

Objective Criteria Review Memo – *St. Croix Operating Inc., Armstrong 2, Form 2A 402093200*

This summary explains how COGCC staff conducted its technical review of the Armstrong 2, Form 2A 402093200 within the context of SB 19-181 and for the required Objective Criteria. This Form 2A permit application met the following Objective Criteria -

1. (Criteria 5.c) The proposed Location lies within a Sensitive Area for water resources (Location lies within the Northern High Plains Designated Basin).

COGCC staff met with the Director to discuss whether the Objective Criteria were sufficiently addressed and whether the Form 2A could be approved with the proposed Best Management Practices (BMPs) and applied Conditions of Approval (COAs). The following sections provide details regarding the evaluation of each criterion.

Criteria 5.c: Oil and Gas Locations within a Sensitive Area for water resources.

Site Specific Description of Applicability of Criteria 5.c: The proposed Location lies within an area of potential shallow groundwater and within the Northern High Plains Designated Basin and therefore, the proposed Location is considered a Sensitive Area for water resources.

Site Specific Measures to Address Criteria 5.c: The Armstrong 2 is a proposed Location consisting of 1 vertical well, 1 electric generator, and 1 cavity pump. There will not be hydrocarbon storage at this proposed Location. During the technical review, Staff reviewed and required BMPs, which included the installation of stormwater controls prior to construction of the Location, access road maintenance for emergency vehicles and daily inspections of the Location. In addition, the operator is proposing to use a closed-loop pitless system disposing of the drill cuttings offsite at a commercial Location and land application of water-based bentonite drilling fluids with surface owner approval.

Determination: The Director determined that Criteria 5.c was sufficiently analyzed and that the implementation of BMPs and COAs that address the protection of water resources met the standard for protection of the sensitive environment and water resources.