

**QEP ENERGY COMPANY  
Powder Wash 19-1**

**ONSHORE ORDER NO. 1  
MULTI – POINT SURFACE USE & OPERATIONS PLAN**

**Location:** SESE, Section 19, T. 12 N., R. 97 W.  
Moffat County, Colorado  
Federal Lease COC-081266

**Surface:** 1094' FSL, 1261' FEL

**Bottomhole:** 1250' FSL, 830' FEL

Directions to the location are as follows: Beginning at the intersection of County Road 4 and County Road 62, Moffat County, Colorado, travel northwesterly and southwesterly on County Road 4 for 3.3 miles. Turn right onto the staked access for the Powder Wash 19-1 and travel northeasterly for 2.8 miles to reach the proposed site.

This surface use plan of operations provides site specific information for the above referenced well.

An onsite inspection was conducted for the Powder Wash 19-1 on May 4, 2016. In attendance at the inspection were the following individuals:

Jay Johnson	BLM	Tracie Jenkins	Tesoro
Ed Hollowed	BLM	Nichole Jensen	Tesoro
Heather Woodruff	BLM	Bryan Fernandez	Tesoro
Tracy Perfors	BLM	Mike Lock	DR Griffin
Louise McMinn	BLM	Melissa	QEP Energy
		Cunningham	
Janell Corey	BLM	Pete Guernsey	QEP Energy
Brett Smithers	CPW	Eric Wickersham	QEP Energy
Dave Kubeczko	COGCC	Adam de laRiva	QEP Energy

The proposed well pad is approximately 6.8 acre of total disturbance. The proposed access road is 14,344 feet with disturbance of 16.5 acres.

**1. Existing Roads:**

Access roads and location of well – See Exhibits 4 & 5.

All existing roads will be maintained in accordance with BLM regulations during all phases of operation.

**2. New or Reconstructed Access Roads:**

See Exhibit 4 and the engineered design attached.

Approximately 14,344 feet of new access road construction will be required on federal surface in order to access the well location.

Topsoil will be stripped and windrowed prior to road construction and re-spread in the borrow area for long term storage. The borrow ditches will be seeded with a BLM supplied seed mix to maintain topsoil viability.

The new access road will be crowned and ditched, with a minimum running surface of fourteen (14) feet. The travel surface will be 16 feet wide with a 9 inch deep gravel base 20.5 feet wide. Additional information included in engineered plan.

The grade of the road is outlined in the engineered road plan.

Six (6) 18 inch by 30 foot long corrugated metal culverts will be installed as shown on Exhibit 4 and engineered road plan pages 1, and 6 through 10. All drainage ditches and culverts will be kept clear and free-flowing and will be maintained according to original construction standards, page 4 of engineered road plan.

Eleven turnout areas are identified in the engineered plan. Four areas include turnouts on both sides of the road, per engineered plan. Each will be 100 feet in length with a 25 foot transition on each end.

After road construction is completed and topsoil is pulled back down the cut slope, the travel way will be surfaced prior to moving in the drilling rig, if necessary.

Refer to engineered road plan pages 2 through 5 for detail of road drainage control structures. Erosion control measures, e.g. sediment traps, wing ditches, and culverts, will be installed as needed to reduce potential erosion and runoff from the road.

See #10, Plan for reclamation, for vegetation of road.

From the southwest to the northwest, proposed road crosses lease COC 012440, the Powder Wash unit – COC 47671 and lease COC 0081266. QEP Energy requests that this APD serve as the application for the road right-of-way outside of Lease COC-081266.

### **3. Location of Existing Wells Within a 1 – Mile Radius:**

Please refer to Exhibit 4 and 5.

One known water well is within the project area in the SENW, Sec. 29, T12N, R97W.

There are no known injection or disposal wells within the project area.

There are six known producing wells in the area:

NENE, Sec. 30, T12N, R97W	NESE, Sec. 30, T12N, R97W
SWNE, Sec. 29, T12N, R97W	NENW, Sec. 29, T12N, R97W
NWNE, Sec. 29, T12N, R97W	SESW, Sec. 20, T12N, R97W

There are five known plugged or abandoned wells in the area:

NWNE, Sec. 30, T12N, R97W	SESW, Sec. 29, T12N, R97W
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NESE, Sec. 20, T12N, R97W      SWSE, Sec. 20, T12N, R97W  
SWSW, Sec. 20, T12N, R97W

There is one known shut-in well in the area in the SWNE, Sec. 30, T12N, R97W

There are no known monitoring or observation wells in the area.

There are no known proposed wells in the area.

**4. Location of Existing &/Or Proposed Facilities:**

Production facilities will be located on the disturbed portion of the well pad.

Please refer to Exhibit 2C of the plat package for preliminary production facility layout and location.

Should the well be productive additional equipment may be installed. The operator will submit final proposed facility layout information to the BLM AO at a later date. Also if the well is productive, a containment dike will be constructed completely around those production facilities which contain fluids (i.e., production tanks, produced water tanks). These dikes will be constructed of steel and road base, hold 110% of the capacity of the largest tank and be independent of the back cut.

All permanent above ground structures that will remain on site six months or longer, including pumping units, will be painted Covert Green as determined by the BLM AO at the onsite.

A ROW for the pipeline off the pad will be applied by a third party gas gatherer.

**5. Location and Type of Water Supply:**

Water will be obtained from one or a combination of the following sources:

Wexpro Company's Powder Wash Unit Well No. 1 Deep Water Well, CO DWR Permit No. 67436-F, located in SENW Section 19, T12N, R97W, Moffat County, Colorado;

Wexpro Company's Trail Unit Produced Water Evaporation Facility, WY DEQ Permit No. WV-14728, State of WY Permit #14153R, located in NW1/4 Section 16, T 13N, R 100W, Sweetwater County, Wyoming;

Wexpro Company's Canyon Creek Unit Produced Water Evaporation Facility, WY DEQ Permit No. WV-15382, State of WY Permit #14154R, located in Section 2, T12N, R101W, Sweetwater County, Wyoming;

A municipal water source from the city of Rock Springs, WY, Sweetwater County, Wyoming;

Or privately-owned water from Vermillion Ranch Limited Partnership's McKnight Springs on Vermillion Creek, SEO WR#P35551.0D, located in S1/2NW Section 27, and NENE Section 28, T 13 N, R 101 W, Sweetwater County, Wyoming.

Water will be transported by water trucks along state highways, county roads, existing and proposed access roads, and other BLM authorized roads. Exhibit 5

It is estimated that 15,000 barrels of water will be used during drilling operations, completions and dust abatement.

**6. Construction Materials:**

All surface and subsoil materials, excluding gravel, will be derived from construction of the pad (SESE Sec. 19, T12N, R97W) and road (SESE and SWSW Sec 19, NW 1/4 and NWNW Sec 30, T12N, R97W; SENE and NWSE and SW 1/4 Section 25, SESE Section 26, and NE 1/4 Section 35, T12N, R98W) in the immediate area.

Gravel will be obtained from a commercial source.

The use of materials under BLM jurisdiction will comply with 43 CFR 3610.2-3.

No material will be removed from federally-owned sources.

**7. Methods for Handling Waste (and Location of Disposal):**

Cuttings pit construction, handling of pit contents, and cuttings pit closure will be in accordance with COGCC regulations. Cuttings will be placed in a lined pit which will be constructed with at least one-half (0.5) of its holding capacity below ground level. The cuttings pit will be designed to prevent the collection of surface runoff. The pit will be lined with a 24-millimeter polyethylene liner to prevent leakage of fluids. The bottom of the pit shall be smooth and free of any sharp rocks.

If the pit has a rocky bottom, it shall be bedded with a material such as soil, straw, or hay to avoid the possibility of puncturing the liner. The liner will be rolled in place and recurved at the ends, i.e. buried on the top of the pit berms.

After construction and prior to use, the cuttings pit will be fenced "stock-tight" on all four sides and will be flagged to keep livestock and wildlife from entering. The fence will be removed on the front side during drilling and re-installed at the time of rig release, at which time the pit will again be flagged.

Drilling cuttings will be contained in the cuttings pit. Pits will be closed in conformance with COGCC regulations. The cuttings pit will be backfilled and capped with road base and gravel. Interim reclamation will be conducted on the portion of the pad that is downsized. The pit will be backfilled when dry and capped with a minimum of five feet of soil material. The pit will remain fenced until backfilled.

Any hydrocarbons produced during completion work will be contained in test tanks and removed from location at a later date. No hydrocarbons will be allowed in the cuttings pit.

Upon completion of the well, produced water will be stored in a tank on location and subsequently hauled off location and disposed of at

Wexpro Company's DEQ-authorized lined pit at Kinney Unit #6, located in SESE Section 13, T 13N, R 101W, Sweetwater County, Wyoming, lease WYW-138912;

Legend Services Inc.'s PRFED #15101 31I disposal well, located in SWNE Section 31, T 15N, R 101W, Sweetwater County, Wyoming, lease WYW-131432,

Or the nearest and/or most economically viable approved commercial water disposal facility. The haul route will be along state highways, county roads, existing and proposed access roads, and other BLM approved roads.

Sewage will be handled in self-contained, chemical-treated portable toilets and contents hauled off location to a Baggs Solid Waste Disposal in accordance with state and local regulations, address below.

Garbage and other trash will be contained in a portable trash cage, which will be totally enclosed with small mesh wire. Cage and contents will be transported to a trash dump at Baggs Solid Waste Disposal, address below. Any scattered trash will be picked up and placed in the trash cage as soon as practical after the rig is moved off.

Liners that contain oil will be disposed of at R360 Environment Solutions, address below. Other liners will be disposed of at the Rock Springs Landfill, address below.

**Baggs Solid Waste Disposal**

County Road 700  
Baggs, WY 82321  
307-383-7678

**Rock Springs Landfill**

Highway 191 South  
Rock Springs, WY 82901  
307-352-6869

**R360 Environmental Solutions**

1427 Calpet Road  
LaBarge, WY 83113  
307-679-9766

**8. Ancillary Facilities:**

None anticipated.

**9. Well Site Layout (Narrative & Diagram):**

The construction program and design are on the attached cut, fill, and cross section diagrams – See Exhibits 2 & 3.

Pad (including dimensions) – Exhibit 2

Pad Cut-and-Fill - Exhibit 2 & 3

Cuttings pit location – Exhibit 2

Cuttings pit cut and fill – Exhibit 2 and 3

Access road entry points and approximate location with respect to topographic features – Exhibit 2 and 2E

Dikes and ditches constructed (storm water management plan) – Exhibit 2 and 2E. The location (including the cuttings pit) will be designed to prevent the collection of surface runoff.

Typical Rig Layout – See Exhibit 2A

Proposed production facilities – See Exhibit 2C.

All equipment and vehicles will be confined to the access road, well pad, and areas specified in the APD.

Prior to construction, approximately six inches of topsoil (or maximum available) will be removed from the entire site and stockpiled, as shown on the well pad diagram.

#### **10. Plans for Surface Reclamation:**

All reclamation activities will be in conformance with the RMPA, BLM reclamation guidelines and the COGRC regulations. This includes the District IM Reclamation Template – Success Criteria:

- *All disturbed areas, including well pads, production facilities, roads, pipelines, and utility corridors, have been recontoured to approximate the original landforms.*
- *All recontoured disturbance has been stabilized and vegetated with a self-sustaining, vigorous, diverse, native (or otherwise approved) plant community sufficient to minimize visual impacts, reestablish wildlife habitat or forage production, stabilize soils and impede the invasion of noxious weeds.*
- *At a minimum, the established plant community will consist of species included in the seed mix and/or desirable species which occur in the surrounding natural vegetation.*
  - *Permanent vegetative cover will be determined successful when the basal cover of desirable perennial species is at least 80 percent of the basal cover of the undisturbed site or, of a reference area, or, if available, of the potential basal cover as defined in the National Resource Conservation Service (NRCS) Range/Ecological Site(s) for the area.*
  - *The resulting plant community (in a healthy early seral state) must contain at least 80 percent desirable plant species, preferably one of which is a forb or shrub. Plants must be resilient, as demonstrated by vigor, well-developed root systems and flowers. Shrubs must be well established and at least in a “young” age class, rather than comprised mainly of seedlings that might not survive.*
  - *No one species may exceed 70 percent basal cover in the resulting plant community, to achieve species diversity on the site. Desirable species include those defined by those in the BLM-approved seed mix, other desired species found in the reference area, or potential species in the NRCS range/ecological site.*
  - *Reference areas may be identified when areas near the disturbance do not reflect the appropriate plant community. Prior to BLM approval for use as a reference area, an operator may provide quantitative site measurements of vegetation cover, vegetation composition, woody plant density,*

BLM Nationwide Bond: ESB000024; Operator will obtain a 100% reclamation bond.

QEP will provide for BLM approval a reclamation sundry prior to initiating any reclamation efforts.

The seed mix and drill rate will be determined by the BLM prior to any seeding.

QEP Energy will control noxious weeds on the location in conformance with BLM and COGCC guidelines.

An approved BLM PUP will be obtained before any chemical weed control is done.

#### **Plan to address interim reclamation:**

If the well goes on production, the pad will be downsized to a smaller production pad, Exhibit 2C. All trash and debris will be removed from the disturbed area.

Pit Closures: Pits will be closed in conformance with COGCC regulations. See #7 of SUPO. The cuttings pit will be backfilled and capped with road base and gravel. Interim reclamation will be conducted on the portion of the pad that is downsized. The pit will be backfilled when dry and capped with a minimum of five feet of soil material.

Drainage Systems: After the pad is built, the topsoil pile will be seeded, signed, and erosion control devices and techniques will be implemented.

Practices necessary to reclaim all surfaces (including access road):

Re-contouring: The road base and gravel on the portion of the pad that will be downsized, will be picked up and used on the production pad and access road. (see #2 of SUPO)

Replacement of topsoil following recontouring: The interim reclamation area will be recontoured to blend with the surrounding landscape. All topsoil will be evenly distributed.

Reseeding following placement of topsoil: Seeding will be done as weather conditions allow and during the spring or fall of the year, depending on the time of the year.

**Plan for Final reclamation:**

Prior to reclamation or abandonment of the well site and road, a joint inspection of the disturbed area will be held. A final reclamation map will be submitted for final approval from the BLM AO near the time of final reclamation.

The following remedial actions will be taken in an effort to meet the final reclamation guidelines.

- The access road will be ripped and recontoured to blend with the surrounding landscape. Cut and fill will be eliminated.
- The location has areas where the fill was not brought in; those areas will be pulled back and recontoured to blend with the native landscape.
- The surface will be left rough and the BLM recommended seed mix will be broadcast the BLM determined drill rate.
- All trash and debris will be removed from location.
- At the entrance to the access road, a fence will be placed across the access point to deter traffic. "Keep off Reclamation" and "Dead End – No Access" signs will be placed on the fence.
- Seeding will be done between August 15 and ground freeze.
- Weed control will be done in the first two growing seasons and then as needed until the site reaches the thresholds outlined in the RMPA, COGCC rules, or BLM guidelines. An approved BLM PUP will be obtained before any chemical weed control is done.
- QEP will notify the BLM at least 48 hours prior to any dirt work being done and would like to have the BLM inspect and approve the recontour before equipment is pulled off of location. QEP will give the BLM 48 hours notice before equipment is pulled off.

**11. Surface Ownership:**

USDI – Bureau of Land Management

Kremmling Field Office  
2103 E. Park Avenue  
Kremmling, CO 80459

**14. Other Information:**

QEP will be unable to conduct surveys and will need BLM to conduct any vegetation, biological, cultural, or paleontological surveys required.

**Fencing Requirements:**

Any open pits will be fenced during the operations. The fencing will be maintained until such time as the pits are backfilled.

All pits will be fenced according to the following minimum standards:

The net wire shall be no more than two inches above the ground. Total height of the fence shall be at least 42 inches.

Corner posts shall be cemented and/or braced in such a manner to keep the fence tight at all times.

Standard steel, wood, or pipe posts shall be used between the corner braces. Maximum distance between any 2 fence posts shall be no greater than 16 feet.

All wire shall be stretched using a stretching device before it is attached to corner posts.

The cuttings pit will be fenced on three (3) sides during drilling operations. The fourth side will be put in place when the rig moves off location. The pit will be fenced and maintained until it is backfilled. If drilling operations does not commence within 3 days, the fourth side of the fence will be installed.