

# ON-SITE CONSULTATION SUMMARY

## Jackson County, Colorado

October 20, 2022

1:00 pm – 3:30 pm

*For Distribution to COGCC, BLM & CPW*

### ON-SITE CONSULTATION ATTENDEES

#### Bureau of Land Management (BLM)

- Shawna Wiser
- James Roberts

#### Colorado Parks & Wildlife (CPW)

- Libbie Miller
- Taylor Elm

#### Colorado Oil & Gas Conservation Commission (COGCC)

- Dave Kubeczko

#### Fulcrum Energy Operating, LLC (FEO)

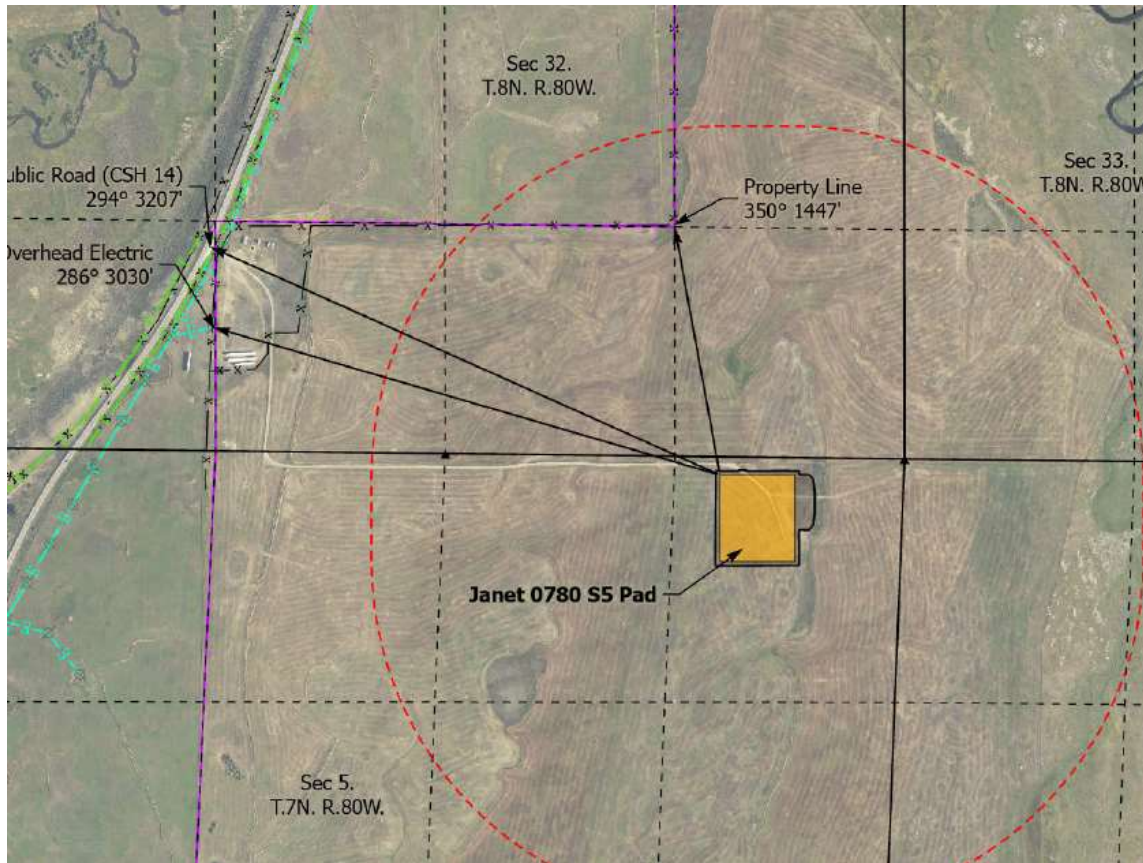
- Heidi Kaczor
- Larry Bryant
- Doug Sandridge

## **JANET 0780 S5 PAD (NENE SEC 5-T7N-R80W)**

**Summary:** The on-site participants met at the old town of Hebron and drove to the proposed site of the Janet 0780 S5 Pad (“Proposed Location”). Fulcrum Energy Operating, LLC (“FEO”) and its predecessor Operators have previously consulted with CPW on this site on at least five occasions beginning in June 2014 and most recently on October 14, 2021. FEO explained that the Proposed Location is intended to facilitate drilling up to 10 new wells – 6 PRU Janet 0880 wells (2.5-mile laterals to be drilled to the north) and 4 Gregory 0780 wells (2-mile laterals to be drilled to the south). FEO stated that allocation separators would be installed on the Janet S5 Pad to measure crude oil, natural gas and water production. Thence, the crude oil, natural gas and produced water would be transported via buried pipelines to the Ray Ranch North 0880 S32 CTB where the production facilities would be located. FEO explained that once the wells ceased to flow on their own, pumping units would be installed. FEO explained that electricity would be delivered to the Proposed Location via on-site generator or buried powerline connected to Mountain Parks Electric’s existing power lines located 1-mile west and adjacent to State Highway 14. FEO explained that water for drilling and fracing would come from Grizzly Creek located east of the Proposed Location. FEO explained the Proposed Location site had been meticulously analyzed and chosen as the definitively best site based on a plethora of criteria important to CPW, BLM, CDOT, the Surface Owner and other stakeholders as follows:

- In order to minimize the impacts on wildlife, CPW favors drilling pad sites which are near existing highways. The Proposed Location is located approximately ¾ mile from State Highway 14. Because of existing noise from the highway, sage grouse and other native wildlife species are less likely to be near the Proposed Location. Accordingly, the Proposed Location poses minimal potential impacts to wildlife. The Proposed Location is within the “CPW Waiver Corridor” wherein CPW has waived wildlife timing stipulations pursuant to the Wildlife Mitigation Plan dated August 2021 between CPW, Gondola and FEO.
- All of the applicable stakeholders prefer that oil and gas operations be located on sites that have been previously disturbed. The Proposed Location is currently being used as a hay stack yard by the Surface Owner.
- The topography of the Proposed Location is relatively flat and located on Fee surface. There is no native sage brush growing on the proposed Janet S5 Pad.
- The Proposed Location is the only topographically suitable dry-upland in this area and is surrounded by irrigated hay meadows for a distance of approximately ¾ mile in every direction.
- The Proposed Location is the site stipulated pursuant to the Surface Use Agreement.
- The Proposed Location already has an existing access road and a CDOT permitted highway access.
- The Proposed Location is strategically located at a surface location where 6 wells can be drilled north into the Peterson Ridge Federal Unit and 4 wells can be drilled south on Fee lands, thus, limiting surface disturbance.
- The six Peterson Ridge Unit wells that FEO now plans to drill in a northerly direction from the Proposed Location, were originally planned to be drilled in a southerly direction from High Point S29 Pad, located in Section 28-T8N-R80W. However, due to BLM concerns, native American concerns and construction concerns, all parties have determined that the High Point S29 pad is not a practical pad site.

**Conclusions:** Based on the conversations at the On-Site Consultation, COGCC, BLM and CPW agreed that the proposed Janet 0780 S5 Pad is the best site for development of the 10 proposed wells and all agencies indicated a willingness to recommend approval of the Janet 0780 S5 Pad.

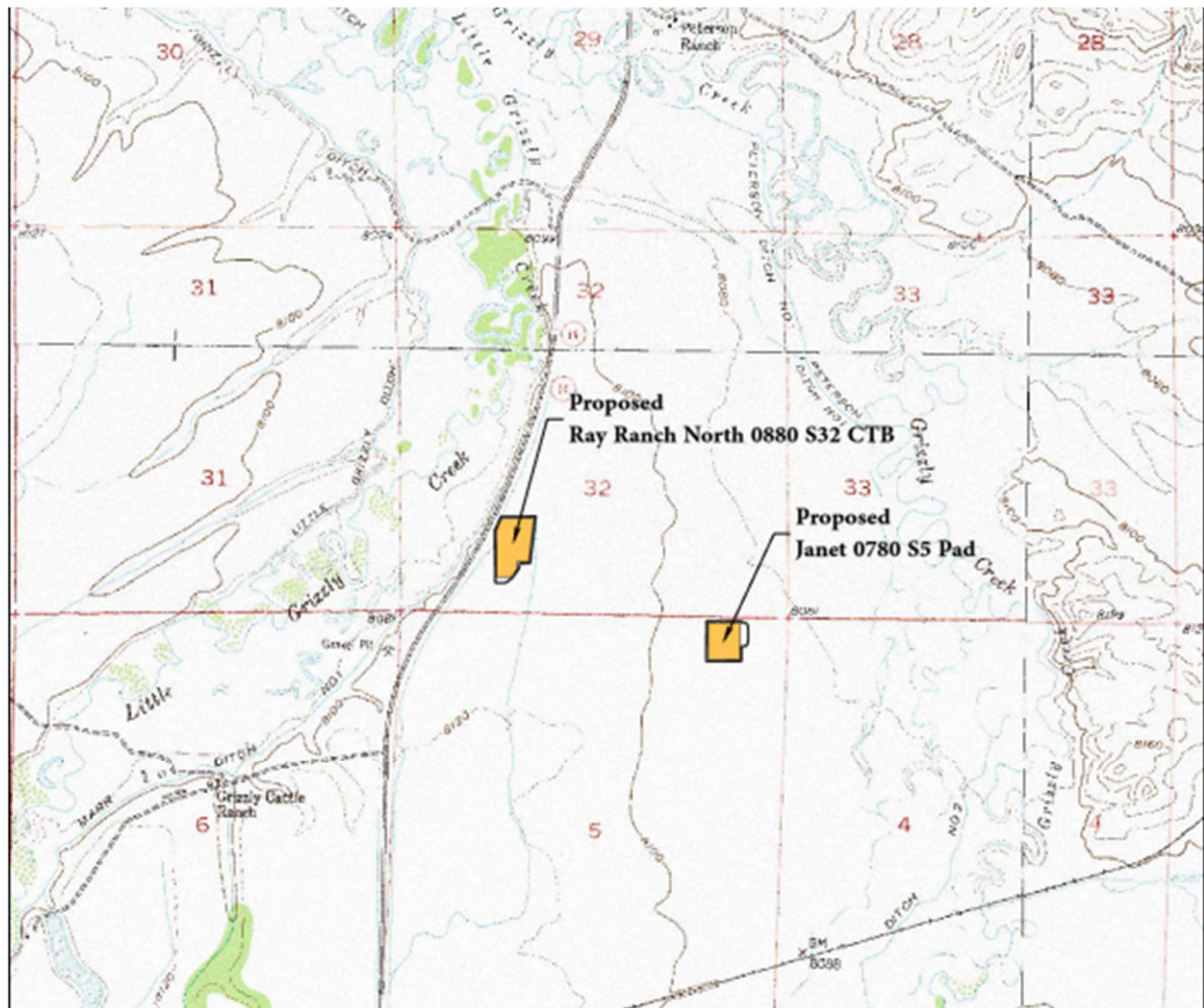


## **RAY RANCH NORTH 0880 S32 CTB (SESW SEC 32-T8N-R80W)**

**Summary:** The on-site participants proceeded from the proposed site of the Janet 0780 S5 Pad to the proposed site of the Ray Ranch North S32 CTB ("Proposed CTB Location"). Crude oil, natural gas and water produced from the wells located on the Janet 0780 S5 pad would be transported to the proposed CTB Location via buried pipelines. The primary production facilities for all 10 wells drilled on the Janet 0780 S5 Pad would be located on the Proposed CTB Location. FEO proposes to drill the Lupine 0880 1-32D SWD on the Proposed CTB Site to dispose of water produced from wells located on the Janet 0780 S5 Pad. FEO explained that there is existing electricity service located at the Proposed CTB Location. FEO explained that water for drilling and completing the SWD well would come from Grizzly Creek located east of the Proposed CTB Location. FEO explained the Proposed CTB Location site had been meticulously analyzed and chosen as the definitively best site based on a plethora of criteria important to CPW, BLM, CDOT, the Surface Owner and other stakeholders as follows:

- The Surface Use Agreement does not allow construction of production facilities on the Janet S5 Pad. Surface Owner wants the production facilities to be located adjacent to State Highway 14.
- In order to minimize the impacts on wildlife, CPW favors facility site locations which are near existing highways. The Proposed CTB Location is located adjacent to State Highway 14. Because of existing noise from the highway, sage grouse and other native wildlife species are less likely to be near the Proposed CTB Location. Accordingly, the Proposed CTB Location poses minimal potential impacts to wildlife. The Proposed CTB Location is within the "CPW Waiver Corridor" wherein CPW has waived wildlife timing stipulations pursuant to the Wildlife Mitigation Plan dated August 2021 between CPW, Gondola and FEO.
- All of the applicable stakeholders prefer that oil and gas operations be located on sites that have been previously disturbed. The Proposed CTB Location is at the site of a former lumber mill and is currently being used by the surface owner as a hay stack yard; accordingly, construction of the Proposed CTB Location requires little disturbance of native land.
- The topography of the Proposed CTB Location is relatively flat and located on Fee surface. There is minimal sage brush growing on the Proposed CTB Location.
- The Proposed CTB Location is the only topographically suitable dry-upland in this area and is bounded by State Highway 14 to the west and surrounded by irrigated hay meadows for a distance of approximately ¾ mile south, east and west.
- The Proposed CTB Location already has an existing access road and a CDOT permitted highway access.
- The proximity of the Proposed CTB Location to State Highway 14 provided safe and reliable transportation of crude oil during harsh winter conditions.

**Conclusions:** Based on the conversations at the On-Site Consultation, COGCC, BLM and CPW agree that the Ray Ranch North S32 CTB site is the best location and indicated a willingness to recommend approval of the Ray Ranch North S32 CTB site because of its proximity to State Highway 14 and other pre-existing disturbances. COGCC recommended that if FEO moves forward with an injection well permit, to submit Forms 31 and 33 before submitting the Form 2 and 2A, as this would assist in with their internal review.



# **ON-SITE CONSULTATION SUMMARY**

## **Janet OGDG Consultations**

### **JUNE 2014 – ON-SITE CONSULTATION ATTENDEES**

#### **Janet 0780 S5 Pad**

##### Colorado Parks & Wildlife

- Josh Dilley

##### U. S. Army Corps of Engineers

- ??????

##### EE3 LLC

- Doug Sandridge

##### Surface Owner

- Greg Ray

### **JUNE 2017 – ON-SITE CONSULTATION ATTENDEES**

#### **Janet 0780 S5 Pad & Ray Ranch 0880 S32 CTB**

##### Colorado Parks & Wildlife

- Pepper Canterbury

##### SandRidge Exploration & Production, LLC

- Spence Laird
- Alex Rizzo
- Doug Sandridge

##### North Park Engineering

- Randy Miller

### **2019 – ON-SITE CONSULTATION**

#### **Ray Ranch 0880 S32 CTB**

There was an on-site consultation in the summer of 2019; however, cannot confirm attendees or exact date of consultation.

**JULY 29, 2021 – ON-SITE CONSULTATION ATTENDEES**

**Janet 0780 S5 Pad & Ray Ranch 0880 S32 CTB**

Colorado Parks & Wildlife

- Elissa Slezak
- Zach Weaver

Fulcrum Energy Capital Funds

- Doug Sandridge

North Park Engineering

- Randy Miller

**OCTOBER 14, 2021 – ON-SITE CONSULTATION ATTENDEES**

**Janet 0780 S5 Pad & Ray Ranch 0880 S32 CTB**

Colorado Parks & Wildlife

- Danielle Neuman

Bureau of Land Management

- Shawna Wiser

Fulcrum Energy Capital Funds

- Doug Sandridge

**OCTOBER 20, 2022 – ON-SITE CONSULTATION ATTENDEES**

**Janet 0780 S5 Pad & Ray Ranch 0880 S32 CTB**

Bureau of Land Management

- Shawna Wiser
- James Roberts

Colorado Parks & Wildlife

- Libbie Miller
- Taylor Elm

Colorado Oil & Gas Conservation Commission

- Dave Kubeczko

Fulcrum Energy Operating, LLC

- Heidi Kaczor
- Larry Bryant
- Doug Sandridge