

Objective Criteria Review Memo – Verdad Resources’ TIMBRO 1717 Form 2A #401601637

This summary explains how COGCC staff conducted its technical review of the Verdad Resources TIMBRO 1717 location, Form 2A #401601637 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 1) The Location lies within 1,500 feet of a Building Unit (one Building Units approximately 1,300 feet northeast of the location).
2. (Criteria 8) The Location will have storage of hydrocarbons or produced liquid in more than 18 tanks or in excess of 5,200 barrels (10 oil tanks and 6 water tanks with 400 barrel capacity).

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 1: Oil and Gas Locations within 1,500’ of a Building Unit or High Occupancy Building, which include Urban Mitigation Area (“UMA”) and Large UMA Facility (“LUMAF”) locations

Site Specific Description of Applicability of Criteria 1: Based on the technical review and desktop evaluation, staff identified one Building Unit within 1,500 feet of the proposed Oil and Gas Location. This Building Unit is approximately 1,300 feet to the northeast of the proposed Oil and Gas Location and is owned by the Surface Owner.

Site Specific Measures to Address Criteria 1: Although this Building Unit is owned by the Surface Owner (who has signed an SUA with Verdad Resources), Verdad Resources did provide mitigation measure BMPs to address nuisance impacts related to noise, dust, lights, and odors on the Form 2A.

Summary: Verdad Resources provided BMPs that address the protection of the nearby Building Unit owner from nuisance conditions. The BMPs are sufficient to meet the standard for protection of public health, safety, welfare, the environment and wildlife resources set by SB 19-181.

Criteria 8: Oil and Gas Locations with storage of hydrocarbons or produced liquid in more than 18 tanks or in excess of 5,200 barrels

Site Specific Description of Applicability of Criteria 8: The Form 2A indicates there will be 10 oil tanks and 6 water tanks on the location. Verdad Resources has indicated they typically use 400 barrel storage tanks. This results in 6,400 barrels of storage on the location.

Site Specific Measures to Address Criteria 8: Verdad Resources provided a berm construction BMP for the tank battery, leak detection BMPs consisting of AVO (audio, visual, olfactory) inspections, automated tank gauges, & remote shut-in capabilities, and has indicated their WOGLA application includes an emergency action and tactical response plan in case of a fire or explosion.

Summary: Verdad Resources provided BMPs that address the protection from the presence of a large tank battery. The BMPs are sufficient to meet the standard for protection of public health, safety, welfare, the environment and wildlife resources set by SB 19-181.

Director Determination: Based on the Objective Criteria review. The Director has determined that this permit application meets the standard for protection of public health, safety, welfare, the environment and wildlife resources set by SB 19-181.