

**1041 WOGLA
PRE-APP MEETING**



Meeting Date: **October 27, 2021**

Staff Specialist: **Amanda Petzold**

Development Name: **Mount Democrat**

Location Names: **Camenisch 10-33HZ, Swartz 3-4HZ, Berry Farms 8-8HZ, Berry Farms Facility**

Parcel Number(s): **105933000020, 120904100029, 120908000017, 120908000016**

Operator/Applicant: **Kerr-McGee Oil & Gas Onshore, LP (KMG)**

Legal Description: **NW1/4SE1/4 of Section 33, Township 4 North, Range 67 West and NE1/4 of Section 4, and E1/2NE1/4 of Section 8, and N1/2NE1/4 of Section 8, Township 3 North, Range 67 West of the 6th P.M., Weld County, Colorado**

Invitees: **Tracy Colling (KMG), Sam Samet (KMG), John Noto (COGCC), Brandon Marette (CPW), Michael Grooms (CPW), Staff of the Oil and Gas Energy Department (OGED)**

NOTES

This Pre-Application meeting was held on, October 27, 2011. In attendance were Amanda Petzold and other Oil and Gas Energy Department (OGED) Staff, Tracy Colling (KMG), Sam Samet (KMG) and other KMG Staff, John Noto (COGCC), Doug Andrews (COGCC), Dave Kubeczko (COGCC), Brandon Marette (CPW) and Mike Grooms (CPW).

This meeting was to discuss the proposed KMG's Mount Democrat Project (Project). The Project is a total of four (4) Locations covering minerals in three (3) development areas. All 4 Locations have existing Surface Use Agreements. The 4 Locations are: Camenisch 10-33HZ (parcel no. 105933000020), Swartz 3-4HZ (parcel no. 120904100029), Berry Farms 8-8HZ (parcel no. 120908000017), and Berry Farms Facility (parcel no. 120908000016). The purpose of the pre-application meeting was for coordinated land use planning with the Operator, Colorado Oil and Gas Conservation Commission (COGCC) and Colorado Parks and Wildlife (COGCC). Both the Camenisch and the Berry Farms well pads will have eight (8) wells, while the Swartz will have sixteen (16). The Berry Farms Location is being submitted as two separate Locations because they are situated on different parcels with different access points.

The development area (DA) for the entire Mount Democrat Project was first reviewed. It was noted that the northern part of the DA was that of the Camenisch. The Camenisch then connected to the Swartz Location, and south of the Swartz DA lies the DA for an already approved permit, 1041WOGLA20-0062 (KMG's Schlagel Location). Just south of the Schlagel DA connects to the DA for the Berry Farms Location. KMG advised that the Project's development results in 83 wells being evaluated for plug and abandonment and/or reclamation operations. It was noted that all Locations within the Project are in the LZ-1 lighting zone for rural and low-density residential areas. KMG has requested a cash-in-lieu option for each well pad within the Project and it was advised that the Weld County Department of Public Works (PW) has not decided yet, but upon doing so, OGED Staff will communicate with KMG the decision. Specifics for each Location's submittal was then discussed.

Camenisch 10-33HZ

The Camenisch Location's DA was discussed. It was communicated that the DA is 4.25 miles long, densely populated with building units to the west and most of the DA was considered prime agriculture land. Four of the six alternatives lie outside of the 1,000' residential buffer. The two inside the residential buffers were not further discussed due to proximity to building units (BUs). These four alternative siting locations and the preferred Camenisch Location were further discussed, and the following details were identified:

- Alternative in Sec. 34
 - Outside of prime agriculture land, of the 1,000' residential buffer, geological hazards, MS4 area and airport overlay districts
 - Within the floodplain and high priority habitat (HPH)
 - Upgradient of two major rivers, South Platte River and St. Vrain River
 - Unwilling surface owner
 - Would require a second disturbance
- Alternative in Sec. 32
 - Outside of the 1,000' residential buffer, HPH, floodplain, geological hazards, MS4 area and airport overlay districts
 - Within prime agriculture land
 - Existing access and an existing oil and gas Location
 - Lies 122' from surface water
 - Near the middle of the DA
 - Closet BU is 1,758'
 - Four BUs within the 2,000' residential buffer
- Alternative in Sec. 33
 - Outside of the 1,000' residential buffer, HPH, floodplain, geological hazards, MS4 area and airport overlay districts
 - Within prime agriculture land
 - Lies slightly north of the proposed Camenisch Location, making the location feasible to produce the entire DA from a single disturbance
 - Four BUs within the 2,000' residential buffer
 - Lies in the center of a pivot
- Camenisch Location
 - Outside of the 1,000' residential buffer, floodplain, geological hazards, MS4 area and airport overlay districts
 - Within prime agriculture land and HPH
 - Only 1 BU within the 2,000' residential buffer
 - Surface owner willing

After discussing the alternatives and the preferred Location, both CPW and COGCC were asked to comment on the review. CPW advised that they would need to confirm with a site visit whether a habitat is present. They expressed preference that a Location be sited outside of HPH but understood that the proposed Location was least impactful to residents and stated that mitigation measures and best management practices (BMPs) could be used to protect the habitat. COGCC advised that this Location would be subject to an Alternative Location Analysis but that the trade-off between HPH and less nearby residents made sense. Both agencies agreed that there was no reason for the Operator to not pursue the Camenisch Location for Application submittal.

Once all agencies agreed that the Operator's preferred Location was most protective, specifics of the Camenisch Location were addressed. KMG acknowledged that the Location lies within the HPH and agreed to correctly identify this on the Application submittal. OGED Staff directed KMG to reference Weld County Code, Sec. 21-5-90 to ensure that all setback requirements are met upon the Application submittal. It was identified that two property owners and the surface owner are required noticed parties. The referral agencies identified for this

Location were Front Range Fire Rescue Protection District and Johnstown-Milliken RE-5 School District. KMG stated no conversations with the surrounding property owners or the referral agencies regarding the proposed Location have been held. KMG advised that there is an existing access road to the south and they have been in discussions with Laura Gomez, Weld County Department of Planning Services (Planning), regarding access permitting. Neither KMG, OGED Staff, CPW or COGCC had any further questions or comments regarding the Camenisch Location. KMG stated the intention is to submit all Applications for the Project at once before the end of the year.

Swartz 3-4HZ

The Swartz Location's DA was discussed. It was communicated that the DA is 6.5 miles long, intermixed with prime and non-prime agriculture land. Four of the five alternatives lie outside of the 1,000' residential buffer and outside of HPH. The fifth alternative lies within the HPH, floodplain and floodway, and due to these limitations the fifth alternative was not further discussed. The four remaining alternative siting locations and the preferred Swartz Location were discussed, and the following details were identified:

- Alternatives in Sec. 2, T3N-R68W & in Sec.1, T3N-R67W
 - Outside of the 1,000' residential buffer and HPH
 - One on each end of the DA, west and east, making the feasibility of drilling the entire DA not possible without a second disturbance
- Alternative in Sec. 6
 - Outside of prime agriculture land, the 1,000' residential buffer, HPH, floodplain, geological hazards, MS4 area and airport overlay districts
 - Lies toward the west end of the DA, which would require an additional disturbance area.
 - Unwilling landowner
- Alternative in Sec. 5
 - Outside of the 1,000' residential buffer, HPH, floodplain, geological hazards, MS4 area and airport overlay districts
 - Within prime agriculture land
 - Lies close to the center of the DA, but would still require an additional disturbance area
 - Same landowner as alternative in Sec. 6, which is unwilling
 - Challenges to design the pad and still allow for agricultural activities
 - 8 BUs within the 2,000' residential buffer in comparison to Swartz's 9 BUs
- Swartz Location
 - Outside of floodplain, geological hazards, MS4 area and airport overlay districts
 - Within prime agriculture land, HPH, and the 1,000' residential buffer with the nearest BU measuring 507' from the Location, who is the surface owner
 - The configuration of the pad allows for farming operations to continue
 - Surface owner willing
 - Only requires one surface disturbance

After discussing the alternatives and the preferred Location, both CPW and COGCC were asked to comment on the review. CPW advised that they would need to confirm with a site visit whether a habitat is present. They stated that if a habitat is found to be present the impacts could be sufficiently mitigated. COGCC acknowledged that this Location is a challenging one that would be subject to an Alternative Location Analysis and would require sufficient BMPs. Both agencies agreed that there was no reason for the Operator to not pursue the Swartz Location for Application submittal.

Once all agencies agreed that the Operator's preferred Location was most protective, specifics of the Swartz Location were addressed. KMG acknowledged that the Location lies within HPH and agreed to correctly identify this on the Application submittal. It was identified that four property owners and the surface owner are required noticed parties. KMG advised that they have had several conversations with the Kruger's and stated that no

concerns have been expressed. KMG acknowledged its intention to reach out to the Morgan's soon. The referral agencies identified for this Location were Front Range Fire Rescue Protection District and Johnstown-Milliken RE-5 School District. KMG stated that they have been in communication with the fire district and advised that it has been recommended for KMG to upgrade the existing access, which they are currently coordinating with the surface owner on. OGED Staff indicated that the county road identified on the Notification Zone drawing is inaccurately labeled and directed KMG to make the correction from CR 19 to CR 36 ½ prior to sending out 1041 WOGLA notice. Neither KMG, OGED Staff, CPW or COGCC had any further questions or comments regarding the Swartz Location.

Berry Farms 8-8HZ Well Pad

The Berry Farms Location's DA was discussed. It was communicated that the DA is 3 miles long, intermixed with prime and non-prime agriculture land. Only one of the six alternatives lie outside of the 2,000' residential buffer and four of the six alternatives lie outside HPH. Two alternatives, one in the NW of Sec. 11 (the one outside of all residential buffers) and one in Sec. 10., are within HPH and lie in the center of the DA causing a much larger disturbance to allow wells to drill east and west. Due to the larger disturbance, these two were not further discussed. The alternative in NE Sec. 11 is in the floodway limiting the feasibility from this Location. The three remaining alternative siting locations and the preferred Berry Farms Location were discussed, and KMG summarized that the Berry Farms preferred Location is mainly driven by the cumulative impact of re-occupying an existing disturbance for the Berry Farms Facility pad. This factor required that the well pad be placed near the existing disturbance. The Berry Farms 8-8HZ well pad has the same surface owner as the facility pad. Additionally, it was highlighted that the remaining alternatives in Sec. 9, 10, and 11 all have the same surface owner, Public Service Company of Colorado, which has been unresponsive and unwilling to work with KMG.

After discussing the alternative analysis and the preferred Location, both CPW and COGCC were asked to comment on the review. CPW advised that KMG would be required to submit a Wildlife Protection Plan and stated they had no concerns with the preferred Location. COGCC stated that the limitations of the alternatives in Sec. 9, 10, and 11 are good to know. Both agencies agreed that there was no reason for the Operator to not pursue the Berry Farms Location for Application submittal.

Once all agencies agreed that the Operator's preferred Location was most protective, specifics of the Berry Farms Location were addressed. It was identified that four property owners and the surface owner are required noticed parties. KMG advised that they have had conversations with the Schlagel's, who are the tenant farmers, and stated that no concerns have been expressed. KMG acknowledged its intention to reach out to the Morgan's soon. The referral agencies identified for this Location were Platteville-Gilcrest Fire Protection District, Johnstown-Milliken RE-5 School District, and USR18-0107 – a natural gas pipeline owned and operated by KMG. OGED Staff advised that if the interim reclamation can be 1 acre or less a full drainage report may not be required. KMG inquired with Natalie DeLaCroix (Planning) about the existing 2017 access permit and the possibility of shifting it north. Ms. DeLaCroix advised that from the desktop review she did not foresee an issue; however, a site visit would be required to confirm, and a new Access Application and fee would also be required. Neither KMG, OGED Staff, CPW or COGCC had any further questions or comments regarding the Berry Farms Location.