

**1041 WOGLA
PRE-APP MEETING**



Meeting Date: **June 29, 2022**

Staff Specialist: **Kelly Holliday**

Location Name: **Ruh State North Pad & Ruh State South Pad**

Parcel Number(s): **079701200011 & 079711100004**

Company/Applicant: **HERV Oil, LLC**

Invitees: **HERV - Bennett Neale; Ascent - Justin Garrett; COGCC - Sabrina Trask and John Noto; CPW - Brandon Marette and Jackson Davis**

Legal Description: **NW1/4NW1/4 of Section 1 and SE1/4NE1/4 of Section 11, Township 6 North, Range 62 West of the 6th P.M., Weld County, Colorado**

NOTES

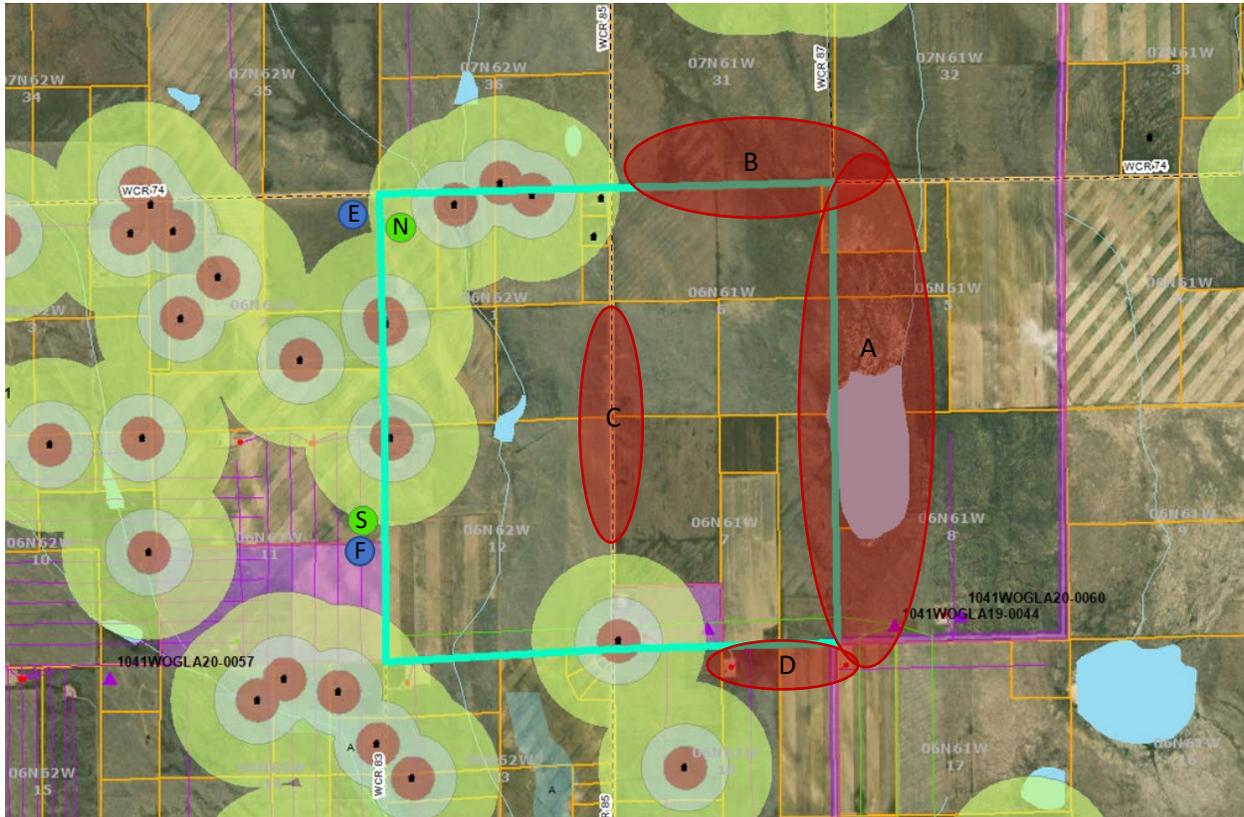
This meeting was held on, Wednesday, June 29, 2022 at 1:00PM. In attendance were Bennett Neale (HERV), Ashley Okamoto-Gaw (Ascent), Justin Garrett (Ascent), Kelly Holliday (OGED Staff), Elisa Kunkel (OGED Staff), Stephanie Fredrick (OGED Staff), Amanda Petzold (OGED Staff), Jennifer Teeters (OGED Staff), Natalie DeLaCroix (Weld County Planning Services), Taylor Robinson (Weld County Environmental Health), Kira Weber (COGCC), Brian Christopher (COGCC), Rebecca Treitz (COGCC), Casey Balthrop (COGCC), Doug Andrews (COGCC) and Jackson Davis (CPW).

HERV Oil, LLC (HERV) submitted two (2) pre-application meeting request to the Weld County Oil & Gas Energy Department (OGED Staff) for the Ruh State North Pad location proposed to be located in NW1/4NW1/4 of Section 1, Township 6 North, Range 62 West indicated by the green dot, labeled "N" and the Ruh State South Pad location proposed to be located in SE1/4NE1/4 of Section 11, Township 6 North, Range 62 West indicated by the green dot, labeled "S" on the map below, together accessing minerals in All of Sections 1 and 12, T6N-R62W and All of Sections 6 and 7, T6N-R61W as identified by the light blue outline being the Development Area (DA).

The proposed locations are zoned Agricultural and located within the Ag-Rural planning area. Located outside of any Floodplain, Geologic Hazards, MS4, or Airport overlay districts. There are no municipal boundaries located within 2,000' of the proposed locations. There are no Building Units (BU) within 500'. There are four (4) BUs located within 2,000' of the Ruh State North location and two (2) within 2,000' of the Ruh State South location. The proposed locations are both within the CPW designated High Priority Habitat (HPH), for the Pronghorn Winter Concentration.

The DA map below was created and utilized for the pre-application meeting discussion and will be referenced throughout this summary.

Pre-App Meeting DA Map



Based upon review of the area the red ellipses identified by letters A-D on the map indicate areas identified by OGED Staff, in which there could be feasible alternatives to the proposed location. Additionally, COGCC requested additional details on the areas indicated by the blue circles labeled letters E and F, and HERV added the following details of their analysis:

- Area A – HERV expressed that while there are no Building Units (BU) on the east side of the DA there is also no infrastructure on this side of the DA. Anything on this side of the DA would require the construction of lengthy access roads as well additional disturbance to tie into existing pipeline takeaway. In addition, a large portion of the eastern side of the development area is in a low-lying area and covered by a natural drainage area. Practical locations on the eastern side of the DA would be upgradient of this low-lying wetland. Jackson Davis with CPW stated that this wetland area is important habitat and would request that the area be avoided.
- Area B – In this area there would still be a BU within 2,000' of any location on this north end of the DA as two locations would still be required to fully develop the minerals. Due to the proximity of BUs nothing on the north end of the DA was more appealing from HERV's perspective. This area was also further from the existing pipeline infrastructure.
- Area C – HERV did not take any consideration into developing from the center of the DA as this would require drilling single mile laterals and would require double the size of disturbance areas to accommodate double the number of Wells.
- Area D – A location in this area would be the furthest possible option from existing pipeline takeaway therefore requiring additional disturbance to put in the necessary lines to tie into that infrastructure. There are also existing Civitas locations in the area and

HERV does not feel that co-locating with another Operator is an option. HERV stated that Civitas has indicated that they have no intentions of drilling the Wells associated with WOGLA19-0044, which is set to expire May 2023. Rebecca Treitz with COGCC, asked for confirmation that HERV would not expect any protest from Civitas. HERV stated that they are now the leasehold owners and reached out to Civitas regarding a possible Farmout, but Civitas was not interested. They do not anticipate any protest from Civitas.

- Area E – COGCC inquired whether or not HERV had looked into this area further to the west as an option, mainly to get outside of the 2,000' buffer zone on any BUs. HERV stated that they had agreeable surface owner and did not pursue an agreement with Mckee Ranch, who is the surface owner to the west. HERV believes a location in this area would increase costs of the drilling due to increased drilling step outs.
- Area F – HERV confirmed they are approximately 1,500' from the BU to the northeast of the Ruh South location and COGCC requested further details on whether HERV had considered moving just a bit further south to move the location outside of the 2,000' buffer zone. Bennett Neale confirmed that the BU within 2,000' of the location is also a mineral owner and will benefit from the development.

COGCC confirmed that both locations as proposed would trigger their Alternative Location Analysis (ALA) process and Doug Andrews further described the COGCC's ALA process and what triggers the process. Rebecca Treitz added that being within that 2,000' buffer zone also triggers the requirement of additional plans such as noise mitigation, odor mitigation, dust mitigation, lighting plan, etc.

Further information on CPW's HPH areas and timing limitations can be found at https://cpw.state.co.us/Documents/Conservation-Resources/Energy-Mining/CPW_HPH-Map-Layers.pdf Jackson Davis spoke briefly to these timing stipulations and windows where CPW would request that HERV avoid Construction Operations. Jackson also spoke to the importance of protecting the playa/wetland areas on the eastern side of the DA and the importance that these areas serve for the Pronghorn habitat.

LOCATION DETAILS

- The proposed locations will consist of six (6) Wells on the north pad and eight (8) Wells on the south pad and associated production equipment at each location.
- HERV plans to have pipeline takeaway for both oil and natural gas. HERV is not planning to have pipeline takeaway for produced water and intends to utilize a nearby disposal facility just off of CR74.
- Access and Haul Route: HERV proposes to access directly onto CR83 from each prospective location and then head north to CR74, then west to Hwy 392, access permits will be required at each location. Natalie DeLaCroix cautioned HERV to pay attention to required setback distances off CR74 for the northern location. A Road Maintenance Agreement (RMA) will be required.
- HERV anticipates operations to begin on the proposed locations 2nd quarter 2023.
- Weld County Code:
 - The proposed location is zoned Agricultural and designated as LZ-1, rural and low-density residential. 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 Ag-Rural planning area, the following noise levels apply, Construction Phase – NL-4 and Production Phase NL-1. A noise mitigation plan and noise impact analysis would be required for the proposed locations.
- Taylor Robinson with Weld County’s Environmental Health Department requests an odor mitigation plan for the proposed locations.
- Drainage and Grading: Natalie DeLaCroix, with Weld County’s Development Review Team, stated she did not currently see anything of concern regarding drainage.
- 1041WOGLA Notice shall be provided to all property owners within 2,000’ of the Oil & Gas Location.
- HERV should make sure they are aware of all setback requirements identified in Sec. 21-5-490 and confirm they can meet those setback requirements.

CONCLUSION

HERV does not currently have any questions regarding Weld County Code requirements.

OGED request that HERV continue consultations with CPW and consider scheduling an on-site consultation with CPW to further discuss the HPH and impacts of the proposed operations.

No one participating in the pre-application meeting identified anything that would prevent HERV from submitting an application for the proposed locations, nor did they identify anything that would prohibit such development.

HERV is free to submit a 1041WOGLA Notice to Weld County at any time following this pre-application meeting.