

Objective Criteria Review Summary - Kerr McGee, S&B 5-11HZ Pad Form 2A 402261082

This summary explains how COGCC staff conducted its technical review of the Kerr McGee (KMG), S&B 5-11HZ pad, Form 2A doc no 402261082, the required Objective Criteria. The proposed Oil and Gas Location is for 23 wells, 22 separators, two condensate tanks, and eight water tanks.. There will be 16 temporary 500 BBL tanks on Location for six to nine months during the high water flowback period. This Form 2A permit application met the following Objective Criteria

1. (Criteria #1) The proposed Location lies within 1,500 feet of a Building Unit or High Occupancy Building, which include Urban Mitigation Area (UMA) and Large UMA Facility (LUMAF) location. (the closest Building Unit is an estimated 300 feet from the Oil and Gas Location);
2. (Criteria #2) The Proposed Oil and Gas Location is within a municipality (Within the Town of Johnstown);
3. (Criteria #3) Oil and Gas Locations within 1,500 feet of a municipal boundary, platted subdivision or county boundary (Weld County);
4. (Criteria #5.c) The proposed Location lies within a Sensitive Area for water resources (within an area of potential shallow groundwater).

COGCC staff met with the Director to discuss the Objective Criteria for the Form 2A 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 feet 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, there is one Building Unit in the buffer zone defining this as a designated setback location. The Building Unit is 300 feet to the northwest of the proposed location and the nearest Building Unit is 872 feet from the nearest well. Production equipment is 1,280 feet from the Building Unit. The Building Unit is a tenant farmer to KMG and is the only Building Unit within 2,000 feet of the Location.

Site Specific Measures to Address Criteria 1: This proposed Location is a designated setback Location, and KMG has provided BMPs the 604.c.(2) mitigation measures. The nearest Building Unit is owned by KMG and is leased out. The resident of the Building Unit is aware of the oil and gas activity and has received the CDPHE health notification. There are not any other Building Units within 2,000 feet of the proposed Location. KMG did hold a neighborhood meeting for all Building Units within one mile of the proposed Location in October 2019.

KMG has provided BMPs to address noise, odor, lights, dust,

Summary: During the technical review process, COGCC staff requested additional information and clarification regarding KMGs proposed Location and BMPs for odors, lighting, and leak detection. KMG provided enhancements and clarifications to the proposed BMPs, which has been added to the application materials.

Criteria 2: The Proposed Oil and Gas Location is within a municipality:

Site Specific Description of Applicability of Criteria 2: The Location lies within the Town of Johnstown.

Site Specific Measures to Address Criteria 2: The proposed S&B location is part of the Cooperative Development Agreement between KMG and Johnstown. Johnstown regulates the siting of locations. KMG has an Operator agreement with Johnstown, but a Use by Special Review permit is also required and is still in process with Johnstown. KMG has worked with Johnstown on road access and BMPs through the Operator Agreement and Use by Special Review permit, including an emergency action plan with Front Range Fire Rescue.

Summary: KMG has an Operator agreement with Johnstown and is currently participating in the Johnstown Use by Special Review process.

Criteria 3: The proposed Oil and Gas Location is within 1,500 feet of a municipal boundary, platted subdivision, or county boundary (within 1,500 feet of Weld County):

Site Specific Description of Applicability of Criteria 3: The Weld County is directly south of the proposed Location. The Weld County LGD placed a comment on the Form 2A.

Site Specific Measures to Address Criteria 3: Weld County does not require a separate permit and recognizes Johnstown as having jurisdiction over the proposed Location. Weld County does require traffic control and right-of-way plans and permitting. KMG is aware of the Weld County requirements and will work with Weld County on all plans and permitting for roads usage around the proposed Location.

Summary: The proposed Location is in Johnstown. Weld County is located to the south of the proposed Location. KMG agrees to obtain traffic permits on Weld County Roads and access points.

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 is in a sensitive area due to the proximity of shallow groundwater. Estimated depth to groundwater is at 16 feet based on various water wells in the area. There is a ditch two feet to the west and one three feet to the north of the proposed Location.

Site Specific Measures to Address Criteria 5.c: KMG has placed BMPs on the Form 2A for protection of the shallow groundwater at the Location. BMPs include temporary and permanent tanks to be within 150 percent containment with an impermeable liner. The secondary containment is inspected every 14 to 28 days when the Location is in full production. KMG also has an automated system for monitoring tanks and water sumps which is monitored 24-hours a day. Stormwater ditch and berm system with sediment traps and grading will minimize erosion and stormwater runoff from the location.

Summary: During the technical review process, COGCC staff requested additional information and clarification regarding the BMPs for stormwater and erosion control and timing of inspections. The Operator provided the information, which was added to the 2A application. The BMPs were sufficient to meet the standard for protection of the sensitive environment and water resources.

Additional Information:

The disturbed area lies within the CDOT proposed area for expansion of Interstate 25 (I-25). KMG has contacted CDOT to discuss the proposed Location. The Location will be constructed, drilled, and completed prior to any work done by CDOT. The wells and equipment will be greater than 200 feet from the I-25 expansion area.

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.