

CC 697-15-08 Preliminary Onsite Notes

September 22, 2020

Attendees

Laramie Energy: Wayne Bankert, Eric Lane

DRG: Tad Sherrill

Entrada: Stuart Hall

Moody Construction: Shawn Moody

WestWater: Kent Rider

BLM: Jim Byers, Sylvia Ringer, Wesley Toews, Carmia Woolley

COGCC: Dave Kubeczko

Project Summary

Laramie Energy, LLC (Laramie) is proposing the construction of the new CC 697-15-08 well pad on private land overlying private minerals to develop 20 wells (4 Federal and 16 fee), in Township 6 South, Range 97 West, Section 15, in Garfield County, Colorado.

Background

Laramie originally planned to develop wells from the existing CC 697-15-54 pad; however, not all bottomholes could be reached. Following this original plan, Laramie maintained surface ownership of the CC 697-15-54 pad but transferred surface ownership of the land where the new CC 697-15-08 pad is proposed. Laramie is pursuing re-acquisition of the surface.

Applicable Federal Lease Stipulations

The four proposed Federal wells would target the minerals of Federal lease COC056300, which does not have stipulations.

Resource Surveys

WestWater prepared a Biological Survey Report in June 2020.

Grand River conducted the cultural surveys.

Emissions data will be required for the NEPA analysis. Laramie will designate the individual(s) that work on this.

Discussion

The group walked the extent of the proposed pad through the broken shale of the fill slope of the 15-23 well pad, into brush with Gambel oak and aspen. The proposed 15-08 well pad spans a ridge, with a cut in the middle and fills to either side.

The upper portion of the existing tiered 15-23 pad would be used for staging and storage; the lower portion would be modified to provide access to the new 15-08 pad, which is essentially a third tier of the 15-23 pad. At the lower tier of the 15-23 pad, the tank battery would be moved to allow for the construction of the 15-08 access road. A ramp would be cut into the 15-23 pad to align with the cut-fill point of the new 15-08 pad entrance. Laramie considered constructing an access road along the eastern edge of the lower 15-23 tier, but decided otherwise to avoid the steep slope and a drainage.

Laramie plans on having topsoil windrows around the constructed pad. However, to ensure adequate drainage and topsoil stockpile maintenance, Laramie is considering moving half of the topsoil from below the fill slope to above the cut slope. Based on experience, materials in the area swell as much as 30%, which may result in excess material.

Reused/recycled water for well development would be provided through Laramie's water system from DeBeque, up Cascade Creek, to the 15-23 pad. When available, fresh water is stored in Pond 13, which is lined.

While a minor portion of the cuttings generated from the proposed well development may be kept on-location, the majority of cuttings would be stored at the recently reclaimed 15-54 Annex pad since the proposed 15-08 pad has limited space. The drill cuttings would be hauled to, treated and stored at the 15-54 Annex pad, which the group visited. Laramie is proposing a pit with three vertical sides and fourth side with a ramp to accommodate approximately 29,000 cubic yards of drill cuttings from four different pads. Laramie shared a video animation of the pit design developed by DRG. Kubeczko inquired about the permit for the off-site drill cuttings storage. Laramie is assembling a package to submit to COGCC.

Laramie also mentioned that a hunting cabin and a spring are downgradient of the 15-54 Annex pad. Years ago, an occupant of the cabin consumed water from the spring and experienced health issues. The spring was contaminated with benzene. Consequently, operators with facilities and activities nearby conducted environmental assessments to determine the source of the spring contamination. The 15-54 pad previously had two ponds – one unlined and the other lined. After environmental analyses, the 15-54 Annex pad was determined to not be the source of contamination.

Laramie has commenced the permitting process for the proposed 15-08 development with the intention of constructing the pad in fall 2021. Drilling would commence no earlier than July 2022.

To protect migratory birds, vegetation clearing should be scheduled to avoid May 15 to July 15. While the project area was mapped as being within priority habitat at some point in time, Sylvia noted that the project area is not suitable habitat for Greater Sage-grouse.

Action Items

Sylvia and WestWater will determine if the most recent CPW Greater Sage-grouse map includes the project area.

Laramie to coordinate with Wesley to submit data in the new online Emissions Tool.

Laramie to provide shapefiles of all project components (pads, roads, pipelines, etc.) with the full disturbance footprint.