

Water Plan

North Cheyenne Oil and Gas Development

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This Water Plan has been prepared by Navex Resources, LLC (Navex) for its North Cheyenne oil and gas development in Kit Carson County, Colorado. The Plan addresses the Colorado Oil & Gas Conservation Commission (COGCC) requirement at Rule 304.c.(18) to prepare a Water Plan and the water sourcing criteria in the rules.

1.0 Planned Source, Volume, and Coordinates

Water to support well development will be sourced from groundwater. The estimated volume will be 3,500 bbl (approximately 150,000 gallons) of water per well for each location. This volume may decline after the closed-loop drilling system demonstrates the volume of water that can be recovered and recycled. The coordinates for the planned source of water are:

38.813052
-102.355834

Lat 38° 48' 47.0" N / Lon -102° 21' 21.0" W

2.0 Seller's Name and Address

The anticipated source of water will be:

Town of Cheyenne Wells
Public Works Department
151 S. 1st St.
Cheyenne Wells, CO 80810

3.0 Recycled or Reused Water

The single well on each location will be a vertical well, approximately 6,000 feet deep. The well will be drilled using a closed-loop system. The closed-loop system will reduce water use by recycling water in situ. The Oil and Gas Locations otherwise will be located in rural Kit Carson County with no industrial facilities or oil and gas operations available to provide recycled or reused water.

4.0 Fresh Water

The town of Cheyenne Wells, Colorado is installing a non-potable groundwater well for water haulers. This groundwater source is not otherwise treatable to drinking water standards. The well will have a water meter for monthly billing by the Public Works Department. The Public Works Department communicated its confirmation to Navex Resources on December 9, 2021, that the well and meter will be available for use at the requested 150,000 gallons per well. Water will be transported by truck from the non-potable municipal well to the Navex locations.