

Objective Criteria Review Memo GMT Exploration Company, LLC, Crystal-Ruby Pad, Form 2A 402245599

This summary explains how COGCC staff conducted its technical review of the GMT Exploration Company, LLC (GMT), Crystal-Ruby Pad, Form 2A, doc no 402245599 within the context of SB 19-181 and for the required Objective Criteria. This proposed Location is for twenty wells, eight separators, seven oil and condensate tanks, four produced water tanks, and meets the following Objective Criteria:

1. (Criteria #1) The proposed Oil and Gas Location is within 1,500 feet of a Building Unit.
2. (Criteria #3) The proposed Oil and Gas Location is within 1,500 feet of a platted subdivision.
3. Criteria #5.c.) The proposed Oil and Gas Location is within a Sensitive Area for water resources.
4. (Criteria #8) The proposed Oil and Gas Location has storage of hydrocarbon or produced liquid in more than 18 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 1: The proposed Oil and Gas Location is within 1,500 feet of a Building Unit.

Site Specific Description of Applicability of Criteria 1: Based on the technical review, the proposed Location is approximately 1,490 feet from the nearest Building Unit.

Site Specific Measures to Address Criteria 1: GMT put in place BMPs to mitigate the impact from this Location to the surrounding area. Some BMPs include: Green Completions, remote monitoring, and an odor control BMP that includes the use of a Group II drilling fluid. COAs have been added to this proposed Location requiring nuisance mitigation plans for Noise Mitigation, Light Mitigation, Visual Mitigation, Odor Mitigation, and Dust Mitigation Plans to be submitted prior to the commencement of construction operations. A COA has also been added requiring an Air Monitoring Plan to be submitted and approved by the COGCC prior to drilling operations.

Criteria 3: The proposed Oil and Gas Location is within 1,500 feet of a platted subdivision, with the edge of the property lines being approximately 1,386 feet from the edge of the proposed Location.

Site Specific Description of Applicability of Criteria 3: Based on the technical review, the edge of the property lines for the nearby platted subdivision are approximately 1,386 feet from the edge of the proposed Location. The closest Building Unit is approximately 1,490 feet from the edge of the Location.

Site Specific Measures to Address Criteria 3: The BMPs and COAs used to address the impacts covered under this Objective Criteria are covered under the discussion for Objective Criteria 1.

Criteria 5.c.: The proposed Oil and Gas Location is within a Sensitive Area for water resources.

Site Specific Description of Applicability of Criteria 5.c.: Based on the technical review, the proposed Location is approximately 70 feet from a major tributary to Coal Creek.

Site Specific Measures to Address Criteria 5.c.: GMT has agreed to BMPs for stormwater control as well as secondary containment for the production facility including lined secondary containment of the above ground storage tanks.

Criteria 8: The proposed Oil and Gas Location has storage of hydrocarbon or produced liquid in more than 18 tanks or in excess of 5,200 barrels

Site Specific Description of Applicability of Criteria 8: Based on the technical review, there are eleven tanks on the location with a storage capacity of 500 barrels, each, for a total onsite hydrocarbon or produced liquid storage capacity of 5,500 barrels.

Site Specific Measures to Address Criteria 8: The closest building unit to the location is located approximately 1,662 feet away from the nearest equipment on the location. Revisions to BMPs were requested to clarify stormwater protection, odor mitigation that includes the use of Group II drilling fluids, remote monitoring, daily inspections by the pumper, lined steel-walled secondary containment around the tank battery and steel-walled secondary containment around the separators, remote monitoring and shutdown capabilities, and to acknowledge COGCC's Green Completions standards. GMT is still negotiating a Fire Protection and Safety Agreement with the Rattlesnake Fire Protection District and has committed to entering into the agreement prior to drilling.

Summary: During the technical review process, COGCC staff requested additional information and clarification regarding GMT's proposal and BMPs for odors, stormwater, and daily inspections by the pumper. The information received has been added to the application materials. GMT intends to drill one well on their first occupation at this location to prove the field.

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.