



September 8, 2016

Director Matt Lepore
Colorado Oil & Gas Conservation Commission
1120 Lincoln Street, Suite 801
Denver, CO 80203

RE: COGCC Rule 502.b Variance Request for 1001.c Surface Owner Waiver
for the Williams 6-87 1-30, API# 05-107-06258 , Facility ID 434072, Location ID 434069
Township 6 North, Range 87 West, 6th P.M.
Section 30: NW/4NE/4
Routt County, Colorado

Dear Director Lepore,

We have obtained a Surface Owner Waiver under Rule 1001.c for final reclamation of the Williams 6-87 1-30 location. We have performed reclamation on this location in accordance with the surface owner's request. Due to the surface owner's reclamation request of the well pad, we are requesting your approval for a variance from requirements mandated by Rule 1004. (a). We have provided all of the information and documentation in accordance with COGCC Operator Guidance on Rule 1001.c: Reclamation Variances and Waivers from December 17, 2015.

SWN Production Company, LLC has entered into an agreement with the surface owner regarding topsoil protection and reclamation of the Williams 6-87 1-30 location. The following attached documents contained in this letter for the Williams 6-87 1-30 location were developed in accordance with the December 17, 2015 version of the COGCC 1001.c "Reclamation Variances and Waivers" guidance document.

We have made a good faith effort to provide the necessary information and evidence requested in order for the Director to evaluate our request for waiving specified provisions of Rule 1004 to fulfill the surface owner's request for final reclamation.

We respectfully request that you review and approve our variance request from the specified sections of the 1004 final reclamation requirements.

Respectfully,

Sydney Hansen
Regulatory Analyst
SWN Production Company, LLC



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The surface owner requested during final reclamation consultation and has entered into an agreement with SWN Production Company, LLC concerning the specified reclamation plans; that the well pad should not be returned to contour; that the well pad remain flat; that the gravel should not be removed from the flat portions of the well pad.

In order to fulfill the surface owner's requests regarding final reclamation, SWN Production Company, LLC is seeking a variance for the below specified portions of the well pad from select requirements in Rule 1004. (a):

Rule 1004. a:

- 1) **Sentence 3 – “All access roads to plugged and abandoned wells and associated production facilities shall be closed, graded and re-contoured”**
- 2) **Sentence 5 – “Well locations, access roads and associated facilities shall be reclaimed”**
- 3) **Sentence 6 – “As applicable, compaction alleviation, restoration, and re-vegetation of well sites, associated with production facilities, and access roads shall be performed to the same standards as established for interim reclamation under Rule 1003.”**

And Rule 1004. c. (1):

- 4) **Sentence 1 – “On crop land, reclamation has been performed as per Rules 1003 and 1004, and observation by the Director over two growing seasons has indicated no significant unrestored subsidence.”**

Since the landowner has requested that the gravel remain on the well pad the soil horizons will not return to their original relative positions and contour and the land will not be tilled to re-establish a proper seedbed. Also, any perennial forage crops that were present before disturbance will not be re-established.

SWN Production Company, LLC has performed all other specified requirements in 1004. (a) on the Williams 6-87 1-30 location including;

- Sentence 1 – “All pits, mouse and rat holes and cellars [if existed] shall be backfilled.”
- Sentence 2 – “All debris, abandoned gathering line risers and flowline risers [if existed] have been removed.”
- Sentence 7 – “All other equipment, supplies, weeds, rubbish and other waste materials that existed on location have been removed.”

Specifically, these items were never installed and thus do not require removal. Additionally, SWN has performed the following reclamation work on the well pad to achieve successful reclamation on the location and to a condition that meets the needs of the surface owner. At the surface owner's request, some reclamation work was performed on the location. These modifications would allow the surface owner to farm land right up to the gravel pad.

- Spraying weeds on and around the pad.
- Removal and grading of sediment basins.
- Removal and grading of the pad berm.
- Grading of the stockpiled topsoil.

Access Road ROW

Also noted on the drawing above (see Figure #5A above) is the approximate, disturbed surface area before reclamation work was completed. The disturbed area of the William 6-87 1-30 access road for SWN operations was approximately 0.754 acres (less than 1 acre).

The surface owner requested during the Final Reclamation Consultation and has entered into an agreement with SWN concerning these specified reclamation plans; that the Right-of-Way (access road) should not be returned to contour; that the Right-of-Way (access road) remain flat; that the gravel should not be removed from the Right-of-Way (access road); and that the Right-of-Way (access road) should be drilled and seeded with the Surface Owner's specific seed mix.

In order to fulfill the surface owner's requests regarding final reclamation, SWN is seeking a variance for the specified below portions of the Right-of-Way (access road) from select requirements in Rule 1004. (a):

- 5) **Sentence 3 – “All access roads to plugged and abandoned wells and associated production facilities shall be closed, graded and re-contoured.”**
- 6) **Sentence 4 – “Culverts and any other obstructions that were part of the access road(s) shall be removed:**
- 7) **Sentence 5- “Well locations, access roads and associated facilities shall be reclaimed.”**
- 8) **Sentence 6 – “As applicable, compaction alleviation, restoration, and re-vegetation of well sites, associated production facilities, and access roads shall be performed to the same standards as established for interim reclamation under Rule 1003.”**

And Rule 1004.c (1):

- 9) **Sentence 1 – “On crop land, reclamation has been performed as per Rules 1003 and 1004, and observation by the Director over two growing seasons has indicated no significant unrestored subsidence.”**

Since the surface owner has requested that gravel be left on the Right-of-Way (access road) the soil horizons will not return to their original relative positions and contour and the land will not be tilled to re-establish a proper seedbed. Also, any perennial forage crops that were present before disturbance will not be re-established.

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The surface owner has agreed to leave the ROW (access road) as is, maintaining the approximate disturbed surface area at .754 acres (less than 1 acre).



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Photographs of Location

Photographs of location fulfillment of the Section II.B.2.-Section II.B.4 and Section II.B.6. and 7 of the COGCC “Rule 1001.c Reclamation Variances and Waivers” guidance document dated December 17, 2015.

(Attachment)



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IV. – Guidance Document Section 1 Requirements

Section 1 of the “Rule 1001. C Reclamation Variances and Waivers” guidance document required a signed agreement between the operator and the surface owner. Specifically, there are five bullet points that highlight these requirements. Many of these requirements have been addressed with a signed agreement with the surface owner that is attached to this variance request.

Completeness Checklist: Below is a checklist and summary of where the requirements of the “Rule 1001.c Reclamation Variances and Waivers” guidance document have been fulfilled in the attachments contained in this variance request:

Rule 1001.c Reclamation Variances and Waivers guidance document Section I.1 through I 1.5

I.1 A clear description of the specific portions of an access road or oil and gas location for which the surface owner is waiving the operator’s obligation to perform interim or final reclamation.

Requirements fulfilled in attached Documents:

- ✓ Section A of the “Reclamation Waiver Agreement”
- ✓ Drawings contained in the Site Specific Final Reclamation Plan

I.2 A brief explanation of the surface owner’s reasons for waiving the operator’s obligation to perform interim or final reclamation for the specified portions of an access road or oil and gas location

Requirements fulfilled in attached Documents:

- ✓ Signed “Reclamation Waiver Agreement”

I.3 The surface owner’s acknowledgement that the current condition of the portions of access road or oil and gas location subject to the waiver is satisfactory to the surface owner or will be satisfactory once the operator performs the agreed upon plan.

Requirements fulfilled in attached Documents:

- ✓ Signed “Reclamation Waiver Agreement”

I.4 For interim reclamation waiver requests, the surface owner’s acknowledgement.

- ❖ DOES NOT APPLY TO THIS LOCATION SINCE IT IS 1004. FINAL RECLAMATION

I.5 In addition to items 1 through 4, above, if an operator intends to seek a variance under Rule 502.b. to be relieved from its obligation to comply with specified provisions of Rule 1004 – Final Reclamation Well Sites and Associated Production Facilities – the following information should be included in a written agreement:

- a. The surface owner’s acknowledgement that once the variance is approved and all agreed upon actions have been conducted the surface owner knowingly, and forever, waives all reclamation protections otherwise afforded by the specified provisions of Rule 1004; and
- b. A brief description of the operator’s plan for compliance with the specified provisions of Rule 1004 on areas of the oil and gas locations or access roads that are not subject to the variance.

Requirements fulfilled in attached Documents:

- ✓ **Signed “Reclamation Waiver Agreement”**
- ✓ **Maps and description contained in Site Specific Final Reclamation Plan**

V.– Guidance Document Sections II.B Requirements

Section II.B of the “Rule 1001.c Reclamation Variances and Waivers” guidance document describes the baseline information necessary for COGCC to evaluate whether public health, safety and welfare will be protected and significant adverse environmental impacts prevented if compliance with specified provisions of Rule 1004 is not required. There are eight bullet points that highlight the baseline evidence and information for COGCC evaluation.

Completeness Checklist: Below is a checklist and summary of where the requirements of the “Rule 1001.c Reclamation Variances and Waivers” guidance document have been fulfilled in the attachments contained in this variance request:

Rule 1001.c Reclamation Variances and Waivers guidance document Section II.B through II.B.8

II.B.1 Evidence that all wells on the location are plugged and abandoned, and that a Form 6 subsequent was submitted for each well

- ❖ **DOES NOT APPLY TO THIS LOCATION AS NO WELLS WERE EVER DRILLED ON THIS LOCATION.**

II.B.2 Evidence that all oil and gas equipment has been removed from the location, including flowline and gathering line risers

Requirements fulfilled in attached Documents:

- ✓ **Attached photos of the location**



II.B.3 Evidence that trash and debris belonging to the operator or its agents has been removed from the location.

Requirements fulfilled in attached Documents:

- ✓ Attached photos of the location

II.B.4 Evidence that noxious weeds have been controlled as required by Rule 1004.

Requirements fulfilled in attached Documents:

- ✓ Attached photos of the location
- ✓ Referenced in Site Specific Reclamation Plan
- ✓ Reference SWN's Reclamation Best Management Practices

II.B.5 Documentation showing the operator consulted in good faith with the surface owner regarding final reclamation pursuant to Rule 305.f.(6) Information describing the consultation (who, what, where, when) should be provided

Requirements fulfilled in attached Documents:

- ✓ Signed affidavit from the landowner attached

II.B.6 Documentation of the existing state/condition of reclamation for the entire location.

Requirements fulfilled in attached Documents:

- ✓ Attached photos taken September 8, 2016

II.B.7 Documentation detailing how the oil and gas location will be stabilized and details about what required storm water management controls will be in place prior to COGCC's final signoff reclamation inspection.

Requirement fulfilled in attached Documents:

- ✓ Attached photos taken September 8, 2016
- ✓ Section III. Site-Specific Final Reclamation Plan Details

II.B.8 The operator's analysis of how public health, safety and welfare will be protected and significant adverse environmental impacts prevented if compliance with the specific provisions of Rule 1004 receive a variance.

Requirements fulfilled in attached Documents:

- ✓ Site Specific Reclamation Plan
- ✓ The Form 2A was reviewed to identify information relevant to the evaluation of potential impacts and standards for final reclamation

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Analysis of Public Health, Welfare, Safety and Environmental Impact

SWN has evaluated if variance from compliance with the specific sections of Rule 1004. (a) requested for this location prevent the protection of public health, safety, and welfare and if compliance with the specified sections of Rule 1004.(a) are necessary to prevent significant adverse environmental impacts. SWN's analysis was conducted in accordance with the scope of the variance requested. SWN used existing ranch roads, and in this case the enhanced construction of the road directly benefits the land owner adding economic value and utility to their property. Also, the upgrade of the culvert off the county road directly benefits the land owner as well as the county in maintaining the integrity of their roads. The surface owner's request to retain the flat surface of the well pad and the access road for private use does not present any significant adverse impact to the environment. The analysis expected by COGCC as stated in the final paragraph of Section II.B.8 in the "Rule 1001.c. Reclamation Variances and Waivers: guidance document include: "1) the specific nature of the location, including urban vs. rural, proximity to surface water, wildlife areas, 317B area, or sensitive area classification have been completed and verified using information about the location in official records provided to COGCC." (E.g. Form 2A, Form 27, COGCC Map GIS Layers for Wildlife, Sensitive Area, 608.b Water Wells, and 317B Areas etc.)."

Public Health

The specified variances requested from Rule 1004. (a) for the Williams 6-87 1-30 well pad and access road are minor requests which have minimal potential for negative impact on public health. SWN is not requesting any variance from the reclamation requirements of the COGCC 1000 or 900 series rules for any aspect of reclamation of the gas operations at the location that would adversely affect public health.

- ✓ There was never a well or pit constructed onsite, therefore outside of the removal of the berm and general rubbish, the site was cleared of all waste.
- ✓ Variance from compliance with the specific sections of Rule 1004.(a) which have been requested for this location are remotely or unrelated to public health as the location has never produced any oil and gas product and a well was never drilled onsite; therefore it was have minimal potential to negatively impact public health.

Public Welfare

The specified variances requested from Rule 1004.(a) for the Williams 6-87 1-30 well pad and access road are minor requests which will not prevent the protection of public welfare. The enhanced construction of the road and well pad directly benefits the surface owner adding economic value and utility to their property.

- ✓ The Williams 6-87 1-30 location is on private property with restricted access to the public. The surface owner uses this portion of their property for farming. The flat portions of the well pad will be used as a staging surface for hay, farm equipment or any tools that the land owner uses in farming activity. The access road was part of an existing ranch road that the landowner used in his farming activity.
- ✓ The county zoning for the Williams 6-87 1-30 location is classified as rural-agriculture and forestry. The reclamation requests by surface owner for the location are consistent with the local county land use zoning standards. * Verified Routt, County Zoning Maps and Regulations.

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- ✓ Variance from compliance with the specific sections of Rule 1004.(a) which have been requested for this location have minimal potential to negatively impact welfare rather, the variance allows for the surface owner to retain features of the location which add value to the property. Variance from the reclamation rules requested for this location will have minimal potential to negatively impact public welfare.

Public Safety

The specified variances requested from Rule 1004.(a) for the Williams 6-87 1-30 well pad and access road are minor requests which will not prevent the protection of public safety.

- ✓ Variance from compliance with the specified sections of Rule 1004.(a) which have been requested for this location are unrelated to public safety as the location is under private property ownership with restricted access to the public, and no features of the oil and gas operations have been left un-reclaimed that could be a public safety hazard; therefore, it will have minimal potential endanger public safety.

Significant Adverse Environmental Impacts

The specified variances requested from Rule 1004.(a) for the Williams 6-87 1-30 well pad and access road are minor requests which are unlikely to result in any significant adverse environmental impact. The location has been reclaimed to meet the final land use needs of the landowner per their specifications.

- ✓ The Williams 6-87 1-30 location is not within an “Urban Mitigation Area” as defined in the COGCC Definitions. *Verified in Form 2A, COGIS Database
 - No Urban Mitigation Areas within ½ mile
- ✓ The Williams 6-87 1-30 location is not within a Sensitive Wildlife Habitat or a Restricted Occupancy Area. *Verified in Form 2A
- ✓ The Williams 6-87 1-30 location is not within a zone defined by the COGCC Rule 317B. *Verified in Form 2A
- ✓ The Williams 6-87 1-30 location has no likely receptors. *Verified in Form 2A
 - Water well located 600ft northeast, however no well was ever drilled on location and the water well belongs to the surface owner.
 - Nearest live surface water- 415ft
- ✓ Variance from compliance with the specific sections of Rule 1004.(a) which have been requested for this location have minimal potential result in any significant adverse environmental impact as the location contains no hazardous materials or features. The Williams 6-87 1-30 location is not on Colorado Parks and Wildlife land or within RHO or SWH areas. There is one surface water body within ½ mile radius of the location; however, the features of the location for which a variance has been requested poses no threat or substantial risk of impacting the surface water body in any way. Therefore, the variances requested for this location will have minimal potential to result in any significant adverse environmental impact.

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Field-Wide Reclamation and Best Management Practices

All surface restoration shall be accomplished to the satisfaction of Owner. All reseeded shall be done with grasses consistent with the Rocky Mountain native mix or other grasses reasonably requested by surface owner and during planting period suggested by Owner. Final reclamation shall be completed to the reasonable satisfaction of the owner as soon as practical after installation (weather permitting) and in accordance with regulatory agency standards.



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