

Objective Criteria Review Summary - TEP Rocky Mountain LLC (TEP), Federal RU 31-17 Pad, Location ID #452011 (approved [8-31-17] Form 2A #401058467); 15 Form 2 refiles; Federal RU 541-17, Form 2 #402014293; Federal RU 534-8, Form 2 #402014287; Federal RU 511-17, Form 2 #402014281; Federal RU 441-17, Form 2 #402014278; Federal RU 432-17, Form 2 #402014193; Federal RU 411-17, Form 2 #402014185; Federal RU 421-17, Form 2 #402014188; Federal RU 344-8, Form 2 #402014180; Federal RU 332-17, Form 2 #402014177; Federal RU 321-17, Form 2 #402014167; Federal RU 42-17, Form 2 #402014161; Federal RU 41-17, Form 2 #402014156; Federal RU 32-17, Form 2 #402014148; Federal RU 31-17, Form 2 #402014143; Federal RU 21-17, Form 2 #402014061.

This summary explains how COGCC and CPW staff conducted its technical review of the TEP Rocky Mountain LLC (TEP), Federal RU 31-17 Pad, Location ID #452011; and 15 recently submitted refile Form 2s, within the context of SB 19-181 and for the required Objective Criteria. These Form 2 permit applications met the following Objective Criteria -

1. (Criteria 12) *The existing Federal Surface and Federal Minerals oil and gas location is not within any CPW-mapped sensitive wildlife habitat (SWH) or restricted surface occupancy (RSO) areas; however, the existing access road from Beaver Creek Road (CR 317) to the Federal RU 31-17 well pad location crosses RSOs for 'designated cutthroat trout habitat' and CDPHE-mapped 317B buffer zones for the Beaver Creek Watershed. COGCC staff met with the Director to discuss whether the Objective Criteria were sufficiently addressed and whether the Form 2s could be approved with the proposed Best Management Practices (BMPs) and applied Conditions of Approval (COAs) for the location. The following sections provide details regarding the evaluation of this criteria.*

Criteria 12: Oil and Gas Locations with an access road (the road constructed from the public road to the Oil and Gas Location) within a RSO, SWH, 317B buffer zone, or within 200' feet of a Building Unit on lands not subject to a Surface Use Agreement.

Site Specific Description of Applicability of Criteria 12: Based on the technical review and desktop evaluation, staff determined that the access road for this existing Federal Surface and Federal Minerals oil and gas location crosses CPW-mapped RSOs for 'designated cutthroat trout habitat' and the CDPHE-mapped 317B for Beaver Creek.

Site Specific Measures to Address Criteria 12: COGCC staff's review of this existing Federal Surface and Federal Minerals oil and gas location (TEP Federal RU 31-17 Pad, Location ID #452011) was originally permitted under Form 2A #401058467 (approved on 08/31/2017) for eighteen (18) wells, 18 separators, and one (1) 300 bbl blowdown tank. The well pad was constructed between October and November 2017 and 18 conductor casings were set in late November 2017 (reported to COGCC in Form 4 #401471122, approved 11/30/2017). Since then, the drilling program has been revised to drill fifteen (15) wells (the other 3 wells and conductor casings have been abandoned).

The existing access road from Beaver Creek Road (CR 317) to the RU 31-17 well pad runs parallel to and crosses into and out of several cutthroat trout RSO drainages. TEP has operated in this area for several years and has installed engineered controls along the access road, including bar ditches, check dams, sediment catchment basins, and head gates on culverts to minimize the potential for sediment or spills to impact surface

water features and designated cutthroat trout habitat. TEP has placed spill response stations within the area to ensure a quick and effective response to any release or spill that occurs in the area. The storm water control documents submitted for the well pad and access road describe the control measures implemented within designated cutthroat trout habitat and the Beaver Creek Watershed. TEP periodically inspects and maintains these control measures to ensure they function properly and can provide containment in the event of a release.

For completion operations support, three (3) 4.5-inch temporary surface poly frac lines will be installed along the access road from the RU 44-7 well pad to the RU 31-17 well pad. One (1) 12-inch steel gas pipeline, one (1) 2-inch steel condensate pipeline, and one (1) 4-inch steel produced water pipeline were also installed along the access road from the RU 44-7 well pad to the RU 31-17 well pad. A 2-inch steel condensate pipeline and a 6-inch steel produced water pipeline will then transfer fluids from the RU 31-17 well pad along an access road to the RU 42-7 tank battery location. The temporary surface lines and existing subsurface gas, water, and condensate pipelines cross a currently-mapped cutthroat trout RSO drainage. TEP has engineered controls along these pipeline routes to address any releases/spills. In addition, COGCC had placed several conditions of approval (COAs) on the previous Form 2A permit (Form 2A #401058467), including regional notification requirements, fluid containment and spill/release BMPs, sediment and dust control access road, flowback to tanks only, as-built drawing, temporary pipeline placement/inspection/containment, and pipeline testing. It should be noted that all COAs on previously reviewed and approved Form 2As (either refiled or amended) are fully enforceable, unless otherwise modified.

In response to COGCC's Objective Criteria review, the operator submitted (via a Form 4 Sundry #402015396 for the RU 31-17 location) with the following information;

- Detailed Well Pad and Access Road Containment and Storm Water/Erosion Control Drawings,
- Construction Layout Drawings,
- Location Drawing,
- The 2014 Beaver Creek Watershed Spill Response Plan,
- Facility Layout Drawing,
- CPW Consultation Correspondence,
- Plan of Development Drawing - Offsite Pipelines,
- Sensitive Area Determination,
- Updated/revised site-specific BMPs for the access road and well pad (planning, general housekeeping, wildlife - cutthroat trout protection, storm water/erosion control, dust control, construction, emissions mitigation, drilling/completion operations, and production/interim reclamation), and,
- The Amended Rifle Watershed District Ordinance No. 7 (revised due to the dismantling of the Beaver Creek Water Plant in 2018, which is currently mapped on COGCC's Online GIS Map as a 317B Public Drinking Water Supply area).

Based on COGCC records, there has not been an offsite release from any well pads operated by TEP in this area. No spills/release have been reported on the access roads.

TEP held a pre-consultation meeting with CPW on May 20, 2019 to review the development plan to address any impacts to wildlife. The existing pad is located outside

of mapped RSO and SWH areas; however, the existing access road crosses mapped RSO habitats for designated cutthroat trout habitat. *“According to CPW, the mapped habitats shown on wildlife maps all appear to be ephemeral drainages connected to Beaver Creek. The access road was previously constructed and no new crossing structures are necessary. TEP provided copies of their stormwater management plan and their spill prevention and countermeasure plans to CPW. Additionally, TEP maintains a mobile spill response unit near the lower terminus of the existing access road. CPW reviewed these plans and does not have any additional recommendations or concerns at this time. Letter to TEP and COGCC, dated May 20, 2019, from Kirk Oldham, Area Wildlife Manager for CPW.”* In addition, TEP will be providing compensatory mitigation to offset impact to wildlife (big game) for operation which may occur within the big game winter range timing limitation (January 16 to April 30), as required by BLM.

Determination: During the technical review process for the refile Form 2s, COGCC staff received additional information and clarification regarding the operator’s fluid containment and storm water/erosion control measures as well as details concerning the construction and maintenance of the offsite pipelines. Given the implementation of previously imposed permit conditions, additional technical information, and inclusion of additional BMPs; the Director determined that Criteria 12 was sufficiently analyzed and that the standard for protection of the sensitive environment (potential 317B public drinking water), surface water resources, and wildlife (cutthroat trout) was met.

Staff met with the Director to discuss Objective Criteria that are met by this Oil and Gas Location. The Director determined that following the application of the additional analysis from the Objective Criteria, the permit application meets the standard for protection of public health, safety, welfare, the environment and wildlife resources set by SB 19-181.