

Public Comment Consideration Memo - Verdad Resources LLC

County Line Pad, Form 2A doc no 402092786

Verdad Resources submitted an Oil and Gas Location Assessment permit application (Form 2A #402092786) for the County Line location to COGCC on September 9, 2019. Three public comments were received on the permit application. The comments expressed specific concerns about the size and placement of the Location, water quality, Mitigation measures, and Wildlife.

The East Cherry Creek Valley Water and Sanitation District (ECCV) provided a public comment with information about the Bebe Draw Aquifer and expressed concerns about the potential shallow groundwater contamination.

The resident that is north of the proposed location provided a public comment that expressed concerns about the size of the proposed location, nuisance conditions, and wildlife.

A public comment was provided that expressed concerns about potential impacts to bald eagles in the area.

COGCC Response:

Size and Location of the Project - Thirty two wells, thirty two oil tanks and sixteen produced water tanks are planned at the Location. The nearest Building Unit is approximately 550 feet southeast from the edge of the Location, 859 feet from production equipment, and 806 feet from the nearest well. A second Building Unit to the north is approximately 900 feet from the edge of the Location, with production equipment approximately 950 feet and the nearest well approximately 1,200 feet.

Originally Verdad proposed two Locations with a well pad only closer to the Building Unit to the North and a second well and production facility at the current Location. After discussions with the Building Unit owner to the North, Verdad combined to have one large well pad of 32 wells. Verdad has reduced the original tank count from 64 oil tanks and 32 water tanks to 32 oil tanks, 16 water tanks.

Water Quality: The Location is in the wellhead protection area for the Bebe Draw aquifer, which is a domestic water supply. There are several other domestic wells in the area. COGCC requires water well sampling per Rule 318.A.f. Prior to commencement of oil and gas activities. Verdad has provided Best Management Practices (BMPs) for stormwater control to minimize runoff or erosion from the Location. Tanks have 150 percent (%) containment of the largest tank and tertiary containment. COGCC has also required a Condition of Approval (COA) on the Form 2A for three monitoring wells to be installed around the Location in order to monitor water quality near the Location.

Air Emissions: Verdad has provided BMPs for reducing odors from oil based drilling mud and fluids and will not vent or flare gas during drilling and completions unless it is necessary due to safety concerns.. Automated tank gauges will be used for fluid measurements to minimize the necessity to open tank hatches and thereby reduce emissions. Emissions control devices and combustors are part of the equipment list to minimize emissions from the Location during production. All saleable gas will be sent to a sales line and the wells will be shut-in so flaring will not occur. Verdad has agreed to air monitoring during drilling and completions. COGCC has placed COA on the Form 2A for Verdad to provide an air monitoring plan prior to the commencement of drilling or completions activities.

Noise, Light, Dust, and Traffic Mitigation: Verdad has provided BMPs on the Form 2A. Sound walls will be placed to the north and east of the Location and a quiet frac fleet will be used for completions. Lights will be turned downward and shielded. Water trucks will minimize dust from the access road. A Modular Large Volume Tank (MLVT) filled via pipeline, will be used for completions activities, which will decrease the quantity of trucks on the road during this phase of operations. Weld County requires Verdad submit a traffic plan as part of the WOGLA process. Lochbuie and Adams County are adjacent to the Location and did not provide comments on the Form 2A regarding traffic, or when contacted by Verdad.

Wildlife: Two comments reference a Bald Eagle nest in the area. In October of 2018, COGCC met with CPW and Verdad at the proposed Location. CPW observed that the Eagle's nest in the area was abandoned and in disrepair. In October of 2019, CPW placed a comment on the Form 2A regarding the Eagle's nest not being used and the Eagle's were nesting further south. CPW did not have further concerns regarding the Location and wildlife.