for the above captured wells:

Landowner is aware of the application to permit the Sarchet 35-21HZ well pad and the Niles Miller 16-20HZ well pad and associated facilities. Landowner hereby waives the right to a pre-application notice (Notice of Intent to Conduct Operations) under Rule 305a.

Thank you for your assistance and please contact me with any questions you might have.

Sincerely,

KERR-MCGEE OIL & GAS ONSHORE LP

Brandon McGraw
Landman

I waive the above requirement and approve the submission of the Applications of Permit to Drill.

Jerin M. Young

By: 
Jerin M. Young

Date: 11/7/18

KERR-MCGEE OIL & GAS ONSHORE LP

1099 18th street, Suite 1800, Denver, CO 80202

October 15, 2018

Marilyn K. Young
13715 County Road 30
Platteville, CO 80651

Re: Waiver of Right to Pre Application Notice under COGCC Rule 305a
Niles Miller 16-20HZ well pad; Niles Miller 20-1HZ, Niles Miller 20-2HZ, Niles Miller 20-3HZ, Niles Miller 20-4HZ, Niles Miller 20-5HZ, Niles Miller 20-6HZ, Niles Miller 20-7HZ, Niles Miller 20-8HZ
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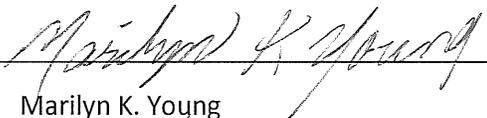
Sincerely,

KERR-MCGEE OIL & GAS ONSHORE LP

Brandon McGraw
Landman

I waive the above requirement and approve the submission of the Applications of Permit to Drill.

Marilyn K. Young

By: 
Marilyn K. Young

Date: 11/7/18