

TEP Rocky Mountain LLC
Proposed Waste Management Plan
for the Chevron GM 12-20 Pad
January 6, 2020

INTRODUCTION

TEP Rocky Mountain LLC (“TEP”) is proposing to drill, complete, and operate fourteen (14) new Federal wells from the GM 12-20 pad (COGCC Loc. ID 335426) located on private surface overlying one private lease. The GM 12-20 pad is an existing pad located in the SW ¼ NW ¼ of Section 20, Township 6 South, Range 94 West, 6th P.M. All fourteen (14) proposed wells would be directionally drilled into Federal Lease COC 23794. The GM 12-20 pad has four (4) existing wells developing private minerals. Development of the GM 12-20 pad and the associated wells is slated to begin in January 2021. The following describes TEP’s Waste Management Plan for the potential wastes generated during construction, drilling, completion, and production operations associated with the development of the proposed wells on the GM 12-20 Pad.

DRILL FLUIDS MANAGEMENT

A closed loop drilling system will be utilized to separate liquid and solids during drilling operations on the GM 12-20 pad. Drilling fluids will be re-used throughout the drilling process. Once drilling operations are complete drilling fluids will be stored in tanks and recycled on the next drill pad.

DRILL CUTTINGS MANAGEMENT

Due to the limited space available on the GM 12-20 pad during drilling operations, drill cuttings generated during drilling of the proposed well will be hauled off-site to a commercial disposal facility or an approved Centralized E&P Waste Management Facility approved to accept drill cuttings. The estimated drill cuttings volume to be generated during drilling of the fourteen (14) proposed wells on the GM 12-20 pad is approximately 5,600 cubic yards (400cy/well).

The general protocol for managing drill cuttings at these locations is as follows: As drill cuttings are brought to the surface, they will be temporarily placed into a designated storage cell that is close to the rig shaker assembly. Once the temporary storage cell becomes full, a loader will be used to move the cuttings from the temporary storage cell into a dump truck where they will then be transported to either a commercial disposal facility or a Centralized E&P Waste Management Facility approved to accept drill cuttings. The moisture content of the drill cuttings will be kept as low as practicable to prevent accumulation of liquids prior to transport to the disposal location.

FLOWBACK

Returned stimulation fluids generated during flowback operations will be processed through four (4) phase separators to separate gas, water, condensate, and sand. Water will be reused during future well completion operations on the GM 12-20 Pad. Frac sand will be managed within a 40-foot by 40-foot area with 2.5-foot-high earthen berms surrounding all sides of the management area. The frac sand management area will be located on pad within the pad perimeter berm. Once flowback operations are complete, returned frac sand will be mixed with clean fill material. Once mixed with the clean fill material, sampling will be conducted to ensure that COGCC 910-1 standards are met prior to pad reclamation. Confirmation samples of the blended material will be collected and submitted to an approved

analytical laboratory and analyzed for the full COGCC 910-1 list of organic, inorganic, and metal compounds (in soils) to ensure that these materials comply with COGCC cleanup standards. The mix material will then be placed against the cut slope of the pad prior to pad reclamation activities.

Any frac sand remaining onsite after reclamation activities are complete will be hauled off-site to an approved third-party, commercial disposal facility. Spent filter socks generated during the completions / flowback process are collected and stored separately from garbage / trash. The filters have been sampled and profiled for disposal at an approved third-party commercial disposal facility that is permitted and authorized to accept waste filter socks for disposal.

SEWAGE

Chemical toilets will be used during construction, drilling, and completions operations on the GM 12-20 Pad. Contents will be hauled to and disposed at an approved commercial disposal facility. Disposal of sewage will occur approximately once per week.

GARBAGE

All garbage and trash will be stored in enclosed bear proof trash containers. Disposal of garbage and trash will occur approximately once per week during drilling and completions operations. All garbage and trash will be transported to a permitted and controlled landfill within one (1) week following termination of drilling or completions operations. Garbage or trash will not be disposed of on location. The well site and access road will be kept free of trash and debris at all time during long-term production operations.

PRODUCED WATER

Produced water, water produced from the wells after the wells are turned over to production, will be transported through one (1) proposed four-inch (4") water pipeline to the Starkey Production Pit (Facility Name 14-28-696, Facility ID #414554). Produced water will then be pumped into TEP's existing pipeline infrastructure for recycle or disposal. Produced water is treated with biocide at the water management facility and prior to disposal if necessary.

Produced water is disposed of through: (1) natural evaporation at the evaporation ponds, (2) delivered and injected in to one of the approved TEP operated UIC facilities, (3) re-used in hydraulic fracturing operations, or (4) hauled to an approved third-party, commercial disposal facility including: Owl SWD Operating LLC, Harley Dome #1 SWD, Greenleaf Environmental Services, White River Dome, or PBR Disposal.