

Objective Criteria Review Memo *Burlington Resources Oil and Gas, LP, Eastern Hills 4-65 17-18 3AH, Form 2A 402226219*

This summary explains how COGCC staff conducted its technical review of the Burlington Resources Oil and Gas, LP (Burlington), Eastern Hills 4-65 17-18 3AH, Form 2A, doc no 402226219 within the context of SB 19-181 and for the required Objective Criteria. This proposed Location is for eight wells, four separators, five oil tanks, two water tanks, four vapor recovery units, one VOC combustor, one vapor recovery tower, one fuel tank, one gas compressor, one LACT Unit and meets the following Objective Criteria:

1. (Criteria #2) Locations within a municipality (Location lies within the City of Aurora).
2. (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 section provides details regarding the evaluation of this criterion.

On March 3, 2020 Burlington finalized a purchase sale agreement with Crestone Peak Resources (Crestone) for the transfer of this Oil and Gas Location. Upon approval, this Location will be under the operations of Crestone.

Criteria 2: Oil and Gas Locations within a municipality.

Site Specific Description of Applicability of Criteria 2: The proposed Location lies within the municipal boundaries of the City of Aurora.

Site Specific Measures to Address Criteria 2: Burlington provided a description of the outreach and coordination with the City of Aurora LGD which included communications with the City of Aurora and application for an Oil and Gas Permit. In addition, Burlington hosted an open house in the City of Aurora on August 6, 2019 to provide site specific information to all community members within a 1 mile radius of this well site. The City of Aurora granted Burlington an approved Oil and Gas Permit on February 13, 2020. The Oil and Gas Permit will be transferable to Crestone.

Summary: During the technical review, COGCC staff requested additional information regarding Burlington's communication and outreach with the City of Aurora. Burlington provided a description of the outreach and coordination along with a copy of the approved Oil and Gas permit.

Criteria 5.c: Oil and Gas Locations within a Sensitive Area for water resources.

Site Specific Description of Applicability of Criteria 5.c: The Location is in a sensitive area due to the potential for shallow groundwater and proximity to surface water. Estimated depth to groundwater is at 12 feet based on the static water levels reported in water wells within the vicinity of the proposed Location.

Site Specific Measures to Address Criteria 5.c: BMPs on the Form 2A address the protection of the shallow groundwater at the Location. BMPs include the use of a portable containment liner (RPE Liner with 10oz Geomembrane) under the drilling rig during drilling activities and secondary containment for tanks consisting of a steel-ring berm lined with a synthetic liner. The operator will also program the Location with remote shut-in capabilities to remotely monitor well production onsite and activate specific valves, which can shut-in the wells and stop a release at the production facility as well as conduct routine inspections of the Location and facilities. Furthermore, this proposed Location will utilize a pitless closed-loop system to prevent migration of contaminants into the underlying soil and groundwater.

Summary: The BMPs on the Form 2A address ground water resources and environmental protections. The BMPs include engineering controls (construction, containment and remote shut-in capabilities) and administrative controls (inspections).

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.