

**Objective Criteria Review Memo ADDENDUM - KERR MCGEE OIL & GAS ONSHORE LP
SCHLAGEL 5-1HZ -- Form 2 Application for Permit to Drill (APD) Doc# 402496702**

Approved Form 2A Oil & Gas Location Assessment (SCHLAGEL 10-5HZ PAD Doc# 402410265, approved 10/27/2020)

Location ID# 416717

The Form 2A for this Oil & Gas Location was reviewed for all 11 wells proposed for this Location. COGCC's technical review of the 2A and all 11 APDs included review within the context of SB 19-181 and the required Objective Criteria. Objective Criteria Review Memo, Doc# 2316659, is in the Location's file in COGCC's database. This Addendum provides additional information regarding the delayed approvals of the 11 APDs permitted at this Location.

Delayed Approval of APDS:

The most recent Amended Form 2A was approved on 10/27/2020. These 11 APDs passed Completeness on 11/12/2020.

The Objective Criteria Review Memo for this location (Doc# 2316659) identified that this location met Criteria #5c for potential for shallow groundwater and proximity to surface water features & Criteria #12 for the access road being located within 200' of a building unit not subject to the Surface Use Agreement. The Objective Criteria Review Memo identified BMPs on the Form 2A that should successfully mitigate against the impacts identified by meeting Criteria #5c & #8, including:

Criteria 5c

Kerr McGee provided BMPs to mitigate being in an area of shallow groundwater and proximity to surface water features: tertiary containment in the form of stormwater controls or berm, dike, site grading, or sediment traps; lined containment for permanent and temporary tank areas, remote monitoring/shut-in automation, and site inspections on 14-day or 28-day schedules depending on state of pad construction and activity.

Criteria 12

Kerr McGee worked with Weld County and the surface owner to have a temporary access road further south for heavy traffic to be diverted further away from the neighboring Building Unit. Kerr McGee made several attempts to contact the neighboring building unit owner, but they did not respond. The location will have fluids and gas piped from the location to minimize truck traffic.

Based on this analysis, the Operator is complying with the existing BMP's and COA's on the approved Form 2A to address the Objective Criteria that were met during the original review of the Form 2A and no further Sundry or Memo is necessary at this time. The APD's IN PROCESS should be passed and sent to Final Approval with the following comment:

COGCC conducted the technical review for the related Oil and Gas Location Assessment permit, Form 2A document #402410265 under the statutory authority provided through SB 19-181, including the

Objective Criteria. The Director approved the Form 2A on 10/27/2020, amending Location ID #416717 subject to conditions included in the permit. The well proposed by this related Form 2 was contemplated during COGCC's review of the Form 2A. The Objective Criteria Review Memo (Doc# 2316659) can be found in the document file for this Location.