

**1041 WOGLA
PRE-APPLICATION MEETING**



Meeting Date: **February 16, 2023**

Staff Specialist: **Stephanie Frederick**

Location Name: **Alfalfa and Clover**

Parcel Number(s): **131120000017 and 131129100013**

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

Legal Description: **Sections 20 and 29, Township 2 North, Range 67 West of the 6th P.M., Weld County, Colorado**

Invitees: **Shayelyn Marshall (KMG), John Noto (COGCC), Sabrina Trask (COGCC), Brandon Marette (CPW), Chris Mettenbrink (CPW), Richard Coffin (CDPHE), Roy Ogle (BLM), Marty Ostholthoff (Town of Firestone), Stephanie Frederick (OGED), Kelly Holliday (OGED), Elisa Kunkel (OGED), Shanee Turner (OGED), Jennifer Teeters (OGED), Jason Maxey (OGED), Ryan Fernandez (EH), Lauren Light (EH), Max Nadar (Planning), Natalie DeLaCroix (Development Review), Laura Gomez Hernandez (Development Review), Jazmyn Trujillo Martinez (Development Review) .**

NOTES

This Pre-App meeting was held on, February 1, 2023, at 1:00 PM. In attendance were Andy Lytle (KMG), Shayelyn Marshall (KMG), John Piekara (KMG), Tracy Colling (KMG), Tom Crouch (KMG), Ryan Seastrom (KMG), Margaret Hess (KMG), John Riemer (KMG), Ben Frissell (COGCC), Laurel Faber (COGCC), John Noto (COGCC), Brandon Marette (CPW), Marty Ostholthoff (Town of Firestone), Jason Maxey (OGED), Stephanie Frederick (OGED), Elisa Kunkel (OGED), Jennifer Teeters (OGED), Kelly Holliday (OGED), Ryan Fernandez (WC Environmental Health), Laura Gomez Hernandez (WC Public Works Department - Development Review), Jazmyn Trujillo Martinez (WC Public Works Department – Development Review) and Natalie DeLaCroix (WC Planning Department – Development Review). Roy Ogle (BLM) and Jessica Koenig (Town of Frederick) were invited but declined the invitation.

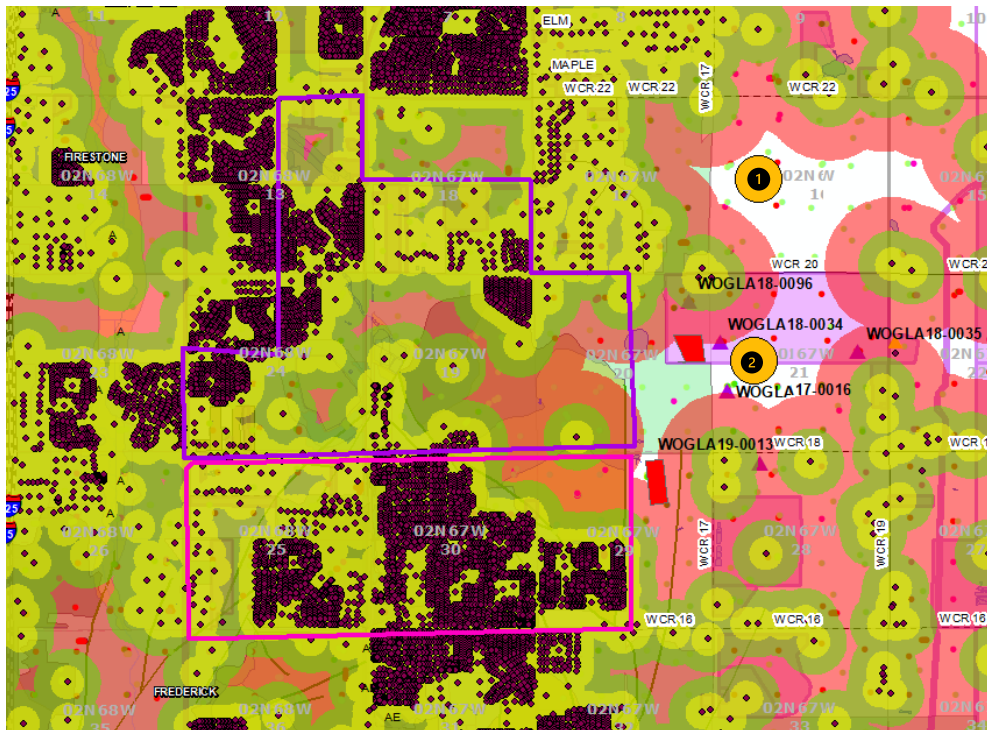
Kerr McGee Oil and Gas Onshore, LP (KMG) submitted a pre-application meeting request to the Weld County Oil and Gas Energy Department (OGED Staff) for the Alfalfa and Clover Oil and Gas Locations. The Alfalfa Pad is proposed to be located in T2N-R67W Sec. 20 with minerals being developed in Sec. 18: S1/2, 19: All, Sec. 20: W1/2 and T2N-R68W, Sec. 13:E1/2, Sec. 24: S1/2, NE1/4. The Clover Pad is located in Section 29, T2N-R67W, with minerals being developed in T2N-R67W Sec 29: W1/2 and Sec. 30: All and T2N-R68W Sec. 25: All. The Alfalfa location will include 13 horizontal wells and the Clover will include 12 horizontal wells. These two locations are part of the Sprout OGD, which will also include Rademacher, Salazar, and Midwest pads. All wells for both Locations are planned to be drilled in one occupation, with the anticipated start date of operations for the Alfalfa currently scheduled for the 1st quarter of 2024 and the Clover is scheduled for the 2nd quarter of 2024.

Both Locations were described to be outside of any floodplain, geological hazards, MS4, wetlands, and airport overlay districts. The 2,000' 1041 WOGLA Zone does not encompass any Residential Building Units, School Facilities, or Child Care Centers.

Both proposed locations are zoned Agriculture. There will be further discussions between KMG and the Town of Firestone for the portion of the haul route and existing access that is maintained by the Town of Firestone.

BLM was not able to attend but provided comments stating that if the proposed Clover location is moved to where it is over Federal Minerals, the operator will need to coordinate with their field office.

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



Based on the review of the area the proposed Development Area is within the Town of Firestone and the Town of Frederick. The Development area and locations are located in the Near Urban Planning area. Interstate 25 is located to the west.

It was noted that the Alfalfa and Clover Locations were not within High Priority Habitat, but Colorado Parks and Wildlife (CPW) stated that they observed a prairie dog colony which could mean the potential for Burrowing Owls. CPW also noted while visiting the proposed Location for Clover they observed several Red-tailed hawks perched in mature trees. Firestone Lake is located two miles to the west and is designated as Aquatic Sportfish Management Waters. KMG will need to submit a Wildlife Protection Plan, under COGCC Rule 1202.a. CPW voiced concerns about potential spills getting to the Coal Ridge Ditch because of the close proximity. CPW advised KMG if their construction operations should take place between March 15th thru October 31st they will need to conduct a burrowing owl survey prior to any work being performed.

ALTERNATE LOCATION DISCUSSION:

- KMG advised that alternative #1 located in Section 16, of T2N-R67W would move them closer to homes, a school facility and a medical facility located north of the development area and is less
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protective. The step outs to the south are too far and would not be technically feasible to capture all the minerals.

- KMG advised that alternative #2 located in Section 21, T2N-67W identified as existing WOGLA18-0034. The equipment on this pad is older and couldn't accommodate the increased production, and wouldn't be technically feasible to capture all the minerals. There is an existing USB for a Turkey Farm which all the buildings have been removed. Natalie DeLaCroix advised KMG that if they used this location the USB would need to be vacated.
- KMG advised that alternative #3 is an existing Extraction location (WOGLA17-0016) and that they didn't want to collocate. KMG also consulted with the parcel owner located to south and were informed that Dixie Water has plans for new residential development.

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. Ryan Fernandez with Environmental Health stated both locations will require an odor mitigation plan as well as a noise mitigation plan. The Clover location will require a Baseline Ambient Noise Study due to the proximity of the Dairy.
 - Jazmyn Trujillo Martinez with Development Review noted the amount of \$34,200 for the Cash-in-Lieu requirement and suggested KMG consult with the Town of Firestone for portion of the haul route in their 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 infrastructure for permanent electric power.
 - 1041WOGLA Notice shall be provided to all property owners within 2,000' of the Oil & Gas Location.
 - KMG is aware of all setback requirements identified in Sec. 21-5-490 and has no concerns meeting setback requirements.

CONCLUSION

After discussing all alternatives listed above, COGCC stated they won't require an ALA. In response to COGCC's question about plugging any existing vertical or directional wells, KMG will further evaluate this possibility. COGCC recommends KMG research further to consolidate by utilizing the existing infrastructure.

KMG expressed no concerns with the direction given from Staff and presented no follow-up questions. Staff then inquired with the 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.

KMG is welcome to submit 1041WOGLA Notice at any time.