



February 19, 2018

Mr. Mike Gardner
TEP Environmental Specialist
TEP Rocky Mountain LLC
1058 County Road 215
Parachute, Colorado 81635

RE: Drill Pad NR 23-3 Baseline Water Quality Evaluation

Dear Mr. Gardner,

Western Water & Land, Inc. (WWL) has completed a hydrologic Water Source evaluation for the TEP Rocky Mountain LLC (TEP) NR 23-3 Drill Pad in accordance with Colorado Oil and Gas Conservation Commission (COGCC) Rule 609. Drill Pad NR 23-3 is located in the NE¹/₄, SW¹/₄, Section 3, Township 6S, Range 94W, 6th P.M. The evaluation considered all Water Sources as defined in Rule 609 within a 0.5-mile radius of the referenced drill pad. Water Sources located on the basis of section quarters were included in the evaluation if any portion of the section quarter(s) lies within the 0.5-mile radius area. A preliminary screening of the Water Sources was completed to identify the sources considered to be potentially available for baseline sampling pending results of the owner questionnaire, consent of the structure owners, and field inspections to verify sampling feasibility. Each potentially Available Water Source was then evaluated to identify the preferred sources for the baseline program. If the resulting number of potentially available sources was four or less, all of the sources were included in the list of preferred sources. If more than four sources were potentially available, the sources were prioritized based on WWL's hydrologic knowledge of the region, general hydrologic rationale, and in accordance with the guidelines specified in Rule 609.

Water Sources

Water Sources as defined in Rule 609 include Colorado Division of Water Resources (DWR) registered water wells (water wells with existing valid well permits), permitted or adjudicated springs, and monitoring wells installed for baseline sampling and monitoring under COGCC Rules 318A.e(4), 608, or 609. Well permit files and water right files, where applicable, are included for preferred Water Sources in Attachment A. Structure owners are identified as reported in DWR databases. Monitoring Hole permits (MH designation), and abandoned, canceled, denied, or expired permits of any type are not shown in Figure 1 within the 0.5 mile radius unless otherwise described in this report. Similarly, water right decrees that are shown as having a non-existent or unusable structure in the state database may not be shown as a viable water source in Figure 1. As indicated in Figure 1, no Water Sources were identified to fall within the 0.5-mile radius area of Drill Pad NR 23-3.

If you have any questions or concerns, please contact me at (970) 242-0170.

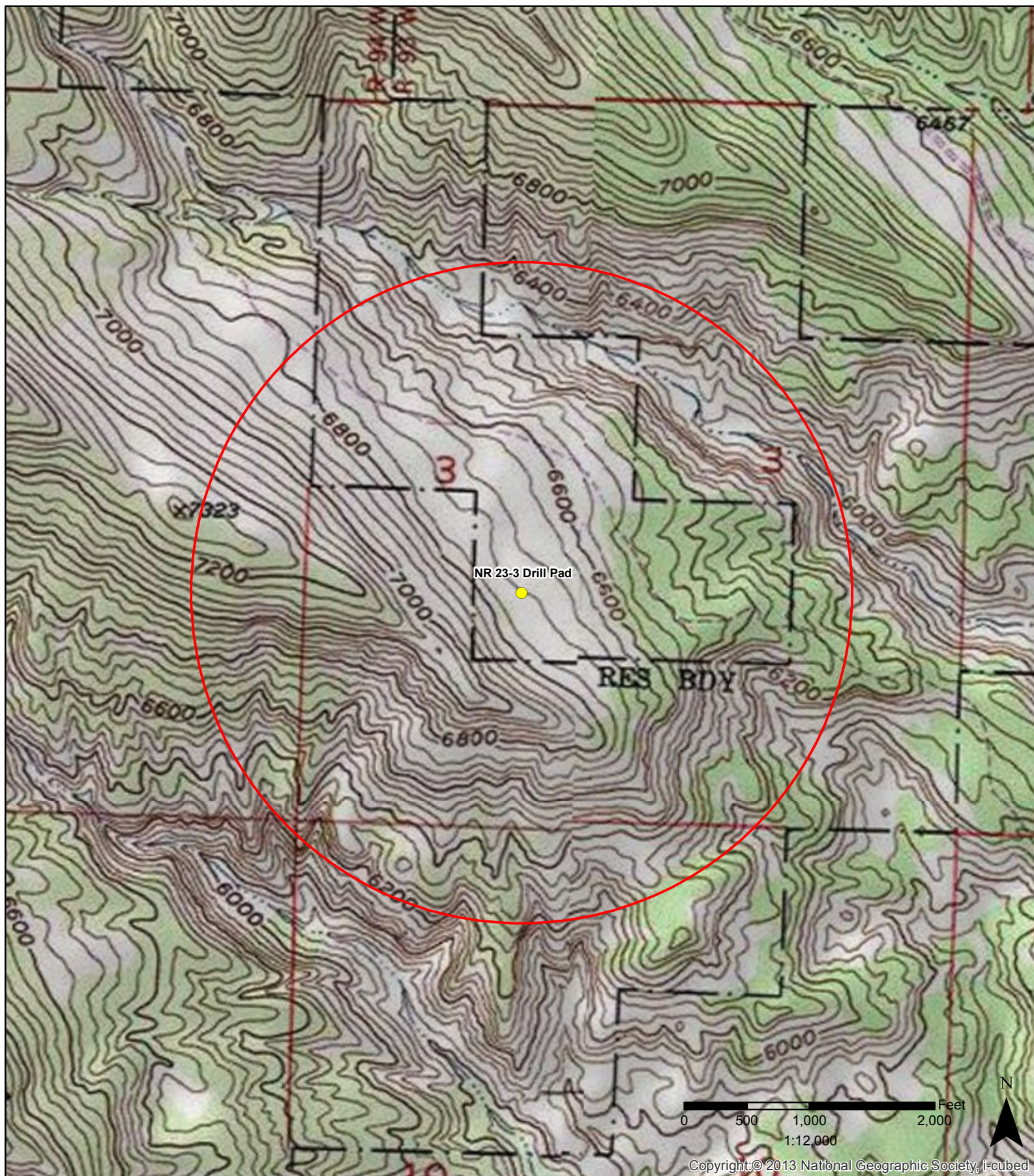
Sincerely,

Mr. Mike Gardner
February 19, 2018
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A handwritten signature in black ink, appearing to read "Bruce D. Smith". The signature is written in a cursive, flowing style with some loops and flourishes.

Bruce D. Smith
Principal Hydrogeologist
WESTERN WATER & LAND, INC.

Attachment



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Legend

- | | |
|--|--|
| ● NR 23-3 Drill Pad | ■ Water right decree |
| ○ 0.5-mile radius evaluation area | ● Outside permits or decrees |
| ● Constructed well | |
| ● Well completion status unknown | |

**Figure 1: NR 23-3 Drill Pad
0.5-Mile Radius Water Source Evaluation
NE 1/4, SW 1/4, S3, T6S, R94W, 6 PM**

Garfield County, Colorado
TEP Rocky Mountain, LLC

