

Objective Criteria Review Memo ADDENDUM - Verdad Resources LLC

Timbro Fed 1931 01H -- Form 2 Application for Permit to Drill (APD) Doc# 402325327

Approved Form 2A Oil & Gas Location Assessment (Timbro Fed 1931 Doc# 402254036, approved 2/26/2020)

Location ID# 472202

The Form 2A for this Oil & Gas Location was reviewed for all eight wells proposed for this Location. COGCC's technical review of the 2A and all eight APDs included review within the context of SB 19-181 and the required Objective Criteria. Objective Criteria Review Memo, Doc# 2479370, is in the Location's file in COGCC's database. This Addendum provides additional information regarding the delayed approvals of the eight APDs permitted at this Location.

Delayed Approval of APDS:

The Form 2A was approved on 2/26/2020. The APDs did not pass Completeness until 6/29/2020.

The Objective Criteria Review Memo for this location (Doc# 2479370) identified that this location met Criteria #8 for the location being planned for more than 5200 bbls of storage on location. The Objective Criteria Review Memo identified BMPs on the Form 2A that should successfully mitigate against the impacts identified by meeting Criteria #8, including: an emergency action and tactical plan per 1041WOGA19-0059 approved 04/16/2020, lined secondary containment for tank area, berms and road base for separator area, remote shut-in capabilities, and daily inspections. Based on the existing BMPs, there is no further action needed beyond what was identified in the on-file Objective Criteria Review Memo.

Based on this analysis, the Operator is complying with the existing BMP's and COA's on the approved Form 2A to address the Objective Criteria that were met during the original review of the Form 2A and no further Sundry or Memo is necessary at this time. The APD's IN PROCESS should be passed and sent to Final Approval with the following comment:

COGCC conducted the technical review for the related Oil and Gas Location Assessment permit, Form 2A document #402254036 under the statutory authority provided through SB 19-181, including the Objective Criteria. The Director approved the Form 2A on 2/26/2020, establishing Location ID #472202 subject to conditions included in the permit. The well proposed by this related Form 2 was contemplated during COGCC's review of the Form 2A. The Objective Criteria Review Memo (Doc# 2479370) can be found in the document file for this Location.