



Peanut Fed 3403

CPW Consultation Summary

CPW was not able to attend the Weld County pre-meeting, but the location had been discussed prior to the meeting. Early discussions revolved around what CPW would be reviewing for locations located in high priority habitat, specifically for Mule deer winter concentration areas and Severe winter range habitat. Brandon Murette conveyed early on that the Peanut Fed 3403 was not highly fragmented and Verdad would need to pay direct impact fees. An email with details related to the Peanut Fed 3403 with a request for feedback was sent to Brandon Murette on January 14th. The email generally explained our development area and the 3 locations that were analyzed. Verdad explained that the location in the south of Section 10, which was an operationally sound option, but had been ruled out due to a large historic site found with an archeological survey conducted for federal permitting that would require significant mitigation and rendering the site removed from consideration. An existing site in section 3 would need twice the number of wells to develop section 34 and Sec. 3. The operator sited another option to the North, utilizing an existing two track road in the section 34. This location to the north would allow for a reduced number of wells to develop the unit. The location that is sufficiently flat to accommodate the pad.

Verdad received a general idea of mitigation costs in February 4, 2021. CPW conducted a field visit in mid-February with permission from the landowner. It is Verdad's understanding they were evaluating the forbes at the location and generally accessed the location was suitable habitat, but Verdad could move forward with permitting the location. Costs were finalized as much as they could be in early March prior to submitting the OGD. The costs are variable and dependent on the ability of Verdad to conduct operations outside of Mule Deer timing limits of December 1st- April 30th, which is the intention of the Operator. The information gathered from CPW was that the location was acceptable and Verdad moved forward with signing an SUA and working on the submittal of local and state permits.

CPW and Verdad discussed the calculation methods of direct and indirect impact fees and acreages of habitat that would need to be restored in lieu of the payment. Verdad ultimately decided, for these early HPH pads, that the compensatory mitigation fees were preferable to restoring habitat, as this is outside of Verdad's expertise, but we could continue to evaluate in the future High Priority Habitat locations.

Verdad continued discussions with CPW on what should be included in the wildlife mitigation and protection plan. Verdad sent a draft and received feedback from CPW on April 4, 2021. Verdad incorporated the feedback into the what was submitted as an attachment to the OGD.



COGCC staff reviewed initial OGDG and pushed the submittal back to draft with numerous comments.

Verdad chose to request the services of Quandary consultants after the initial completeness review to assist in evaluating impacts of plan on wildlife. Quandary Consultants conducted a field assessment and a revised Wildlife Mitigation and Protection plan was reviewed by Brandon Marette and Angelique Curtis on August 19, 2021. All items were addressed, clarified and incorporated into the plan. On August 24, 2021, Brandon Marette stated in an email that given the operator's inability to move outside of the High Priority Habitat to develop the DSU, he waived the Alternative Location Assessment requirement for CPW. The email is included in this summary.

Heather Mitchell

From: Marette - DNR, Brandon <brandon.marette@state.co.us>
Sent: Tuesday, August 24, 2021 11:59 AM
To: Heather Mitchell
Subject: [External]:Re: FW: [External]:RE: [External]:Re: [External]:CPW's Field Assessment of Verdad's proposed Peanut Pad (T10N, R59W, Section 34, NWNE & NENW)

Good morning Heather,

Thanks for your call this morning and for making sure I read that sentence.

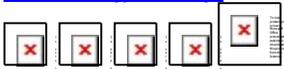
But yes, given the inability of Verdad to move this location outside of the mapped Mule Deer Severe Winter Range (an HPH polygon) while staying in the DSU, pursuant to Rule 304.b.(2).B.viii, CPW recommends that COGCC waive the ALA from the HPH perspective.

Regards,

Brandon B. Marette, CWB®
Northeast Region Energy Liaison and Land Use Coordinator



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[CPW's Energy Webpage](#)



THINK SAFETY FIRST!



On Tue, Aug 24, 2021 at 10:40 AM Heather Mitchell <HMitchell@verdadresources.com> wrote:

Hi Brandon,

Matt included in our WMP under compensatory mitigation that CPW recommends waiving the ALA since it is not possible to move out the HPH.

I wanted to call it to your attention in case you did not see that. I attached our ALA for your reference and as a reminder of what we looked at together. (south location has an arch issue, center location requires 10 wells v 5, proposed location uses an existing two track for access).

Thanks,