



DIRECTOR'S RECOMMENDATION:

Bayswater Exploration (Bayswater), Blehm 18-I Pad OGD, OGD ID #480293, Form 2C #402582790, Form 2A #402580742, Form 2B # 402650999, Docket #210300017

Pursuant to Rule 306, the Director submits to the Commission this recommendation for the Bayswater Blehm 18-I Pad OGD located in Weld County.

BACKGROUND

On March 15, 2021, Bayswater filed an application for an Oil and Gas Development Plan (OGDP) with the Colorado Oil and Gas Conservation Commission (COGCC). The Director determined the application was complete on July 15, 2021.

The proposed OGD includes application lands in Township 7 North, Range 66 West, Section 18, and Township 7 North, Range 67 West, portions of Sections 11, 12, 13, 14, 23, and 24. The setting is in an agricultural and large-plat rural residential area of Weld County, and includes a portion of the Town of Severance, approximately 4.5 miles west of Ault, Colorado.

Surface Lands:

The proposed Oil and Gas Location lies on fee surface outside the mineral development area and requires 17.6 acres of total new disturbance as follows:

- Oil and Gas Location disturbance - 11.7 acres (7.2 acres of which is the Working Pad Surface (WPS))
- Access Road disturbance - 5.9 acres
- The access road traverses Section 18 approximately paralleling the Pierce Lateral Canal to where it meets an existing access road and then intersects Highway 14
- Bayswater is committed to having an oil and gas pipeline in service upon initial production, but because the route is not yet confirmed with the third party provider, specific information regarding the placement of the pipeline has not been included in this application

Mineral Lands and Development:

Bayswater proposes to develop fee minerals with four overlapping Wellbore Spacing Units (WSUs) and one Drilling and Spacing Unit (DSU). WSU 1, 2, 3, and 4 are proposed to each include a single horizontal well, and "DSU No. 5" will include 20 horizontal wells. DSU No. 5, which includes all of Sections 13 and 14, was established by Order 407-3176, and is being modified in this OGD application to reduce the well count from 24 to 20. WSUs 1 and 2 straddle the N2/N2 of DSU No. 5 and the S2/S2 of Sections 11 and 12 (see the OGD Map attached to the approved Form 2C, but please note the language in the key is slightly incorrect: DSU Nos. 1 & 2 in the map are actually WSU 1, 2, 3, and 4). WSUs 3 and 4 straddle the S2/S2

of DSU No. 5 and the N2/N2 of Sections 23 and 24. The total acreage within the proposed mineral lands is 1,920 acres.

Bayswater's Blehm 18-I Pad Proposed Development:

Bayswater proposes one new Oil and Gas Location that will have a total of 24 wells, 10 oil tanks, 2 water tanks, 25 separators, 5 enclosed combustion devices, 4 gas compressors, 2 LACT Units, and various other production related equipment. Bayswater plans to conduct construction and drilling activities in Q4 2021, completion activities in Q2 2022, and transition to full production in Q3 2022.

LOCAL GOVERNMENT PERMITTING AND PRE-APPLICATION CONSULTATIONS

Relevant Local and Proximate Governments:

Weld County is the relevant local government for the OGD. The Town of Severance is the only proximate local government to the proposed OGD.

Local Permit and Pre-Application Consultation with Weld County:

As required by COGCC Rule 302.e and Rule 303.e.(2) & (3), prior to submittal of the OGD application, Bayswater sent formal notice to Weld County on September 10, 2020. Weld County and Bayswater held a pre-application consultation on September 14, 2020; COGCC staff did not attend. Bayswater submitted a Weld County Oil and Gas Location Assessment (WOGLA) application to Weld County on December 3, 2020; Weld County subsequently approved WOGLA #1041WOGLA20-0083 permit for the proposed location on January 27, 2021.

Consultation with the Proximate Local Government:

The Town of Severance is the proximate local government whose jurisdictional boundaries lie approximately 1,500 feet west of the proposed Oil and Gas Location. A virtual meeting was held with the Town of Severance and Bayswater on January 6, 2021, at the request of the Town of Severance. The Town of Severance recommended that Bayswater appropriately screen and buffer the west side of the site from existing Town of Severance residents with landscaping and berming, and that all traffic generated by the project be directed away from Weld County Road 23 where possible (see pages 5-6 of the ALA Narrative). Bayswater has incorporated the Town of Severance's recommendations into the Form 2A and associated plans and has indicated that to the best of their knowledge, the Town of Severance does not oppose the proposed Oil and Gas Location.

VARIANCE, EXEMPTION, and EXCEPTION REQUESTS IN THE OGD

Lesser Impact Area Exemption Request Summary:

Bayswater requested a Rule 304.d Lesser Impact Area Exemption for the "Wildlife Habitat Drawing" (Rule 304.b.(7).C.) from the Director based on evidence showing this drawing was not necessary because the impacted resource or resource concern is not present in the area. The proposed Oil and Gas Location is not within a CPW mapped High Priority Habitat (HPH) and

Bayswater indicated no other protected or species of concern were observed during field observation.

Based on COGCC staff review of information provided in the “Lesser Impact Area Exemption Request” attachment during the Form 2A ‘Completeness Review’, staff determined that the impacted resource of concern is not present and, therefore, the Director granted the Lesser Impact Area Exemption Request on July 12, 2021. Although the Wildlife Habitat Drawing was exempted, Bayswater has included a Wildlife Protection Plan that included a Wildlife Habitat Drawing and BMPs on the Form 2A to mitigate potential impacts to wildlife.

Rule 604.a.(2) Exception Location Request Summary:

Bayswater is requesting a Rule 604.a.(2) Exception Location for proposed wells to be located less than 150 feet from a property line (see Exception Request Letter attached to the Form 2A). This Rule states that the Commission may grant an exception if it is not feasible for the Operator to meet this minimum distance requirement and a waiver is obtained from the offset Surface Owner(s). Eighteen of the 24 proposed wells will be located less than 150 feet from a property line. The offset property owner is also the Surface Owner for this Oil and Gas Location and Bayswater has obtained written permission from the offset property owner by way of an executed Surface Use Agreement (SUA) for this Location. The SUA includes a diagram showing the approximate placement of the proposed wells in relation to the property line, but does not include an explicit waiver of Rule 604.a.(2). Upon Staff’s request, Bayswater has indicated they will attempt to obtain a signed document that explicitly indicates the surface owner waives the requirements of Rule 604.a.(2).

Variance Requests:

Bayswater did not include any variance requests in their application materials and none are required to permit the Oil and Gas Operations as proposed.

PUBLIC COMMENTS

Pursuant to COGCC Rule 303.d.(1).A.i, the public comment period was open for 45 days from July 15, 2021 to August 29, 2021. The Director reviewed and considered comments received from stakeholders and the public when evaluating the proposed OGDG and in determining the recommendation. Only one public comment was received during the public comment period: Jason Maxey of the Weld County Oil and Gas Energy Department provided a comment on the Form 2A indicating Bayswater has obtained an approved WOGLA from Weld County.

COGCC STAFF’S TECHNICAL REVIEW HIGHLIGHTS

This section addresses issues related to siting, and public health, safety, welfare, the environment and wildlife resources, within the context of SB 19-181 for Bayswater’s Blehm 18-I Pad Oil and Gas Development Plan.

Alternative Location Analysis (ALA)

The proposed location meets the following Rule 304.b.(2).B criteria:

- 304.b.(2).B.i - the proposed WPS is within 2,000 feet of 1 or more Residential Building Units (RBUs);
- 304.b.(2).B.vii - the proposed Oil and Gas Location is within the boundaries of, or is immediately upgradient from, a mapped, visible, or field-verified wetland or riparian corridor;
- 304.b.(2).B.x - the proposed WPS is within 2,000 feet of an RBU located within a Disproportionately Impacted (DI) Community.

Bayswater formally evaluated five technically feasible locations, including the proposed Blehm 18-I Pad location. All five locations are within the same DI Community. Four of the locations are generally east of and outside the DSU to avoid the higher Building Unit density in Section 13. A fifth location is at the western edge of the DSU. Although there are fewer RBUs on the west side of the DSU, Bayswater eliminated the entire west side from consideration due to the steep dip and subsurface flexure of the Niobrara Formation. Bayswater described that the formation dip would impact the economic and technical feasibility of wells drilled west to east. In addition, there is also a mapped HPH on the western side of the DSU that Bayswater prefers to avoid.

Of the four locations analyzed on the east side of the DSU, the proposed location has the fewest Building Units within 2,000 feet (one RBU between 501-1000 feet and 8 BUs between 1001-2000 feet). The proposed location is immediately upgradient of the Pierce Lateral Canal and an intermittent streambed wetland (see Hydrology Map attached to Form 2A).

Bayswater indicated that all technically feasible alternative locations were considered in their ALA. Upon technical review of the ALA, however, Staff identified, and requested Bayswater provide a brief analysis of, potential alternative locations to the east and northeast of the proposed Location which may better avoid RBUs. Bayswater responded that these areas were initially considered for development of the Blehm OGD, but were not selected as potential alternative locations due to existing agreements already in place between the Surface Owner and a third-party corporation that would prohibit surface development from those areas (see Bayswater's Submit Tab comments on Form 2A).

COGCC Staff Analysis of ALA:

Based on the ALA Datasheet and Narrative (attached to the Form 2A), and a desktop review of the setting, Staff has determined that the ALA demonstrates that the proposed Location would present fewer potential adverse impacts than the alternatives analyzed. There are no preferable technically feasible alternative locations within or adjacent to the mineral development area that more successfully avoid potential impacts to human, environmental, and wildlife receptors. Best Management Practices are necessary to minimize and/or mitigate

the potential adverse impacts to public health, safety, welfare, the environment, and wildlife resources from the proposed Location and the Oil and Gas operations associated with it.

Public Health, Safety, and Welfare Considerations

Staff identified three interrelated concerns regarding public health, safety, and welfare in this proposed OGDG due to proximity to RBUs:

The proposed WPS is within 2,000 feet of 9 RBUs: Staff's technical review identified one (1) RBU within 501-1,000 feet of the WPS and eight (8) RBUs within 1,001-2,000 feet of the WPS (see the Cultural Features Map attached to the Form 2A for a depiction of the spatial relationship between the WPS and the 8 RBUs). The nearest RBU is located approximately 558 feet southeast of the proposed WPS; this RBU owner/tenant is not the Surface Owner. The Belmont Farms residential neighborhood is approximately 1,350 feet west of the proposed location. There are no High Occupancy Building Units, School Facilities, or Child Care Centers within one mile of the proposed WPS.

Operator-proposed site-specific measures to address proximity to RBUs:

Bayswater provided BMPs that address public health, safety and welfare considerations; Staff has reviewed those BMPs and included them on the Form 2A. A summary of Bayswater's relevant minimization and mitigation measures includes:

- Safety: Bayswater consulted with the Windsor Severance Fire Protection District and Weld County Office of Emergency Management. A site-specific Emergency Action Plan was approved by Weld County Office of Emergency Management on 12/9/2020; the Location will have remote shut in capability;
- Emissions: Bayswater has committed to a crude oil and gas gathering system; will minimize truck traffic by using temporary pipeline to deliver water for completions; will use electrical power on site rather than diesel generators; will conduct LDAR/AVO inspections;
- Noise: Bayswater will install 32-foot sound walls on all sides of the Location; quiet frac fleet will be used;
- Lights: lights will be on timers and pointed downward and inward;
- Odor: Bayswater will use oil-based drilling fluids that are classified as Group II (low aromatic) fluids and an odor neutralizer;
- Dust: Bayswater will use speed restrictions, restriction of construction activity during high-wind days, silica dust controls, regular road maintenance, and the use of fresh water or magnesium chloride for dust suppressant;
- Visual Impact mitigation: Bayswater will install visual screening on the west side of the location. Upon first production, Bayswater will use the stockpiled topsoil to berm the west side of the site as a visual screening of the site. It is estimated that such berm will be 6-8' in height and that it will be vegetated using a seed mix approved by the landowner and suitable to the native soil at the site.

The proposed Location is within a DI Community: The proposed Location is within a DI Community, as defined by the Location's siting in a census block group that has a percent minority population greater than the percent minority population of Weld County (see DI Community Map attached to Form 2A). All nine of the RBUs within 2,000' of the proposed WPS are also within the same DI Community.

Summary of Bayswater's Outreach to the DI Community:

Bayswater's Disproportionately Impacted Community Map and Community Outreach Plan are attached to the Form 2A as required by Rules 304.b.(7).J and 304.c.(20). The Outreach plan includes a description of the area demographics and describes Bayswater's methods for community outreach and engagement including internet, telephone, mailing, and virtual in-person communications, based on the makeup and language needs of the community. Bayswater invited all residents of the Belmont Farms HOA, all RBU owners and tenants within 2,000 feet, and other stakeholders to a virtual town hall meeting which was held on January 6, 2021. The town hall attendance was estimated at 17 different RBU households (including six of the nine RBU owners within 2,000 feet of the location). Topics of concern expressed in the meeting included setbacks, noise, odor, lights, traffic, haul routes, duration of activity, groundwater and overall water sourcing for completion, actual frac location, casing and cement programs, flaring, air monitoring, structural damage to homes, and visual landscaping. Bayswater also invited all 9 RBU owners to a site visit; only 1 one owner attended. Bayswater provided contact information for Bayswater parties working on the Blehm OGDG to all RBU owners and tenants within 2,000 feet of the WPS and has had multiple communications and engagement with those residents regarding this OGDG application. No RBU owners/tenants have objected to the proposal (see Correspondence attached to the Form 2A).

The applicant is requesting approval of the Location pursuant to Rule 604.b.(4): Rule 604.b requires that no WPS will be located between 501-2,000 feet from a RBU unless one of four conditions are satisfied; the applicant is asking the Commission to find that the proposed Location and its BMPs and any COAs will provide substantially equivalent protections per Rule 604.b.(4). See page 4 of the Correspondence attached to the Form 2A for Bayswater's statement on their approach to Rule 604.b.(4).

COGCC Staff Analysis of Public Health, Safety and Welfare Considerations:

COGCC staff conducted a technical and desktop review of the application materials related to proximity to RBUs and the DI Community. Based on this review, staff has determined that the application for the Bayswater Blehm 18-I Pad OGDG complies with COGCC Rules.

Staff concludes that the proposed site-specific BMPs will reduce, minimize and/or mitigate potential adverse impacts to public health, safety and welfare with consideration given to the proximity to RBUs and the DI Community. The BMPs and plans address administrative processes (coordination and permitting with relevant local and proximate governments), nuisance conditions (e.g. noise, lighting, odors and dust), safety (e.g. emergency response

and vapor controls), public health (e.g. emission controls, connecting to a pipeline), and welfare (e.g. communication with nearby building unit owners and tenants).

Staff has also determined that Bayswater's Community Outreach Plan, and the dialogue established with the residents of the DI Community thus far, have provided adequate opportunity for community members to participate in this planning and permitting process, and that Bayswater is demonstrating a good faith effort to maintain open communication, engagement, and transparency with local residents.

Environmental Resource Considerations

Water Resources:

The proposed Oil and Gas Location is in a Sensitive Area for Water Resources due to the potential for shallow groundwater and proximity to a downgradient surface Water of the State. The estimated depth to groundwater is at 15 feet. The nearest downgradient Surface Water of the State is Pierce Lateral Canal approximately 46 feet south of the Oil and Gas Location. The nearest mapped wetland is approximately 15 feet south of the Oil and Gas Location

Operator-proposed site-specific measures to address water resources:

Bayswater provided BMPs to ensure the protection of the shallow groundwater and nearby surface water features at the Oil and Gas Location. Staff has reviewed those BMPs and included them on the Form 2A. A summary of Bayswater's minimization and mitigation measures includes:

1. Tertiary containment will be installed to protect the Pierce Lateral Ditch.
2. The location will be constructed with secondary containment with impervious lining to protect soil and water resources from leaks and spills during the drilling, completion and production phases. A 40-mil poly liner with foam type berms will be utilized under the drilling rig, mud tanks, shakers, and drill cuttings bins.
3. All facilities onsite shall be subjected to an instrument-based leak detection and repair (LDAR) inspection at least monthly during drilling and completion and quarterly during production.
4. Tank berms shall be constructed of steel rings with an engineered synthetic liner and designed to contain 150% of the capacity of the largest tank. Separator berms shall be constructed of steel rings. All berms will be visually checked periodically to ensure proper working condition.
5. Stormwater Management is being coordinated with Weld County via a Preliminary Drainage Report submitted as part of the 1041 WOGLA Application, and a Grading Permit and Final Drainage Report will be approved by Weld County Public Works prior to site construction.

COGCC Staff Analysis of Water Resource Considerations:

COGCC staff conducted a technical review of the Hydrology Map, Layout Drawings, Stormwater Management Plan, Interim Reclamation Plan, Fluid Leak Detection Plan, Dust Mitigation Plan, and Topsoil Protection Plan to evaluate the potential for impact to the nearest surface water features. Bayswater provided BMPs that reduce, minimize, or mitigate impacts to groundwater and surface water resources and their environmental protections. The BMPs include engineering controls (construction and containment) and administrative controls (inspections and a leak detection plan).

Based on this information, Staff concludes that risk of contamination from this Oil and Gas Location to groundwater, the downgradient mapped wetland, and the downgradient Pierce Lateral Canal will be minimized by the successful implementation of the proposed BMPs.

DIRECTOR'S RECOMMENDATION:

The Director has reviewed the Oil & Gas Development Plan and all supporting application materials and has obtained all information necessary to evaluate the proposed operation and its potential impacts on public health, safety, welfare, the environment, and wildlife resources, including the Drilling and Spacing Unit application, all substantive public comments, and CPW comments. The Director has determined that Bayswater's Blehm 18-I OGDG complies with all requirements of the Commission's Rules and should be considered for approval by the Commission.

**FORM
2A**Rev
01/21**State of Colorado
Oil and Gas Conservation Commission**1120 Lincoln Street, Suite 801, Denver, Colorado 80203
Phone: (303) 894-2100 Fax: (303) 894-2109

Document Number:

402580742

Date Received:

03/15/2021

Oil and Gas Location Assessment

This Oil and Gas Location Assessment is to be submitted to the COGCC for approval prior to any ground disturbance activity associated with oil and gas operations. Approval of this Oil and Gas Location Assessment will allow for the construction of the below specified Location; however, it does not supersede any land use rules applied by the local land use authority. Please see the COGCC website at <https://cogcc.state.co.us/> for all accompanying information pertinent this Oil and Gas Location Assessment.

Location ID:

OGDP ID:

Expiration Date:

☒ New Location ☐ Refile ☐ Amend Existing Location # _____

If this Location assessment is a component of an Oil and Gas Development Plan (OGDP) application, enter the OGDP docket number(s).

Docket Number	OGDP ID	OGDP Name
210300017		

If this Location assessment is part of an approved Oil and Gas Development Plan, enter the OGDP ID number(s).

OGDP ID Number	OGDP Name
480293	

CONSULTATION

- ☐ This location is included in a Comprehensive Area Plan (CAP). CAP ID # _____
- ☐ This Location or its associated new access road, utility, or Pipeline corridor meets Rule 309.e.(2).A, B, or C.
- ☐ This Location is within 2,640 feet of a GUDI or Type III Well per Rule 411.b.(4).
- ☐ This Location includes a Rule 309.e.(2).E variance request.
- ☐ This location includes a Rule 309.f.(1).A.ii. variance request.

Operator

Operator Number: 10261

Name: BAYSWATER EXPLORATION & PRODUCTION LLC

Address: 730 17TH ST STE 500

City: DENVER State: CO Zip: 80202

Contact Information

Name: Mark Brown

Phone: (303) 893-2503

Fax: ()

email: mbrown@bayswater.us

FINANCIAL ASSURANCE

- ☒ Plugging and Abandonment Bond Surety ID (Rule 706): 20080034 ☐ Gas Facility Surety ID (Rule 711): _____
- ☐ Waste Management Surety ID (Rule 704): _____

LOCATION IDENTIFICATION

Name: Blehm Number: 18-I Pad

Provide the location description and the latitude and longitude of a single point near the center of the Working Pad Surface as a reference for this Location.

QuarterQuarter: LOT 3 Section: 18 Township: 7N Range: 66W Meridian: 6 Ground Elevation: 5079

Latitude: 40.574363 Longitude: -104.825924

GPS Quality Value: 1.6 Type of GPS Quality Value: PDOP Date of Measurement: 02/19/2020

RELATED REMOTE LOCATIONS

(Enter as many Related Locations as necessary. Enter the Form 2A document # only if there is no established COGCC Location ID#)

This proposed Oil and Gas Location is: LOCATION ID # FORM 2A DOC #



RELEVANT LOCAL GOVERNMENT SITING INFORMATION

County: WELD Municipality: N/A

Per § 34-60-106 (1)(f)(I)(A), the following questions pertain to the "Relevant Local Government approval of the siting of the proposed oil and gas location."

This proposed Oil and Gas Location is in an area designated as one of State interest and subject to the requirements of § 24-65.1-108, C.R.S. Yes

Does the Relevant Local Government regulate the siting of Oil and Gas Locations, with respect to this location? Yes

A siting permit application has been submitted to the Relevant Local Government for this proposed Oil and Gas Location: Yes

Date Relevant Local Government permit application submitted: 12/03/2020

Current status or disposition of the Relevant Local Government permit application for this proposed Oil and Gas Location: Approved

Status/disposition date: 01/27/2021

If Relevant Local Government permit has been approved or denied, attach final decision document(s).

Provide the contact information for the Relevant Local Government point of contact for the local permit associated with this proposed Oil and Gas Location:

Contact Name: Jason Maxey Contact Phone: 970-400-3579

Contact Email: oged@weldgov.com

PROXIMATE LOCAL GOVERNMENT INFORMATION

For every Proximate Local Government (PLG) associated with this proposed Oil and Gas Location, provide the PLG's point of contact and their contact information.

Type of Proximate Govt	County	Municipality	Contact Name	Contact Phone	Contact Email
Municipality		Severance	Mitch Nelson	970-685-2810	mnelson@townofseverance.org

FEDERAL PERMIT INFORMATION

A Federal drilling permit (or related siting application) has been submitted for this proposed Oil and Gas Location: No

Date submitted: _____

Current status or disposition of the Federal drilling permit (or related siting application) for this proposed Oil and Gas Location: _____

Status/disposition Date: _____

If Federal agency permit has been approved or denied, attach the final decision document(s).

Provide the contact information of the Federal point of contact for the Federal permit associated with this proposed Oil and Gas Location.

Contact Name: _____ Contact Phone: _____

Contact Email: _____ Field Office: _____

Additional explanation of local and/or federal process:

RELEVANT LOCAL GOVERNMENT OR FEDERAL PRE-APPLICATION CONSULTATION

Complete this section for any pre-application consultation related to this proposed Oil and Gas Location that occurred prior to the submission of this Form 2A. If a pre-application Formal Consultation Process occurred, attach a Consultation Summary.

Did a pre-application Formal Consultation Process occur with the Relevant Local Government per Rule 301.f.(3)? Yes

Date of local government consultation: 09/06/2020

Did a pre-application Formal Consultation Process occur with the Federal land manager per Rule 301.f.(3)? No

Date of federal consultation: _____

Was an ALA that satisfies Rule 304.b.(2).C (or substantially equivalent information per Rule 304.e) developed during a federal or local government permit application process? If yes, attach the ALA to the Form 2A. Yes

ALA APPLICABILITY AND CRITERIA

Complete this section for any pre-application consultation related to this proposed Oil and Gas Location that occurred prior to the submission of this Form 2A. If a pre-application Formal Consultation Process occurred, attach a Consultation Summary.

Does the proposed Oil and Gas Location meet any of the criteria listed in Rule 304.b.(2)B? Yes

If YES, indicate by checking the box for every Rule 304.b.(2).B criterion met by this proposed Location, and attach an ALA. See Rule 304.b.(2).B.i-x for full text of criteria.

- | | |
|---|---|
| <input checked="" type="checkbox"/> i. WPS < 2,000 feet from RBU/HOBUE | <input type="checkbox"/> vi.aa. WPS within a surface water supply area |
| <input type="checkbox"/> ii. WPS < 2,000 feet from School/Child Care Center | <input type="checkbox"/> vi.bb. WPS < 2,640 feet from Type III or GUDI well |
| <input type="checkbox"/> iii. WPS < 1,500 feet from DOAA | <input checked="" type="checkbox"/> vii. WPS within/immediately upgradient of wetland/riparian corridor |
| <input type="checkbox"/> iv. WPS < 2,000 feet from jurisdictional boundary and PLG objects/requests ALA | <input type="checkbox"/> viii. WPS within HPH and CPW did not waive |
| <input type="checkbox"/> v. WPS within a Floodplain | <input type="checkbox"/> ix. Operator using Surface bond |
| | <input checked="" type="checkbox"/> x. WPS < 2,000 feet from RBU/HOBUE/School within a DIC |

Is the proposed Oil and Gas Location within the exterior boundaries of the Southern Ute Indian Reservation, and the Tribe objects to the Location or requests an ALA? If YES, attach an ALA to the Form 2A. No

Operator requests the Director waive the ALA requirement per Rule 304.b.(2).A.i ☐

Provide an explanation for the waiver request, and attach supporting information (if necessary).

ALTERNATIVE LOCATIONS DASHBOARD

List every alternative location reviewed and included in the ALA. Provide a latitude and longitude for the approximate center of the alternative location, all Rule 304.b.(2).B Criteria met, if a variance would be required to permit the location, and a brief comment on the key points of the alternative location.

304.b.(2).B.i-x Criteria Met:

#	latitude	longitude	i	ii	iii	iv	v	vi	vii	viii	ix	x	Variance Required?	Comments
1	40.571572	-104.830511	x						x			x		Based on the assessment of this location it was eliminated from further consideration as the Proposed Location was a better site
2	40.582659	-104.833842	x									x		This location was placed on hold to move forward with the single Proposed Location site and was subsequently eliminated from further consideration as a successful SUA was negotiated with the surface owner of the proposed Location.
3	40.566342	-104.828613	x						x			x		Alternative Location 3 was eliminated from consideration after a SUA was executed with the surface owner of the Proposed Location and the entire DSU could be developed from one site versus two.
4	40.574979	-104.869102	x						x	x		x		The entire West side of the DSU was eliminated from consideration based on the geologic structure across the DSU and prohibiting the feasibility to technically access the targeted formations.

SURFACE & MINERAL OWNERSHIP

Surface Owner Info:

Name: David L Drake Trust Phone: _____
 Address: 10010 Highway 14 Attn: Linda L Blehm Fax: _____
 Address: _____ Email: _____
 City: Ault State: CO Zip: 80610
 Name: Linda D Blehm Trust Phone: _____
 Address: 10010 Highway 14 Attn: Linda L Blehm Fax: _____
 Address: _____ Email: lindadblehm@gmail.com
 City: Ault State: CO Zip: 80610

Surface Owner at this Oil and Gas Location: ☒ Fee ☐ State ☐ Federal ☐ Indian

Check only one: ☐ The Operator/Applicant is the surface owner.
☒ The Operator has a signed Surface Use Agreement for this Location – attach SUA.
☐ All operations on this Oil & Gas Location will develop the minerals beneath the Location, and the surface owner owns the minerals beneath this Location and is committed to an oil and gas lease – attach lease map or provide lease description.

☐ All operations on this Oil & Gas Location will develop the minerals beneath the Location, and the Operator intends to use a surface bond per Rule 703 to secure access to this Location – attach lease map or provide lease description.

Surface Owner protection Financial Assurance type: N/A

Surety ID Number: _____

Mineral Owner beneath this Oil and Gas Location: ☒ Fee ☐ State ☐ Federal ☐ Indian

Minerals beneath this Oil and Gas Location will be developed from or produced to this Oil and Gas Location: No

Lease description if necessary: _____

SITE EQUIPMENT LIST

Indicate the number and type of major equipment components planned for use on this Oil and Gas Location:

Wells	<u>24</u>	Oil Tanks	<u>10</u>	Condensate Tanks	<u>0</u>	Water Tanks	<u>2</u>	Buried Produced Water Vaults	<u>0</u>
Drilling Pits	<u>0</u>	Production Pits	<u>0</u>	Special Purpose Pits	<u>0</u>	Multi-Well Pits	<u>0</u>	Modular Large Volume Tank	<u>0</u>
Pump Jacks	<u>0</u>	Separators	<u>26</u>	Injection Pumps	<u>0</u>	Heater-Treaters	<u>0</u>	Gas Compressors	<u>4</u>
Gas or Diesel Motors	<u>0</u>	Electric Motors	<u>0</u>	Electric Generators	<u>0</u>	Fuel Tanks	<u>0</u>	LACT Unit	<u>2</u>
Dehydrator Units	<u>0</u>	Vapor Recovery Unit	<u>0</u>	VOC Combustor	<u>0</u>	Flare	<u>0</u>	Enclosed Combustion Devices	<u>5</u>
Meter/Sales Building	<u>4</u>	Pigging Station	<u>0</u>			Vapor Recovery Towers	<u>0</u>		

OTHER PERMANENT EQUIPMENT

Permanent Equipment Type	Number
Instrument Air Skid	<u>1</u>
Multi-Use Tank	<u>2</u>
Scrubber	<u>8</u>
Sump	<u>2</u>
Water Transfer Skid	<u>1</u>
Gas Lift Injection Manifold	<u>1</u>
Gas Lift Compressor	<u>1</u>

OTHER TEMPORARY EQUIPMENT

Temporary Equipment Type	Number
HP Vessel	<u>4</u>
Minion Tank	<u>1</u>
Flowback Tanks	<u>20</u>
Enclosed Combustion Device	<u>1</u>
Gas/Diesel Generator	<u>1</u>
Choke Manifolds	<u>4</u>
LP Vessel	<u>1</u>

GAS GATHERING COMMITMENT

Operator commits to connecting to a gathering system by the Commencement of Production Operations? Yes

If the answer is NO, a Gas Capture Plan consistent with the requirements of Rule 903.e MUST be attached on the Plans tab.

FLOWLINE DESCRIPTION

Per Rule 304.b.(6), provide a description of all onsite and off-location oil, gas, and/or water flowlines.

2" welded steel Sch 160 flowlines from wellheads to separators carrying oil, gas and water, 2" welded steel Sch 80 intra-facility lines, 3", 6", and 8" welded steel Sch 40 dump lines from separators to oil and water tanks, 3" welded steel Sch 80 gas supply line from gas lift compressor to wellheads. The sumps are used to collect rain and snow melt from compressor skids and any water condensate from low pressures vapor lines. No production water is collected in the sumps. The sumps are constructed of 30 bbl fiberglass.

CULTURAL DISTANCE AND DIRECTION

Provide the distance and direction to the nearest cultural feature as measured from the edge of the Working Pad Surface.

	Distance	Direction	Rule 604.b Conditions Satisfied (check all that apply):			Details of Condition(s)	604.b. (4)
			604.b. (1)	604.b. (2)	604.b. (3)		
Building:	323 Feet	SE					
Residential Building Unit (RBU):	558 Feet	SE	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	9 RBUs located within 2000'	<input checked="" type="checkbox"/>
High Occupancy Building Unit(HOBU)	5280 Feet	SW	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>
Designated Outside Activity Area:	5280 Feet	SW					
Public Road:	1790 Feet	W					
Above Ground Utility:	791 Feet	SE					
Railroad:	5280 Feet	E					
Property Line:	0 Feet	N					
School Facility:	5280 Feet	SW					
Child Care Center:	5280 Feet	SW					
Disproportionately Impacted (DI) Community:	0 Feet	W					
RBU, HOBU, or School Facility within a DI Community:	558 Feet	SE	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	9 RBUs within a DI Community located within 2000'	<input checked="" type="checkbox"/>

RULE 604.a.(2). EXCEPTION LOCATION REQUEST

- ☒ Operator requests an Exception Location Request from Rule 604.a.(2) [well is less than 150 feet from a property line]. Exception Location Request Letter and Waiver signed by offset Surface Owner(s) must be attached.

CULTURAL FEATURE INFORMATION REQUIRED BY RULE 304.b.(3).B.

Provide the number of each Cultural feature identified within the following distances, as measured from the Working Pad Surface:

	0-500 feet	501-1,000 feet	1,001-2,000 feet
Building Units	0	1	8
Residential Building Units	0	1	8
High Occupancy Building Units	0	0	0
School Properties	0	0	0
School Facilities	0	0	0
Designated Outside Activity Areas	0	0	0

CONSTRUCTION

Size of disturbed area during construction in acres: 11.70

Size of location after interim reclamation in acres: 9.20

Estimated post-construction ground elevation: 5075

DRILLING PROGRAM

Will a closed-loop drilling system be used? Yes

Is H2S gas reasonably expected to be encountered during drilling operations at concentrations greater than or equal to 100 ppm? No If YES, attach H2S Drilling Operations Plan.

Will salt sections be encountered during drilling: No

Will salt based (>15,000 ppm Cl) drilling fluids be used? No

Will oil based drilling fluids be used? Yes

DRILLING WASTE MANAGEMENT PROGRAM

Drilling Fluids Disposal: OFFSITE

Drilling Fluids Disposal Method: Commercial Disposal

Cutting Disposal: OFFSITE

Cuttings Disposal Method: Commercial Disposal

Other Disposal Description:

Beneficial reuse or land application plan submitted? No

Reuse Facility ID: _____ or Document Number: _____

Centralized E&P Waste Management Facility ID, if applicable: _____

CURRENT LAND USE

Current Land Use: check all that apply per Rule 304.b.(9).

Crop Land: ☐ Irrigated ☒ Non-Irrigated ☐ Conservation Reserve Program (CRP)

Non-Crop Land: ☐ Rangeland ☐ Forestry ☐ Recreation ☐ Other

Subdivided: ☐ Industrial ☐ Commercial ☐ Residential

Describe the current land use:

Dry Crop Land

Describe the Relevant Local Government's land use or zoning designation:

Agricultural/Near-Urban Planning Area

Describe any applicable Federal land use designation:

N/A

FINAL LAND USE

Final Land Use: check all that apply per Rule 304.b.(9).

Crop Land: ☐ Irrigated ☒ Non-Irrigated ☐ Conservation Reserve Program (CRP)

Non-Crop Land: ☐ Rangeland ☐ Forestry ☐ Recreation ☐ Other

Subdivided: ☐ Industrial ☐ Commercial ☐ Residential

REFERENCE AREA INFORMATION

If Final Land Use includes Non-Crop Land (as checked above), the following information is required:

Describe landowner's designated final land use(s):

Reference Area Latitude: _____

Reference Area Latitude: _____

Provide a list of plant communities and dominant vegetation found in the Reference Area.

< No row provided >

Noxious weeds present: _____

SOILS

List all soil map units that occur within the maximum extent of the proposed Oil and Gas Location. Attach the National Resource Conservation Service (NRCS) report showing the "Map Unit Description" listing the typical vertical soil profile(s). This data is to be used when segregating topsoil.

The required information can be obtained from the NRCS website at <https://www.nrcs.usda.gov/wps/portal/nrcs/surveylist/soils/survey/state/> or from the COGCC website GIS Online map page. Instructions are provided within the COGCC website help section.

NRCS Map Unit Name: 48 - Olney fine sandy loam, 3 to 5 percent slopes

NRCS Map Unit Name: 47 - Olney fine sandy loam, 1 to 3 percent slopes

NRCS Map Unit Name: _____

GROUNDWATER AND WATER WELL INFORMATION

Provide the distance and direction, as measured from the Working Pad Surface, to the nearest:

water well: 1277 Feet SE

Spring or Seep: 5280 Feet N

Estimated depth to shallowest groundwater that can be encountered at this Oil and Gas Location: 15 Feet

Basis for estimated depth to and description of shallowest groundwater occurrence:

Depth to groundwater taken from Location ID 433400 Form 2A, which is closer than nearest water well with a static water level. Location is sensitive due to depth to groundwater and proximity to Pierce Lateral Canal and mapped associated wetland, which is dry bank of canal per observation and surface owner.

SURFACE WATER AND WETLANDS

Provide the distance and direction to the nearest downgradient surface Waters of the State, as defined 46 Feet S

in the 100-Series Rules, measured from the Working Pad Surface:

If less than 2,640 feet, is the Waters of the State identified above within 15 stream miles upstream of a Public Water

System intake? No

Provide the distance and direction to the nearest downgradient wetland, measured from the Working

Pad Surface: 15 Feet S

Provide a description of the nearest downgradient surface Waters of the State:

Pierce Lateral Canal and associated wetland

If the proposed Oil and Gas Location is within a Rule 411.a Surface Water Supply Area buffer zone, select the buffer zone type: _____

If the proposed Oil and Gas Location is within a Rule 411.b GUDI/Type III buffer zone, select the buffer zone type: _____

Is a U.S. Army Corps of Engineers Section 404 permit required for the proposed Oil and Gas Location, access road, or associated pipeline corridor? No

If a U.S. Army Corps of Engineers Section 404 permit is required, provide the permit status, and permit number if available:

Is the Location within a Floodplain? No Floodplain Data Sources Reviewed (check all that apply):

☒ Federal (FEMA) ☐ State ☐ County ☐ Local

☐ Other

Does this proposed Oil and Gas Location lie within a Sensitive Area for water resources, as defined in the 100-Series Rules? Yes

CONSULTATION, WAIVERS, AND EXCEPTIONS

When Rule 309.e.(2) Consultation must occur, check all that apply:

- ☐ This location is included in a Wildlife Mitigation Plan
- ☐ This Oil and Gas Location or associated new access road, utility, or pipeline corridor falls within federally designated critical habitat or an area with a known occurrence for a federal or Colorado threatened or endangered species. Provide description in Comments section of Submit tab.
- ☐ This Oil and Gas Location or associated new access road, utility, or pipeline corridor falls within an existing conservation easement established wholly or partly for wildlife habitat. Provide description in Comments section of Submit tab.

When Rule 309.e.(3) Consultation is not required, check all that apply:

- ☐ This Oil and Gas Location has been included in a previously approved, applicable Wildlife Protection Plan.
- ☐ This Oil and Gas Location has been included in a previously approved, applicable Wildlife Mitigation Plan.
- ☐ This Oil and Gas Location has been included in a previously approved, applicable conservation plan.

Pre-application Consultation:

- ☐ A pre-application consultation with CPW, regarding this Oil and Gas Location, occurred _____ on:

CPW Waivers and Exceptions (check all that apply and attach all CPW waivers to this Form 2A):

- ☐ The applicant has obtained a Rule 304.b.(2).B.viii CPW waiver for the requirement to complete an ALA.
- ☐ The applicant has obtained a Rule 309.e.(2).G CPW waiver and consultation is not required.
- ☐ The applicant has obtained a Rule 309.e.(5).D.i CPW waiver and is requesting an exception from Rule 1202.c.(1).R.
- ☐ The applicant has obtained a Rule 309.e.(5).D.ii CPW waiver and is requesting an exception from Rule 1202.c.(1).S.
- ☐ The applicant has obtained a Rule 309.e.(5).D.iii CPW waiver of Rule 1202.c.(1).T.
- ☐ The applicant has obtained a Rule 309.e.(5).D.iv CPW waiver and is requesting an exception from Rule 1202.c.(1) in accordance with an approved CAP.
- ☐ The applicant has obtained a Rule 1202.a CPW waiver.
- ☐ The applicant has obtained a Rule 1202.b CPW waiver.
- ☐ In accordance with Rule 1203.a.(3), the applicant requests an exception from compensatory mitigation

Rule(s): _____

HIGH PRIORITY HABITAT AND COMPENSATORY MITIGATION

This Oil and Gas Location, associated access roads, utility, or Pipeline corridor falls wholly or partially within the following High Priority Habitats (Note: dropdown options are abbreviated - see Rule 1202 for full rule text):

< No row provided >

The following questions are for Oil and Gas Locations that cause the density to exceed one Oil and Gas Location per square mile in Rule 1202.d High Priority Habitat:

Direct Impacts:

Is Compensatory Mitigation required per Rule 1203.a for this Oil and Gas Location? No

Is a Compensatory Mitigation Plan proposed to address direct impacts for this Oil and Gas Location? No

Have all Compensatory Mitigation Plans been approved for this No
Location?

If not, what is the current status of each Plan?

Plan is not required

Is a Compensatory Mitigation Fee proposed for this Oil and Gas Location? No

Direct impact habitat mitigation fee amount: \$ _____

Indirect Impacts:

Is Compensatory Mitigation required per Rule 1203.d for this Oil and Gas Location? No

Is a Compensatory Mitigation Plan proposed to address indirect impacts for this Oil and Gas Location? No

Have all Compensatory Mitigation Plans been approved for this No
Location?

If not, what is the current status of each Plan?

Plan is not required

Is a Compensatory Mitigation Fee proposed for this Oil and Gas Location? No

Indirect impact habitat mitigation fee amount: \$ _____

Operator Proposed Wildlife BMPs

No BMP

CPW Proposed Wildlife BMPs

No BMP

AIR QUALITY MONITORING PROGRAM

Will the Operator install and administer an air quality monitoring program at this Location? Yes

Operator Proposed BMPs

No BMP

CDPHE Proposed COAs OR BMPs

No BMP

PLANS

Total Plans Uploaded: 16

- ☐ (1) Emergency Spill Response Program consistent with the requirements of Rules 411.a.(4).B, 411.b.(5).B, & 602.j
- ☒ (2) Noise Mitigation Plan consistent with the requirements of Rule 423.a
- ☒ (3) Light Mitigation Plan consistent with the requirements of Rule 424.a
- ☒ (4) Odor Mitigation Plan consistent with the requirements of Rule 426.a
- ☒ (5) Dust Mitigation Plan consistent with the requirements of Rule 427.a
- ☒ (6) Transportation Plan
- ☒ (7) Operations Safety Management Program consistent with the requirements of Rule 602.d
- ☒ (8) Emergency Response Plan consistent with the requirements of Rule 602.j
- ☐ (9) Flood Shut-In Plan consistent with the requirements of Rule 421.b.(1)
- ☐ (10) Hydrogen Sulfide Drilling Operations Plan consistent with the requirements of Rule 612.d
- ☒ (11) Waste Management Plan consistent with the requirements of Rule 905.a.(4)
- ☐ (12) Gas Capture Plan consistent with the requirements of Rule 903.e
- ☒ (13) Fluid Leak Detection Plan
- ☒ (14) Topsoil Protection Plan consistent with the requirements of Rule 1002.c
- ☒ (15) Stormwater Management Plan consistent with the requirements of Rule 1002.f
- ☒ (16) Interim Reclamation Plan consistent with the requirements of Rule 1003
- ☒ (17) Wildlife Plan consistent with the requirements of Rule 1201
- ☒ (18) Water Plan
- ☒ (19) Cumulative Impacts Plan
- ☒ (20) Community Outreach Plan
- ☐ (21) Geologic Hazard Plan

VARIANCE REQUESTS

Check all that apply:

- ☐ This proposed Oil and Gas Location requires the approval of a Rule 502.a variance from COGCC Rule or Commission

Order number: _____

ALL exceptions and variances require attached Request Letter(s). Refer to applicable rule for additional required attachments (e.g. waivers, certifications, SUAs).

RULE 304.d LESSER IMPACT AREA EXEMPTION REQUESTS

Check the boxes below for all Exemptions being requested. Lesser Impact Area Exemption Request must be attached, and will include all requested exemptions.

- | | |
|--|--|
| <input type="checkbox"/> 304.b.(1). Local Government Siting Information | <input type="checkbox"/> 304.c.(1). Emergency Spill Response Program |
| <input type="checkbox"/> 304.b.(2). Alternative Location Analysis | <input type="checkbox"/> 304.c.(2). Noise Mitigation Plan |
| <input type="checkbox"/> 304.b.(3). Cultural Distances | <input type="checkbox"/> 304.c.(3). Light Mitigation Plan |
| <input type="checkbox"/> 304.b.(4). Location Pictures | <input type="checkbox"/> 304.c.(4). Odor Mitigation Plan |
| <input type="checkbox"/> 304.b.(5). Site Equipment List | <input type="checkbox"/> 304.c.(5). Dust Mitigation Plan |
| <input type="checkbox"/> 304.b.(6). Flowline Descriptions | <input type="checkbox"/> 304.c.(6). Transportation Plan |
| <input checked="" type="checkbox"/> 304.b.(7). Drawings | <input type="checkbox"/> 304.c.(7). Operations Safety Management Program |
| <input type="checkbox"/> 304.b.(8). Geographic Information System (GIS) Data | <input type="checkbox"/> 304.c.(8). Emergency Response Plan |
| <input type="checkbox"/> 304.b.(9). Land Use Description | <input type="checkbox"/> 304.c.(9). Flood Shut-In Plan |
| <input type="checkbox"/> 304.b.(10). NRCS Map Unit Description | <input type="checkbox"/> 304.c.(10). Hydrogen Sulfide Drilling Operations Plan |
| <input type="checkbox"/> 304.b.(11). Best Management Practices | <input type="checkbox"/> 304.c.(11). Waste Management Plan |
| <input type="checkbox"/> 304.b.(12). Surface Owner Information | <input type="checkbox"/> 304.c.(12). Gas Capture Plan |
| <input type="checkbox"/> 304.b.(13). Proximate Local Government | <input type="checkbox"/> 304.c.(13). Fluid Leak Detection Plan |
| <input type="checkbox"/> 304.b.(14). Wetlands | <input type="checkbox"/> 304.c.(14). Topsoil Protection Plan |
| <input type="checkbox"/> 304.b.(15). Schools and Child Care Centers | <input type="checkbox"/> 304.c.(15). Stormwater Management Plan |
| | <input type="checkbox"/> 304.c.(16). Interim Reclamation Plan |
| | <input type="checkbox"/> 304.c.(17). Wildlife Plan |
| | <input type="checkbox"/> 304.c.(18). Water Plan |
| | <input type="checkbox"/> 304.c.(19). Cumulative Impacts Plan |
| | <input type="checkbox"/> 304.c.(20). Community Outreach Plan |
| | <input type="checkbox"/> 304.c.(21). Geologic Hazard Plan |

OPERATOR COMMENTS AND SUBMITTAL

Comments	<p>ALA Maps are attached to ALA Narrative.</p> <p>The two areas to the east/northeast were considered for development of the Blehm OGD, but were determined not to be potential alternative locations due to existing agreements already in place between the Surface Owner and a third-party corporation that prohibited development from those locations.</p> <p>Estimated dates of operational phases have been pushed back four months on all plans as of 7/6/2021 due to the time necessary for approval of this permit. The drilling rig scheduled for this site will be released in mid-July 2021 and some information prepared prior to 7/6/2021 may not reflect the revised phase estimates.</p> <p>SUA also serves as consent for property line exception location and is also attached to request letter to Director, as same surface owner on both sides of property line and expressed consent to location of wells on SUA map.</p> <p>GIS kml submitted as 'Other'.</p>
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I hereby certify that the statements made in this form are, to the best of my knowledge, true, correct and complete.

Signed: _____ Date: 03/15/2021 Email: regulatory@ascentgeomatics.com

Print Name: Justin Garrett Title: Regulatory Analyst

Based on the information provided herein, this Oil and Gas Location Assessment complies with COGCC Rules, applicable orders, and SB 19-181 and is hereby approved.

COGCC Approved: _____ Director of COGCC Date: _____

Conditions Of Approval

All representations, stipulations and conditions of approval stated in this Form 2A for this location shall constitute representations, stipulations and conditions of approval for any and all subsequent operations on the location unless this Form 2A is modified by Sundry Notice, Form 4 or an Amended Form 2A.

Condition of Approval

COA Type

Description

0 COA

Best Management Practices

No BMP/COA Type

Description

1	Planning	Bayswater shall connect the proposed facility to crude oil gathering systems and shall transport crude oil from this site via pipelines at first production which will significantly reduce the impacts associated with truck traffic. If a produced water pipeline becomes available to Bayswater during the production phase of the operation Bayswater will connect and transport that product through the produced water pipeline which will eliminate the need for trucking of produced water at this location, thus reducing impacts to traffic.
2	Planning	Bayswater shall have a company representative on location for all drilling and completion operations and will monitor every person entering the location for reason to be on the location. If it becomes necessary, Bayswater will install gates or gate guards to restrict traffic on to the location. The installed sound walls will limit access paths on to the location and will aid in identifying those personnel that need to be on location.
3	Planning	Bayswater consulted with the surface owner to minimize the impact on agricultural and future solar operations associated with the property. The facilities were located such that they are on the edge of the property and the least disruptive to the farming and future solar operations as possible. Upon completion of all drilling and completion operations and in accordance with Weld County and COGCC rules and regulations, the disturbed area not needed for production operations will be reclaimed and returned to the surface owner.
4	Community Outreach and Notification	Bayswater consulted with the Windsor Severance Fire Protection District and the Weld County Office of Emergency Management (OEM) regarding the proposed facility and emergency response for this location. The site-specific Emergency Action Plan was approved by the OEM on 12/9/2020.
5	Traffic control	Operator will not utilize CR 23 as a haul route to or from the location per agreement with the approved Weld Co. 1041 WOGLA, the Town of Severance and the Belmont Farms HOA. Traffic will be directed to enter the access point to the site from the West and exit the site to the East so as to not cross traffic on HWY 14. Trucks will be prohibited from idling on location when not in use to prevent the accumulation of odors from exhaust and noise from motors. Operator will minimize the amount of fugitive dust through the use of speed restrictions. All vehicles will be subject to a speed limit of 15 MPH on all lease roads to minimize dust.

6	General Housekeeping	Equipment, Weeds, Waste, and Trash: Maintain appearance with garbage clean-up; a trash bin will be located on site to accumulate waste by the personnel drilling the wells. Site will have unused equipment, trash and junk removed immediately when the trash bin is full. Operator shall keep the Surface Use Area as well as any roads or other areas used by Operator safe and in good order, including control of weeds litter and debris per Rule 606. All E&P waste shall be handled according to the 900 Series rules.
7	Storm Water/Erosion Control	<p>Operator shall install stormwater controls, constructed in a manner that is consistent with good engineering practices, that will prevent offsite migration of sediment/contaminant, into the nearby Pierce Lateral Ditch. Stormwater controls shall be installed prior to construction activities. Gas, oil, and water gathering lines will be co-located to minimize potential of erosion associated with construction of any pipeline (s).</p> <p>Stormwater Management is being coordinated with Weld County via a Preliminary Drainage Report was submitted as part of the 1041 WOGLA Application, and a Grading Permit and Final Drainage Report will be approved by Weld County Public Works prior to site construction.</p> <p>Berm Construction: Tertiary containment will be installed at the Blehm 18-I Pad as required to protect the Pierce Lateral Ditch which is less than 500' and down gradient of the Location.</p> <p>Per the approved WOGLA, Bayswater will comply with the Colorado Water Quality Control Commission regulations by following the active Stormwater Management Plan, which outlines the BMP's, inspection processes and spill prevention that will be implemented during facility construction and postconstruction activities for this location. The location will be covered under Bayswater's fieldwide Stormwater permit, COR400369.</p>
8	Storm Water/Erosion Control	The location will be constructed with secondary containment with impervious lining to protect soil and water resources from leaks and spills during the drilling, completion and production phases. Automation will be installed at this site which will provide notice of facility upset conditions with remote shut-in capabilities. Flowlines will be monitored for changes in pressure and tested annually for integrity. A Leak Detection and Repair ("LDAR") program along with an audio, visual, olfactory ("AVO") program is planned for this location as part of a company field-wide leak and spill detection program. The data collected from the AVO, LDAR and flowline testing programs would be made available to the COGCC if requested.
9	Material Handling and Spill Prevention	The location will be automated to monitor all production operations remotely. In the event that the facility is not operating under normal conditions, the automation system will immediately notify the operator. The automation system also has the ability to remotely perform an emergency shut down if necessary.
10	Material Handling and Spill Prevention	All oil and water loadouts that are commonly used have a load bucket and isolation valve. Since they are used often, there is not a bull plug installed. Any loadouts (water on back of tanks for example) that are rarely used, are bull plugged without a load bucket. A 40 ml poly liner with foam type berms will be utilized under the drilling rig, mud tanks, shakers, and drill cuttings bins. All facilities onsite shall be subjected to an instrument-based leak detection and repair (LDAR) inspection at least monthly during drilling and completion and quarterly during production. Volumetric Testing involves measurement of liquid volume which must be added or removed from system to maintain constant pressure; volume changes indicate either leaks or thermal expansion/contraction of liquid.

11	Dust control	Operator shall employ practices for control of fugitive dust caused by their operations. Such practices shall include but are not limited to the use of speed restrictions, automation of wells and production facilities, regular road maintenance, restriction of construction activity during high-wind days, and silica dust controls when handling sand used in hydraulic fracturing operations. Bayswater additionally has implemented the use of traffic signs when leaving the location to remind drivers of specific routes to utilize. Operator will stabilize the topsoil stockpiles utilizing vehicle tracking perpendicular to slope angle for short term stabilization and drill seed/crimped straw mulch application for longer term stabilization measures to suppress fugitive dust caused solely by wind. Operator will minimize the amount of fugitive dust through the use of speed restrictions. All vehicles will be subject to a speed limit of 15 MPH on all lease roads to minimize dust. Operator will mitigate the creation of fugitive dust through regular road maintenance as coordinated through agreements with Relevant Local Governments or Agencies with road jurisdiction. The access road will be covered with a minimum of 2" of road base material for stabilization and to mitigate dust. Per the approved 1041WOGLA, water or magnesium chloride will be used to mitigate dust impacts during initial construction of the drill site and may be restricted or limited during high-wind days. Silica dust from handling sand used in hydraulic fracturing operations will be mitigated by utilization of the enclosed Sand Box type sand delivery method.
12	Dust control	Operators will not use any of the following fluids for dust suppression: <ul style="list-style-type: none"> • Produced water • E&P Waste or hazardous waste • Crude oil or any oil not specifically designed for road maintenance • Solvents • Any process Fluids Operator will use only fresh water (potable or non-potable) to conduct dust suppression activities within 300 feet of the ordinary high-water mark of any water body. Operator will maintain safety data sheets ("SDS") for any chemical-based dust suppressant and make the SDS available immediately upon request to the Director and to the Local Government. Operators will maintain SDS for any chemical-based dust suppressant until the site passes final site Reclamation and transfer the records upon transfer of property ownership.
13	Construction	Tank berms shall be constructed of steel rings with an engineered synthetic liner and designed to contain 150% of the capacity of the largest tank. Containment berms shall be constructed and designed to prevent leakage and resist degradation from erosion or routine operation. Tertiary containment, such as an earthen berm, will be installed as required for Production Facilities within 500 feet of a down gradient surface water feature. All berms will be visually checked periodically to ensure proper working condition. Separator berms shall be constructed of steel rings. All berms will be visually checked periodically to ensure proper working condition. Containment berms shall be constructed and designed to prevent leakage and resist degradation from erosion or routine operation. Tertiary containment, such as an earthen berm, will be installed as required for Production Facilities within 500 feet of a down gradient surface water feature. All berms will be visually checked periodically to ensure proper working condition.
14	Construction	Equipment observable from any public highway shall be painted with uniform non-contrasting, non-reflective color tones (similar to the Munsell Soil Color Coding System), and with colors matched to, but slightly darker than, the surrounding landscape. Bayswater will install visual screening on the west side of the OGL as ordered in item #17 of the Final Order from the Weld County 1041 WOGLA hearing on January 21, 2021. Upon first production, Operator will use the stockpiled topsoil to berm the west side of the site as a visual screening of the site. It is estimated that such berm will be 6-8' in height and that it will be vegetated using a seed mix approved by the landowner and suitable to the native soil at the site. The berm will be treated as needed for erosion control and invasive species prevention. Additional visual screening and noise mitigation will be achieved with the installation of 16' sound walls around the compressors on the site which will remain in place for the life of the wells.

15	Noise mitigation	Bayswater will utilize a quiet frac fleet for completion operations at the OGL. Bayswater will provide 32' engineered noise abatement sound walls oriented along all four sides of the pad to comply with COGCC and Weld County requirements. A baseline Sound study will be conducted prior to commencement of construction and dirt work, which includes both A and C scale measurements. Additional mitigation may be incorporated, depending on the results of a Noise Impact Assessment. Any additional applicable BMP will be submitted with a copy of the noise study once completed via sundry. Bayswater plans to utilize appropriately sized permanent sound walls for installation around the loudest production facility sources, such as vapor recovery units and compressors. These walls will be based on a forecasted model with the production facilities' noise signature.
16	Emissions mitigation	By connecting to a gas gathering system, delivering fresh water to the location via pipelines for completions operations, prohibiting trucks idling when not in use, and using electrical power at the site, Bayswater will be reducing impacts from their oil and gas operations to air resources and will perform baseline as well as continuous air quality monitoring to gauge and ensure the effectiveness of their emissions reduction measures.
17	Odor mitigation	Oil and gas operations shall be in compliance with the Department of Public Health and Environment, Air Quality Control Commission, Regulation No. 2 Odor Emission, 5 C.C.R. 1001-4, Regulation No. 3 (5 C.C.R. 1001-5), and Regulation No. 7 Section XVII.B.1 (a-c) and Section XII. Oil and gas facilities and equipment shall be operated in such a manner that odors and dust do not constitute a nuisance or hazard to public welfare. Operator utilizes a clear, colorless refined distillate derived from petro hydrocarbons that is specifically designed for down hole OBM drilling purposes. This product provides a higher aniline point and a lower BTEX than straight diesel which should reduce the odor associated with the OBM system. The refined distillate is generally classified as a Group II fluid per the manufacturer as it is not a diesel nor is it a synthetic mineral oil or an additive/odor neutralizer. An actual odor neutralizer will be utilized in the OBM mud system during drilling operations to help mitigate odors. Aromatics will also be mitigated during completion operations by virtue of the utilization of closed flowback tanks with all water/gas vapors being sent to a temporary ECD during the flowback period. All tanks will be sealed with thief hatches and gaskets. Tank vapors are captured with properly sized piping and combustors. At least 1 wind direction indicator shall be clearly visible from all principal working areas at all times so that wind direction can be easily determined to evaluate the potential migration pathways of odors. Operator will conduct regular odor surveillance downwind at the perimeter of the property during drilling, well completion, or rework, repair, or maintenance. A Leak Detection and Repair ("LDAR") program along with an audio, visual, olfactory ("AVO") program is planned for this location as part of an overall leak and spill detection program. To reduce odors during drilling and completion, the rig will be washed of oily debris before moving in. Operator will utilize drying shakers to minimize residual oil on cuttings prior to transport and will promptly remove cuttings during drilling operations. Cuttings will not be stored on site. Trucks will be prohibited from idling on location when not in use to prevent the accumulation of odors from exhaust.
18	Drilling/Completion Operations	Bayswater will source and deliver fresh water to the location for the completion operations via temporary pipelines which will significantly reduce the impacts associated with truck traffic.
19	Drilling/Completion Operations	By pointing lighting downwards, installing "cut-off" lighting on a timer, and by constructing sound walls, lighting impacts will be minimized. Operator will locate lighting inside and beneath the sound walls and take precaution to ensure that lights do not shine outside of openings in the sound wall. Prior to the Commencement of Production Operations, Operator will take all necessary and reasonable precautions to ensure that lighting from Oil and Gas Facilities does not unnecessarily impact the health, safety, and welfare of Persons occupying the 9 Building Units within 2,000 feet of the Oil and Gas Facility and motorists on HWY 14 within 2,000 feet of the Oil and Gas Facility.

20	Interim Reclamation	Typical erosion control practices include, but are not limited to, revegetation of disturbed areas, mulching, berms, diversion dikes, surface roughening, slope drains, check dams, and other comparable measures. Operator will stabilize the topsoil stockpiles utilizing vehicle tracking perpendicular to slope angle for short term stabilization and drill seed/crimped straw mulch application for longer term stabilization will be utilized to prevent erosion. An integrated weed management program which includes mowing, spraying, and routine inspections will be utilized to prevent weed establishment. Establishment of diverse population of native plant species through seeding, as well as application of site specific soil amendments (if necessary) will be utilized to maintain soil microbial activity. Topsoil depth inventories will be conducted in accordance with CDOT Topsoil Testing Procedures at areas determined by the person conducting the inventory. Inventories will be taken after issuance of the 2A and prior to construction and as part of the pad work. We will conduct a topsoil depth inventory at 4-5 locations within the Disturbed Area to include all four corners and the center. Using a clean rust-free spade or shovel, dig a pit. The sides of the pit should be straight down and not cut at an angle. Overall pit depth is based on the visual indicators of topsoil layer but should range between 6" to 12" in depth.
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Total: 20 comment(s)

Attachment List

<u>Att Doc Num</u>	<u>Name</u>
2158324	DIRECTOR'S RECOMMENDATION
402580742	FORM 2A SUBMITTED
402739771	CONSULTATION SUMMARY
402739776	NRCS MAP UNIT DESC
402739779	ALA NARRATIVE SUMMARY
402739784	OTHER
402739795	LESSER IMPACT AREA EXEMPTION REQUEST
402739796	EXCEPTION REQUEST LETTER
402739799	GEOLOGIC HAZARD MAP
402739867	LOCAL/FED FINAL PERMIT DECISION
402739876	SURFACE AGRMT/SURETY
402739883	ACCESS ROAD MAP
402739884	CULTURAL FEATURES MAP
402739885	DIRECTIONAL WELL PLAT
402739887	DISPROPORTIONATELY IMPACTED COMMUNITY MAP
402739895	HYDROLOGY MAP
402739901	LOCATION DRAWING
402739907	LOCATION PICTURES
402739909	RELATED LOCATION AND FLOWLINE MAP
402740112	ALA DATASHEET
402818451	PRELIMINARY PROCESS FLOW DIAGRAMS
402818474	CONST. LAYOUT DRAWINGS
402818499	CORRESPONDENCE
402818502	CORRESPONDENCE

Total Attach: 24 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
OGLA	The Director has determined that the components of Rule 306.a.(1) - (5) have been met, and is issuing the attached Recommendation.	09/29/2021
OGLA	OGLA staff contacted Bayswater for clarification concerning the off-location pipeline and their commitment to piping oil and gas. Baywater confirmed they are committed to piping oil and gas away from the location at first production. The third-party pipeline provider has	09/23/2021

	not relayed to Bayswater where their pipeline will come into the Blehm location. Bayswater assumes the third-party pipeline provider will come into the Blehm pad somewhere from the north as it is Bayswater's understanding that the nearby PDC Energy Stout pad located on the same parcel to the north intends to pipe away oil and gas as well.	
OGLA	Operator provided their response to OGLA staff's initial technical review correspondence of September 2, 2021. Operator provided additional information and corrections to the Light Mitigation Plan, Odor Mitigation Plan, Dust Mitigation Plan, Transportation Plan, Waste Management Plan, Wildlife Protection Plan, and the Water Plan. The Operations Safety Management Plan, Fluid Leak Detection Plan, Interim Reclamation Plan, Cumulative Impacts Plan, and Community Outreach Plan did not need revision to correct the count of separators and VRUs. Operator provided revisions to the Production Process Flow Diagram. Operator provided Visual Impact mitigation BMPs and additional information concerning the nature and extent of the operator's engagement with nearby Residential Building Unit owners. Operator provided email address for surface owner.	09/21/2021
OGLA	On September 13, 2021, OGLA staff followed-up with the operator concerning the initial technical review correspondence sent on September 2, 2021. The operator responded that they were working on a response.	09/21/2021
OGLA	On September 17, 2021, the operator provided a response to the second OGLA staff correspondence that was sent on September 14, 2021. Operator provided a response regarding revision of several BMPs, agreement to revising the Hearing application to better conform to the Form 2A's description of the Oil & Gas Location only if the Hearing does not need to be re-noticed, an indication that an updated Rule 604.a.(2) Exception Location waiver is being sought, an indication that an updated ALA Narrative with missing BMPs will be provided when they respond to OGLA staff's initial technical review correspondence of 9/2/21, and a brief discussion of additional alternate location to the east/northeast of the proposed location (See operator comment on Submit tab). Still waiting on the operator to respond to the initial technical review correspondence from September 2, 2021.	09/21/2021
OGLA	Follow-up correspondence sent following OGLA Supervisor and Senior OGLA's technical review. Items of concern included revision of several BMPs, revision of the Hearing application to better conform to the Form 2A, request for updated Rule 604.a.(2) Exception Location waiver, revision to the ALA Narrative, and request for consideration of an additional alternate location to the east/northeast of the proposed location.	09/14/2021
OGLA	Rule 304.d.Lesser Impact Area exemption request from Rule 304.b.(7) Wildlife Habitat Drawing. Exemption request letter attached to the Form 2A. Based on review, the potentially impacted resources are not present. Staff review confirms that no HPH are within one mile of the working pad surface. As an alternative to the Lesser Impact Area request, the operator could have provided a Wildlife Habitat Drawing that showed HPH is not present within the one mile radius. Exemption request granted on July 12,2021.	09/13/2021
OGLA	Correspondence was sent to the operator requesting additional information be provided and corrections be made to the Light Mitigation Plan, Noise Mitigation Plan, Odor Mitigation Plan, Operations Safety Management Plan, Fluid Leak Detection Plan, Interim Reclamation Plan, Cumulative Impacts Plan, Community Outreach Plan, Dust Mitigation Plan, Transportation Plan, Waste Management Plan, and the Water Plan. Revisions to the Production Process Flow Diagram are needed. Visual Impact mitigation BMPs and additional information concerning the nature and extent of the operator's engagement with nearby Residential Building Unit owners was also requested.	09/02/2021
LGD	The Weld County Oil and Gas Energy Department (OGED) submits the following comments: 1 - The Bayswater Blehm 18-I Pad was reviewed and processed under Weld County Code, ORD2020-12. 2 - Case number 1041WOGLA20-0083 has been assigned to this location. All files associated with the processing and review of this permit are accessible through the Weld County E-Permit center. If there are questions relating to the ability to access these files, please call the OGED office at 970-400-3580.	08/24/2021

	<p>3 - The application submitted is compliant with all requirements of the Weld County Code.</p> <p>4 - A 1041WOGLA hearing was held on January 21, 2021 for this location.</p> <p>5 - The OGED Hearing Officer considered testimony at the 1041 WOGLA hearing, and subsequently approved 1041WOGLA20-0083.</p> <p>6 - The approved Weld County 1041 WOGLA Permit, and Bayswaters commitment to best management practices outlined in the application, will protect the health, safety, security and general welfare of the present and future residents of Weld County, while also protecting both the environment and wildlife.</p> <p>Additional facts or considerations pertaining to this oil and gas location:</p> <p>1 - Weld County notified or sent a referral request to additional parties outside of the standard 1041 WOGLA Zone (1,000), due to the proximity to the Town of Severance, Belmont Farms HOA, and Roy C. Down Jr. property.</p> <p>2 - On January 6, 2021, Bayswater held two meetings, one with the Town of Severance and one community meeting with the Belmont Farms HOA. OGED staff attended both meetings.</p> <p>3 - OGED invited the COGCC to a pre-application meeting on September 14, 2020. The COGCC did not attend.</p> <p>4 - OGED sent a referral request to the COGCC on December 7, 2020. No response was received.</p>	
OGLA	The Director has determined this OGD application is complete.	07/15/2021
OGLA	This Form is being returned to DRAFT. The operator has been notified by email and provided a list of application deficiencies.	06/16/2021
OGLA	This Form is being returned to DRAFT. The operator has been notified by email and provided a list of application deficiencies.	04/15/2021
OGLA	This Form is being returned to Draft for the following: 1. Facility Layout Drawing is not attached.	03/16/2021

Total: 13 comment(s)

Public Comments

No public comments were received on this application during the comment period.