

Objective Criteria Review Memo

Bison Oil & Gas II LLC, Allred 8-59 30, Form 2A 402289528

This summary explains how COGCC staff conducted its technical review of the Bison Oil & Gas II LLC (Bison), Allred 8-59 30, Form 2A, Doc no 402289528, within the context of SB 19-181 and for the required Objective Criteria. This proposed Location is for eight wells, twenty-four tanks, eight separators, and meets the following Objective Criteria:

1. (Criteria #5.c.) The proposed Location lies within a Sensitive Area for water resources (proximity to surface water).
2. (Criteria #8) The proposed Location includes storage of hydrocarbon or produced liquid in more than eighteen tanks or in excess of 5,200 barrels.

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 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 nearby surface water features. The surface water is a ditch approximately 196 feet north of the Location. This ditch is the roadside ditch for Highway 14.

Site Specific Measures to Address Criteria 5.c: Bison placed BMPs on the Form 2A for protection of the nearby surface water feature. These BMPs include a stormwater BMP with controls constructed around the location prior to construction, secondary containment, the use of a liner under the drill rig, and inspections.

Summary: Bison provided BMPs that address ground water resource and surface water protections. The BMPs include engineering controls (stormwater BMPs, secondary containment, SCADA system) and administrative controls (inspections).

Criteria 8: Oil and Gas Locations including storage of hydrocarbon or produced liquid in more than eighteen tanks or in excess of 5,200 barrels.

Site Specific Description of Applicability of Criteria 8: The proposed Location includes 15 oil tanks and 9 produced water tanks for a planned total of 24 above ground storage tanks.

Site Specific Measures to Address Criteria 8: Bison has placed BMPs on the Form 2A for mitigation of impacts related to location size. BMPs include inspections, secondary containment for tanks and containers, green completions with salable gas diverted to sales lines, dust mitigation and speed restrictions on the access road, and a Supervisory Control and data Acquisition (SCADA) system with remote monitoring and remote well shut-in capabilities. A liner will be placed under the rig and associated equipment for drilling operations.

Summary: Bison and staff discussed and added or modified BMPs that address impacts related to the size of the proposed Location. The BMPs include engineering controls (secondary containment, SCADA system) and administrative controls (inspections, access road speed restrictions, gas to sales line).

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.