

Objective Criteria Review Memo - Confluence DJ LLC

Almont 5-1-1L -- Form 2 Application for Permit to Drill (APD) Doc# 401554410

Almont-Dotsero 6 North -- Sundry to update Location BMPs Doc# 402094014

Approved Form 2A Oil & Gas Location Assessment (Doc# 401548872, approved 11/14/2018)

Location ID# 459041

This memo summarizes COGCC's technical review of the subject well within the context of SB 19-181 and the required Objective Criteria. Prior to the implementation of SB 19-181, the Form 2A and APDs for 14 of the 28 wells proposed for this Oil & Gas Location were submitted and approved. The Operator has since submitted this subject APD (and the remaining 13 APDs) for 14 additional horizontal wells on this approved Oil & Gas Location.

For Oil & Gas Locations approved prior to SB 19-181, Objective Criteria review is required for any wells proposed on those approved or existing Oil & Gas Locations. The subject well APD meets the following Objective Criteria:

1. **Criteria #1** - The Oil & Gas Location is within 1500' of a Building Unit (BU).
2. **Criteria #8** - Oil & Gas Locations with storage of hydrocarbon or produced liquid in more than 18 tanks or in excess of 5200 barrels.

The following sections provide details regarding the evaluation of each criterion.

Criteria 1: Oil and Gas Locations within 1,500 feet of a Building Unit (BU).

Site Specific Description of Applicability of Criteria 1: There is one BU within 1,500 feet of this Location; the BU is located 1,306 feet north of the subject well and approximately 1,026 feet north of the Location. The subject well is the well/production facility nearest this BU; all other wells & production facilities on the Location are farther from the BU. This is a remote rural Location and not within a Buffer Zone.

Site Specific Measures to Address Criteria 1: COGCC staff requested additional BMPs be placed on the Location to improve mitigation of light, dust, noise, and odor, as well as leak detection. Confluence submitted a Sundry (Doc# 402094014) in response to COGCC's request. The additional BMPs include: lighting shielded and/or directed downward and away from occupied structures; dust mitigation to include speed restrictions, road maintenance, restriction of construction activities on high wind days, and silica dust controls during hydraulic fracturing operations; a sound wall will be installed on the north side of the location to block sound and light during construction, drilling and completion operations; oil-based drilling mud (OBM) will include the additive OdorArmor (or similar neutralizing agent) to neutralize aromatics and minimize odors during drilling operations; solids control equipment will minimize OBM in dried cuttings, and cuttings will be promptly removed from the Location; and Emission Control

Devices (ECDs) will reduce odor emissions during production. Construction on the Rimrock Energy Partners gas sales line was completed in August 2019; when commercial quantities of salable gas are achieved, the gas will be immediately directed into the line, minimizing emissions at this Location.

Confluence voluntarily sent a notification letter to the Building Unit owner during the Weld County WOGLA permit process. Confluence confirmed the owner did not respond to the letter or otherwise contact Confluence after receipt of the notification, nor did the owner contact Weld County during the WOGLA process.

Determination: With the application of the additional BMPs, and no objection or concern raised by the Building Unit owner, the Director determined that Criteria 1 was sufficiently analyzed.

Criteria 8: Oil & Gas Locations with storage of hydrocarbon or produced liquid in more than 18 tanks or in excess of 5200 barrels.

Site Specific Description of Applicability of Criteria 8: The Location was approved for 14 water tanks and 28 oil tanks.

Site Specific Measures to Address Criteria 8: The production facilities (including tanks) will be situated on the south end of the Location 1700' away from the BU, which will minimize potential risk to the BU. The updated BMPs include tank level automation which removes the need for opening hatches and manual gauging by lease operators and oil haulers. A Leak Detection And Repair (LDAR) plan has also been added to this location: monthly LDAR inspections will take place, including the use of infrared camera equipment to identify leaks, and walk-through inspections (audio, visual and olfactory) will be performed daily by lease operators during production operations. Per request of COGCC staff, the Operator agreed to add BMPs to the Location to ensure additional protection against spills, including the use of a steel containment berm (or similar structure) erected around the tanks to provide secondary containment, with inspections every 14 days during construction and within 24 hours of precipitation events. A BMP was also added for material handling and spill prevention, to include the use of secondary containment surrounding trucks, pipe connections, or equipment that carry, mix, or could possibly leak fluids or chemicals.

Determination: Based on the remote rural quality and undeveloped land use at this Location, and the application of the additional BMPs and LDAR plan, the Director has determined that Criteria #8 has been sufficiently analyzed.

Additional Information:

- No public comments were received on the Form 2A or on this APD.

Final Determination:

COGCC staff met with the Director to discuss whether the Objective Criteria were sufficiently addressed and whether the subject Sundry Notice and subject APD could be approved with the updated Best Management Practices (BMPs). The nearby Building Unit owner has issued no objections to the planned development on this Location. The Director determined that following the application of the additional analysis from the Objective Criteria, both the Sundry and the permit application meet the standard for protection of public health, safety, welfare, the environment and wildlife resources set by SB 19-181.