

**1041 WOGLA
PRE-APPLICATION MEETING**



Meeting Date: **August 17, 2022**

Staff Specialist: **Jason Maxey**

Location Name: **Schmerge**

Parcel Number(s): **095704000006**

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

Legal Description: **NE1/4SE1/4 of Section 4, Township 5 North, Range 67 West of the 6th P.M., Weld County, Colorado**

Invitees: **Sam Samet (KMG), Don Jobe (KMG), John Noto (COGCC), Doug Andrews (COGCC), Sabrina Trask (COGCC), Brian Christopher (COGCC), Kira Weber (COGCC), Brandon Marette (CPW), Jackson Davis (CPW), Timothy Bilobran (CDOT), Scott Ballstadt (Town of Windsor), Matthew Lafferty (Larimer County), Heidi Leatherwood (City of Greeley), Kally Moran (City of Greeley), Michael Axelrad (City of Greeley), Becky Safarik (City of Greeley), Stephanie Frederick (OGED), Kelly Holliday (OGED), Elisa Kunkel (OGED), Jennifer Teeters (OGED), Taylor Robinson (EH), Natalie DeLaCroix (Development Review), Laura Gomez (Public Works), Jazmyn Trujillo Martinez (Public Works) .**

NOTES

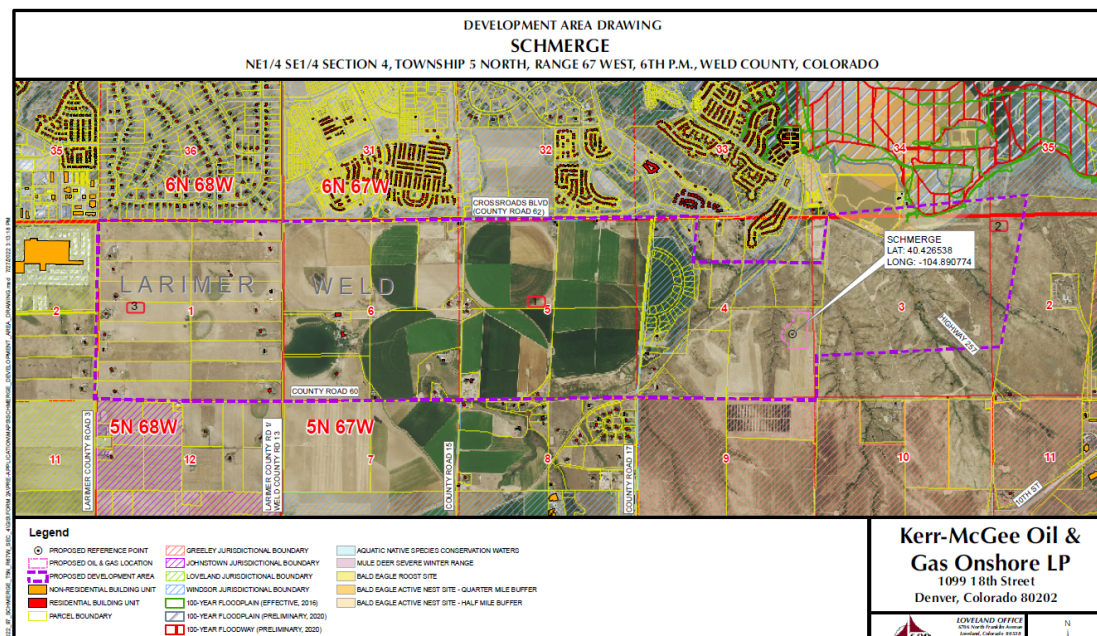
This Pre-App meeting was held on, August 17, 2022, at 1:00 PM. In attendance were Andy Lytle (KMG), Shayelyn Marshall (KMG), John Piekara (KMG), Cameron Ross (KMG), Jon Schwing (KMG), Don Jobe (KMG), Jacob Jones (KMG), Doug Andrews (COGCC), John Noto (COGCC), Kira Weber (COGCC), Brandon Marette (CPW), Michael Franke (City of Greeley), Matthew Lafferty (Larimer County), Jason Maxey (OGED), Stephanie Frederick (OGED), Elisa Kunkel (OGED), Jennifer Teeters (OGED), Kelly Holliday (OGED), Taylor Robinson (WC Environmental Health), and Natalie DeLaCroix (WC Planning Department – Development Review). Timothy Bilobran (CDOT) and Scott Ballstadt (Town of Windsor) were invited but declined the invitation.

Kerr McGee Oil and Gas Onshore, LP (KMG) submitted a pre-application meeting request to the Weld County Oil and Gas Energy Department (OGED Staff) for the Schmerge Oil and Gas Location. The Schmerge Pad is proposed to be located in the NE4SE4 of section 4 T5N, R67W, with minerals being developed in the N2S2 of Section 3, S2, S2N2, NWNW of Section 4, All of Sections 5, 6, T5N, R67W, and Section 1 T5N-R68W located in Larimer County. This Location will include 15 horizontal wells, drilling both east and west, using front builds to develop the N2 of Section 3. KMG explained this is the safest way to develop all five (5) sections allowing for better mineral development. All wells for this Location are planned to be drilled in one occupation, with the anticipated start date of operations being the end of 3rd quarter or the beginning of the 4th quarter of 2023.

The Location was described to be outside of any floodplain, geological hazards, MS4, wetlands, and overlay districts. The 2,000' 1041 WOGLA Zone does not encompass any Residential Building Units, School Facilities, or Child Care Centers. KMG confirmed there is a solar facility located to the south of the proposed pad. KMG has an executed Surface Use Agreement in place and stated the surface owner has been a pleasure to work with.

The proposed location is zoned Agriculture but currently there are no Ag operations taking place. KMG will need an access permit from CDOT since the access is off Hwy 34 and 131st Avenue which is CDOT's jurisdiction. KMG explained they have another pending permit for a Location that is in the City of Greeley jurisdiction along 131st Avenue. KMG plans to use the same access for both Locations. Michael Franke, City of Greeley, stated there has been some discussion between KMG and CDOT concerning plans to install acceleration and deceleration lanes. 131st Avenue is an improved surface utilized to access the existing oil and gas locations and the solar facility. There will be further discussions between KMG and CDOT for safety improvements along this access and the potential for an alternate haul route. City of Greeley confirmed the two (2) small parcels along the haul route are used as storage sheds for the city.

The DA map below was provided by KMG as part of the pre-application meeting request and will be referenced throughout this summary.



Based on the review of the area the proposed Schmerge Development Area is bordered to the south by the City of Greeley, and the Town of Windsor to the north and is in the Near-Urban Planning Area. The location is fairly remote, and it is hard to see the actual location from public roadways due to the topography of the area.

It was noted that the Schmerge Location was not within High Priority Habitat, and Colorado Parks and Wildlife (CPW) appreciates that the Location is outside the HPH. Regardless, KMG will need to submit a Wildlife Protection Plan, under 1202.a. CPW voiced concerns about potential spills getting to the tributary of the Poudre River due to the steeper topography of the area. The KMG stormwater BMP plan will have the majority of the flow go to the east, therefore helping to mitigate CWP's concerns. CPW didn't believe there would be a need for wetland protection. CPW advised KMG their construction operations should be outside the months of April thru August to protect the ground nesting birds.

ALTERNATE LOCATION DISCUSSION:

- KMG advised that alternative #1 located almost in the middle of the development area they were not able to come to an agreement with the surface owner, it is in the middle of Ag operations, and is less protective due to the proximity of high-density residential building units.

- KMG advised that alternative #2 on eastern side would require working with a different surface owner. KMG would have a greater disturbance area due to the fact they would need two locations to reach all minerals.
- KMG advised that alternative #3 to the west was within Larimer County. Matt with Larimer County stated any oil and gas operations in this area would require rezoning to industrial zone and they adopted 2,000 ft setbacks so this area would not be feasible for KMG.

LOCATION DETAILS

- KMG is evaluating the opportunity for piping produced water off location and to utilize their water on demand system for completions. KMG's goal is to reduce the amount of truck traffic.
- Weld County Code
 - The proposed location is zoned Agriculture and designated by Staff as LZ-1. A Lighting Plan is required for the Construction Phase providing confirmation of the ability to comply within 12 lumens, per sq ft of hardscape. A Lighting Plan for the Production Phase shall be required if permanent lighting is planned.
 - Being in the Near Urban Planning Area, the following noise levels will apply: Construction Phase NL-3 and Production Phase NL-1. Taylor Robinson with Environmental Health stated they will require an odor mitigation plan as well as a noise mitigation plan.
 - Natalie DeLaCroix with Development Review noted no RMA will be required because the haul route and access road are CDOT's jurisdiction.
 - Drainage and Grading: Natalie stated she did not currently see anything of concern regarding drainage.
 - KMG will utilize lay flat lines for fresh water and use a 3rd party mid-stream company to pipe oil and gas thus reducing truck traffic. They will temporarily use trucks for produced water. There is existing structure for permanent electric power.

After discussing all alternatives listed above, COGCC stated they will potentially require an ALA. In response to COGCC's question about plugging any existing vertical or directional wells, KMG will further evaluate this possibility. KMG is avoiding existing well infrastructure by using a fishhook method for the new development and will submit with their final application plans to plug existing wells.

KMG expressed no concerns with the direction given from Staff and presented no follow-up questions. Staff then inquired with the Colorado Oil and Gas Conservation Commission (COGCC) Staff if there were any additional topics, questions, or concerns needing to be addressed. In conclusion, COGCC Staff stated that they did not see any reason for this Application to not move forward.