

Wildlife Mitigation Plan – 304.c.(17)

Federal RGU 44-1-298 Oil and Gas Location

Loc ID #335640

December 2022



INTRODUCTION

TEP Rocky Mountain LLC (“TEP”) has prepared the following Wildlife Mitigation Plan for the Federal RGU 44-1-298 pad per the requirements of the Colorado Oil and Gas Conservation Commission (“COGCC”) Rule 1201.b. This plan includes a summary of identified sensitive wildlife habitat and resources within the project area, including Colorado Parks and Wildlife (“CPW”) High Priority Habitat (HPH), compliance with the applicable operating requirements under Rule 1202, and compensatory mitigation proposed to off-set impacts to wildlife resources as required by Rule 1203. This Wildlife Mitigation Plan provides specific details on steps taken to avoid, minimize, and/or mitigate adverse impacts to sensitive wildlife resources, including vegetation communities and surface water features. Pre-application consultation occurred during the planning process to review potential impacts to wildlife resources, identify appropriate best management practices for implementation at the Oil and Gas Location, and identify direct / indirect compensatory mitigation.

OIL AND GAS LOCATION DESCRIPTION AND BACKGROUND

The existing Federal RGU 44-1-298 pad is one (1) of two (2) Oil and Gas Locations included in the Ryan Gulch Phase 3 Oil and Gas Development Plan (“OGDP”). Development of the Federal RGU 44-1-298 pad involves the reconstruction of the existing pad, construction of a new pipeline corridor for natural gas and produced water transportation, and utilization of other existing facilities (i.e. Federal RGU 23-7-297 pad) to support well completion and production operations.

The existing Federal RGU 44-1-298 pad is located in Lot 35 and Lot 36 of Section 1, Township 2 South, Range 98 West, 6th P.M., within Rio Blanco County, Colorado, on Federal surface administered by the Bureau of Land Management (“BLM”). TEP is proposing to reconstruct the Federal RGU 44-1-298 pad to support drilling, completion, and production operation of the eighteen (18) proposed natural gas wells. The Federal RGU 44-1-298 pad will have a constructed pad elevation of 6,277.5 feet.

The proposed 5.63-acre Federal RGU 44-1-298 pad will be reconstructed and expanded for drilling and completions operations of the eighteen (18) proposed natural gas wells. The long-term disturbance attributed to the Federal RGU 44-1-298 pad will be approximately 1.65-acres. The existing access road will be utilized during development of the proposed wells on the Federal RGU 44-1-298 pad. The existing access road will be improved during reconstruction of the Oil and Gas Location to support the proposed activities. The existing access road improvements will account for 0.28-acres of disturbance with approximately 0.17-acres remaining after reclamation. The proposed pipeline corridors will account for an additional 3.56-acres of disturbance with approximately 0.05-acres (existing roads) remaining after reclamation. The total disturbance associated with development of the Federal RGU 44-1-298 pad will be approximately 9.47-acres. Approximately 1.87-acres of disturbance will remain long-term following interim reclamation of the proposed facilities and pipeline corridors. All proposed disturbance will be located on Federal surface. Table 1, Disturbance Calculations, provided a detailed breakdown of the project disturbance acreages.

During initial site planning, TEP reviewed the High Priority Habitat (“HPH”) layers listed under Rule 1202.c and 1202.d to determine if there are any wildlife related impacts associated with development of the Federal RGU 44-1-298 pad. This pad is located within Mule Deer Severe Winter Range (Rule 1202.d.(3)), Mule Deer Winter Concentration Area (Rule 1202.d.(3)), and within 500 feet of an Aquatic Sportfish Management Water (Rule 1202.c.(1).S),.

Table 1, Disturbance Calculation

Project Component	Short-Term Disturbance (acres)	Long-Term Disturbance (acres)	New Disturbance (acres)	HPH Disturbance (acres)
RGU 44-1-298 Pad	5.63	1.65	1.86	5.63
Proposed Access Road	0.28	0.17	0.05	0.28
Proposed Pipelines	3.56	0.05	0.19	3.56
Total	9.47	1.87	2.10	9.47

Vegetation Description: The primary vegetation communities within the project area include, basin big sagebrush and Wyoming sagebrush. A comprehensive list of common plant species within the project area can be found in the Biological Survey attached to the amended Form 2A. Since the Federal RGU 44-1-298 pad is an existing Oil and Gas Location and is proposed for minimal site expansion, a pre-disturbance vegetation cover evaluation was not completed at the site. A vegetation assessment was however completed for the reference area, which determined that percent cover for pre-disturbance conditions are approximately 40%. Please see the vegetation assessment included in the Ryan Gulch Phase 3 Biological Survey Report attached to the Form 2A for additional details.

Surface Water Features: An unnamed intermittent stream is located adjacent to the southwest side of the existing Oil and Gas Location. This unnamed intermittent stream eventually connects to Ryan Gulch located approximately 368 feet southeast of the Oil and Gas Location. Ryan Gulch is classified as an intermittent stream, which is typically dry most of the year. Ryan Gulch eventually discharges into Piceance Creek, a perennial stream located approximately 2.4 miles northeast of the Oil and Gas Location.

High Priority Habitats: The Federal RGU 44-1-298 pad is located along the perimeter of the Aquatic Sportfish Management Waters HPH boundary associated with Ryan Gulch. The majority of the Oil and Gas Location, including the proposed wellheads, tank battery, and produced water pump, will be located outside the 500-foot Aquatic Sportfish Management Water buffer; however, the proposed separators would be located within the buffer. Stormwater control measures will be implemented to minimize potential impacts to aquatic sportfish downstream of the Oil and Gas Location. Proposed stormwater control measures include diversion ditches, sediment traps, outflow protections, onsite berming, and soil stabilization methods to minimize the potential for soil erosion. Furthermore, TEP will minimize operational activity at this location by conducting remote frac operations from the Federal RGU 23-7-297 pad located outside the aquatic HPH buffers. Furthermore, since the Federal RGU 44-1-298 pad is existing and would require minimal expansion to support the proposed activities, relocation of the Oil and Gas Location would likely result in an increase in direct and indirect impacts on wildlife resources. Please see the Stormwater Management Plan attached to the Form 2A for additional information on stormwater control measures planned for implementation at this Oil and Gas Location.

The Federal RGU 44-1-298 pad is also located within Mule Deer Severe Winter Range and Mule Deer Winter Concentration Area. These HPH boundaries cover large swaths of northwestern Colorado; therefore, relocation of development activities outside of the HPH boundaries would not be possible. Utilization of existing Oil and Gas Locations and facilities will ultimately minimize direct and indirect impacts to mule deer. Additionally, the pad is also located in close proximity to Rio Blanco County Road 24, which is a public road utilized by the public and for access to existing Oil and Gas Facilities in the area.

Alternative Location Analysis: The Federal RGU 44-1-298 pad is located within HPH; therefore, an Alternative Location Analysis (“ALA”) is required pursuant to Rule 304.b.(2).B.viii. However, given Federal RGU 44-1-298 pad is an existing Oil and Gas Location and relocation of the proposed activities

would likely increase direct and indirect impacts to wildlife habitat, TEP has requested and obtained a waiver from the ALA requirement. Please see Appendix B, CPW Email Correspondence, confirming the waiver from the ALA requirement.

DEVELOPMENT ACTIVITY AND SCHEDULE

Development of the Federal RGU 44-1-298 pad is contingent upon approval of all required Federal, State, and local permits. Table 2, Preliminary Development Schedule, provides an estimated timeline for each phase of development, including construction, drilling, completion, and interim reclamation. Development of the Federal RGU 44-1-298 pad may be accelerated or delayed based on market conditions and company constraints.

Table 2, Preliminary Development Schedule

Development Phase	Start Date	End Date	Duration
Construction	September 2023	October 2023	60 days
Drilling ¹	November 2024	May 2025	183
Completions (SIMOPS) ²	January 2025	July 2025	180
Interim Reclamation	August 2025	September 2025	30

¹Winter drilling operations proposed for this oil and gas location ²Simultaneous operations are proposed for this OGL

As shown in Table 2, Preliminary Development Schedule, TEP intends to conduct winter drilling operations on the Federal RGU 44-1-298 pad. A Big Game Winter Range Timing Limitation from December 1st through April 30th annually will be applied to the BLM Application for Permit to Drill. Assuming modifications to the development schedule do not occur, TEP would submit an exception request to BLM in the Fall of 2024 requesting approval to conduct operations during the Big Game Winter Range Timing Limitation.

OPERATING REQUIREMENTS

Rule 1202.a. Operating Requirements – Statewide

The following outlines the operating requirements pursuant to Rule 1202.a and a description of how TEP plans to implement measures to ensure compliance with the rule when applicable:

1. *In black bear habitat, Operators will install and utilize bear-proof dumpsters and trash receptacles for food-related trash at all facilities that generate trash.*

TEP will install and utilize bear proof dumpsters and trash receptacles for food- related trash at all facilities that generate trash.

2. *Operators will disinfect water suction hoses and water transportation tanks withdrawing from or discharging into surface waters (other than contained pits) used previously in another river, intermittent or perennial stream, lake, pond, or wetland and discard rinse water in an approved disposal facility. Disinfection practices will be repeated prior to completing work and before moving to the next water body.*

During operations associated with the development of the proposed Oil and Gas Location, freshwater trucks used to support construction and production operations will be cleaned by spraying and soaking the tank cavity and all suction hoses with water greater than 140° Fahrenheit for at least ten (10) minutes when the tank and/or hoses have been used previously

in another river, intermittent or perennial stream, lake, pond, or wetland. Any hoses switched out will be cleaned using the same guidelines mentioned above.

3. *At new and existing Oil and Gas Locations, Operators will not situate new staging, refueling, or chemical storage areas within 500 feet of the Ordinary High Water Mark ("OHWM") of any river, perennial or intermittent stream, lake, pond, or wetland.*

The Federal RGU 44-1-298 pad is located adjacent to an existing unnamed intermittent stream and is located approximately 368 feet northwest of Ryan Gulch, which is also classified as an intermittent stream. TEP has requested a waiver from CPW pursuant to Rule 309.e.(5).C to locate temporary staging, refueling, and chemical storage areas on location during drilling operations and permanent chemical storage areas on location during production operations.

Drilling Operations: Staging, refueling, and chemical storage areas during drilling operations will be managed in a neat and orderly manner and to manufacturer specifications. Pursuant to Rule 603.o, TEP will install secondary containment around diesel fuel tanks and any hazardous chemicals on location. As stated in the Waste Management Plan, TEP will only use water-based drilling fluids during drilling of the proposed wells. Any non-hazardous liquid additives for the water-based drilling mud will be stored in 5-gal buckets or chemical totes within an earthen berm. All non-hazardous dry-add mud products (i.e. barite, sawdust) will be stored in bulk silos or in sack form. All dry additive chemicals will be stored on shrink-wrapped pallets that sit atop matting boards or rig mats.

Only the minimum number of materials will be stored onsite to further minimize the potential for impacts. When possible, chemicals will be staged along the north side of the Oil and Gas Location as far from the intermittent stream(s) as possible.

Completions Operations: Well completions operations will be conducted remotely from the Federal RGU 23-7-297 pad. No staging, refueling, or chemical storage areas will be required on location during completions operations.

Production Operations: Staging or refueling will not occur at the Oil and Gas Location during production operations. Additionally, TEP is proposing to install electrical power to the produced water pump avoiding the use of diesel pumps on location. Chemicals used during production operations will be contained within polyethylene tanks adjacent to the proposed wellheads. The chemical tanks will be placed within a polyethylene secondary containment.

4. *To prevent access by wildlife, including birds and bats, Operators will fence and net or install other CPW-approved exclusion devices on new drilling pits, production pits, and other pits associated with Oil and Gas Operations that are intended to contain fluids.*

There are no drilling pits, production pits, or other pits associated with planned operations on the proposed Oil and Gas Location.

5. *For trenches that are left open for more than 5 consecutive days during construction of pipelines regulated pursuant to the Commission's 1100 Series Rules, Operators will install wildlife escape ramps at a minimum of one ramp per ¼ mile of trench.*

TEP will install wildlife escape ramps at a minimum of one ramp per ¼ mile of trench if any trench is left open for more than 5 consecutive days as required by COGCC regulations.

6. *When conducting interim and final reclamation pursuant to Rules 1003 and 1004, Operators will use CPW-recommended seed mixes for reclamation when consistent with the Surface Owner's approval and any local soil conservation district requirements.*

TEP has consulted with BLM (surface owner) on the appropriate seed mix for use during reclamation of the Federal RGU 44-1-298 pad. TEP believes the seed mix approved by the BLM to be consistent with CPW's recommendations for the project area. Please see the Reclamation Plan attached to the Form 2A for the proposed seed mix.

7. *Operators will use CPW-recommended fence designs when consistent with the Surface Owner's approval and any Relevant Local Government requirements.*

TEP does not intent to install fencing at this location. However, if fencing is installed, TEP will use wildlife friendly fence consistent with CPW recommendations when consistent with the Surface Owner's approval and any Relevant Local Government requirements.

8. *Operators will conduct all vegetation removal necessary for Oil and Gas Operations outside of the nesting season for migratory birds (April 1 to August 31). For any vegetation removal that must be scheduled between April 1 to August 31, Operators may implement appropriate hazing or other exclusion measures prior to April 1 to avoid take of migratory birds. If hazing or other exclusion measures are not implemented, Operators will conduct pre-construction nesting migratory bird surveys within the approved disturbance area prior to any vegetation removal during the nesting season. If active nests are located, Operators will provide work zone buffers around active nests.*

As mentioned above, TEP has tentatively scheduled construction of Federal RGU 44-1-298 pad during September 2023, which is outside the nesting season for migratory birds as described above. However, if scheduling changes occur and vegetation removal is required during the nesting season, TEP will either implement hazing prior to April 1 or a pre-construction migratory bird survey will be conducted during the nesting season to determine if nesting migratory birds are present within the project area. If any active nests are located, TEP will provide work zone buffers around those active nests.

9. *Operators will treat drilling pits, production pits, and any other pit associated with Oil and Gas Operations containing water that provides a medium for breeding mosquitoes with Bti (*Bacillus thuringiensis* v. *israelensis*) or take other effective action to control mosquito larvae that may spread West Nile virus to wildlife resources. Such treatment will be conducted in a manner which will not adversely affect aquatic wildlife resources.*

There are no drilling pits, production pits, or any other pits planned for construction on this Oil and Gas Location.

10. *Operators will employ the following minimum Best Management Practices on new Oil and Gas Locations with a working pad surface located between 500 feet and 1000 feet hydraulically upgradient from a High Priority Habitat identified in Rule 1202.c.(1).Q-S:*

- a. *Contain Flowback and Stimulation Fluids in Tanks that are placed on a Working Pad Surface in an area with downgradient perimeter berming.*

The Federal RGU 44-1-298 pad will include construction of a perimeter berm around the entire working pad surface of the Oil and Gas Location. Additionally, a drive over berm will be constructed at the Oil and Gas Location entrance.

- b. *Construct lined berms or other lined containment devices pursuant to Rule 603.o around any new crude oil, condensate, and produced water storage Tanks that are installed after January 15, 2021.*

All proposed produced water tanks and condensate tanks on the Federal RGU 44-1-298 pad will be located within a secondary containment structure designed to meet the requirements of Rule 603.o.

- c. *Inspect the Oil and Location on a daily basis, unless the approved Form 2A provides for different inspection frequency or alternative method of compliance.*

TEP is requesting a modified inspection frequency for this Oil and Gas Location. Inspection at this location will occur daily for the first 6 – 9 months of production operations. Inspection frequency will then drop to once per week (minimum) for the remaining life of the wells.

This modification to the inspection frequency is necessary to minimize potential impacts to mule deer. Daily inspection would increase the level of long-term activity at the Oil and Gas Location. TEP will be implementing remote monitoring on all wells and production facilities at this Oil and Gas Location to minimize site visitation and potential impacts to mule deer.

- d. *Maintain adequate Spill response equipment at the Oil and Gas Location during drilling and completion operations.*

Spill response equipment will be provided on site during drilling and completion operations. Additional spill response equipment will be staged at a nearby location that can be accessed quickly as needed during drilling and completion operations as well as during long-term production operations.

- e. *Not construct or utilize any Pits, except that Operators may continue to utilize existing Pits that were properly permitted, constructed, operated, and maintained in compliance prior to January 15, 2021.*

There are no drilling pits, production pits, or any other pits planned for construction on this Oil and Gas Location.

Rule 1202.b. Operating Requirements – Flowline Installation

As stated in Rule 1202.b, “operators will bore, rather than trench, flowline and utility crossings of perennial streams identified as aquatic High Priority Habitat unless the Operator obtains a signed waiver from CPW and the Director or Commission approves a Form 4 or Form 2A documenting the relief. When installing culverts or bridges, such structures will not impact or prevent the passage of fish unless otherwise directed by CPW.”

TEP does not have plans to install any new flowlines or utilities across perennial streams identified as aquatic High Priority Habitat as part of this Form 2A.

Rule 1202.c. Operating Requirements – No Surface Occupancy

As stated in Rule 1202.c, “Operators will not conduct any new ground disturbance and Well work, including access road and pad construction, drilling and completion activities, and Flowline/utility corridor clearing and installation activities in the High Priority Habitats listed in Rule 1202.c.(1).” As mentioned above the existing Federal RGU 44-1-298 pad is located within Aquatic Sportfish Management Waters (Rule 1202.c.(1).S). During pre-application consultation with CPW, TEP requested a waiver pursuant to Rule 309.e.(5).D.ii and has committed to adherence to the following best management practices listed under Rule 309.e.(5).D.ii.bb, as described in below.

- 1) *Contain Flowback and Stimulation Fluids in Tanks that are placed on a Working Pad Surface in an area with downgradient perimeter berming.*

The Federal RGU 44-1-298 pad will include construction of a perimeter berm around the entire working pad surface of the Oil and Gas Location. Additionally, a drive over berm will be constructed at the entrance to the Oil and Gas Location.

- 2) *Construct lined berms or other lined containment devices pursuant to Rule 603.o around any new crude oil, condensate, and produced water storage Tanks that are installed after January 15, 2021.*

All proposed produced water tanks and condensate tanks on the Federal RGU 44-1-298 pad will be located within a secondary containment structure designed to meet the requirements of Rule 603.o.

- 3) *Inspect the Oil and Location on a daily basis, unless the approved Form 2A provides for different inspection frequency or alternative method of compliance.*

TEP is requesting a modified inspection frequency for this Oil and Gas Location. Inspection at this location will occur daily for the first 6 – 9 months of production operations. Inspection frequency will then drop to once per week (minimum) for the remaining life of the wells.

This modification to the inspection frequency is necessary to minimize potential impacts to mule deer. Daily inspection would increase the level of long-term activity at the Oil and Gas Location. TEP will be implementing remote monitoring on all wells and production facilities at this Oil and Gas Location to minimize site visitation and potential impacts to mule deer.

- 4) *Maintain adequate Spill response equipment at the Oil and Gas Location during drilling and completion operations.*

Spill response equipment will be provided on site during drilling and completion operations. Additional spill response equipment will be staged at a nearby location that can be accessed quickly as needed during drilling and completion operations as well as during long-term production operations.

- 5) *Not construct or utilize any Pits, except that Operators may continue to utilize existing Pits that were properly permitted, constructed, operated, and maintained in compliance prior to January 15, 2021.*

There are no drilling pits, production pits, or any other pits planned for construction on this Oil and Gas Location.

Please see Appendix B, CPW Email Correspondence, confirming the waiver to Rule 1202.c.(1).S., and CPW acceptance of the modified inspection frequency for this Oil and Gas Location.

Rule 1202.d. Operating Requirements – HPH Density Limits

Rule 1202.d states that Oil and Gas Development Plans that cause the density of Oil and Gas Locations to exceed 1 per square mile within HPH listed under Rule 1202.d. requires a wildlife mitigation plan and compensatory mitigation. As mentioned above, the Federal RGU 44-1-298 pad is location within Mule Deer Severe Winter Range and Winter Concentration Area, which are listed under Rule 1202.d.

The Federal RGU 44-1-298 pad is an existing Oil and Gas Location that will be expanded to support development of eighteen (18) proposed natural gas wells. This existing Oil and Gas Location is within 1.12-miles of six (6) active Oil and Gas Locations. The existing density of Oil and Gas Locations surrounding the proposed site is 1.36 locations per square mile (6 locations / 4.42 square miles). There would be no increase in site density associated with expansion of the existing Oil and Gas Location. Please see Table 3, O&G Locations within 1.12 Miles of the OGL, for a list of the Oil and Gas Locations within 1.12 miles of Federal RGU 44-1-298 pad.

Table 3, O&G Locations within 1.12 Miles of OGL

Pad Name	COGCC Loc ID	Pad Name	COGCC Loc ID
RGU 23-7-297	316408	RGU 23-6-297	335602
RGU 41-1-298	335919	RGU 12-1-298	335873
RGU 33-36-198	428956	RGU 12-36-198	335612

*The Ryan Gulch Compressor Station is location within 1.12 miles of the OGL. This facility has not been included in the density calculation.

TEP has consulted with CPW regarding impacts to mule deer from the proposed operations and has committed to completing compensatory mitigation as described in the Compensatory Mitigation section below.

CPW CONSULTATION REQUIREMENTS

Consultation with the Surface Owner and CPW is required for the Federal RGU 44-1-298 pad per Rule 309.e. Table 4, CPW Consultation Triggers, presents TEP's evaluation of the consultation triggers pursuant to Rule 309.e.(2).

TEP conducted a pre-application consultation meeting with Colorado Parks and Wildlife ("CPW") to discuss the proposed development plan for the Federal RGU 44-1-298 pad and the potential impacts to wildlife, as a result of development of the proposed well. Since the pad is located within Mule Deer Severe Winter Range, Mule Deer Winter Concentration Area, and within 500-feet of an Aquatic Sportfish Management Water, the pre-application consultation meeting with CPW was necessary to ensure TEP's planned operation would be protective of these species and to discuss options for compensatory mitigation to off-set impacts to these species. Please see Appendix A, Colorado Parks and Wildlife Pre-application Consultation, for a detailed summary of CPW consultation.

Table 4, CPW Consultation Triggers

Rule Reference	Description	Applicable
309.e.(2).A	A proposed Oil and Gas Location or associated new access road, utility, or Pipeline corridor falls within High Priority Habitat, a State Park, or a State Wildlife Area;	Yes
309.e.(2).B	A proposed Oil and Gas Location or associated new access road, utility, or Pipeline corridor falls within federally designated critical habitat or an area with a known occurrence for a federal or Colorado threatened or endangered species;	No
309.e.(2).C	A proposed Oil and Gas Location or associated new access road, utility, or Pipeline corridor falls within an existing conservation easement established wholly or partly for wildlife habitat;	No
309.e.(2).D	CPW requests consultation or because consultation is necessary to Avoid, Minimize, or Mitigate reasonably foreseeable direct, indirect, or cumulative Adverse Impacts to Wildlife Resources from a Form 2A, Oil and Gas Development Plan, CAP, or other matter where consultation is not otherwise required.	No
309.e.(2).E	The Operator seeks a variance pursuant to Rule 502 from a provision in the Commission's 1200 Series Rules, or from wildlife-specific conditions of approval or Best Management Practices approved on a Form 2A.	No
309.e.(2).F	The Director determines that consultation would assist the Director in determining whether to recommend approving or denying an Oil and Gas Development Plan or CAP.	--

COMPENSATORY MITIGATION

As described above, the existing Federal RGU 44-1-298 pad is located within Mule Deer Severe Winter Range and Mule Deer Winter Concentration Area, which are HPHs listed under COGCC Rule 1202.d. Therefore, pursuant to Rule 1203.a, the operator is required to complete compensatory mitigation to mitigate direct and indirect impacts.

As described in Rule 1203.a., direct impacts are impacts to wildlife that are “unavoidable and occur from direct mortality or displacement during construction activities and habitat conversion to industrial facilities”. Indirect impacts are described as “impacts to wildlife [that] occur over time from the cumulative functional habitat loss from fragmentation and modified habitat use as development density increases”.

To fulfill the obligation to complete compensatory mitigation for direct and indirect impacts, operators have three (3) options including:

- 1) Complete a mitigation project approved by CPW and the Director pursuant to Rule 1203.b;
- 2) Pay a habitat mitigation fee to CPW pursuant to Rule 1203.c. and 1203.d; or
- 3) Receive approval of an exception to the mitigation requirements by CPW and the Director.

Through the pre-application consultation process with CPW and to ensure compliance with Rule 1203.a, TEP has agreed to pay the habitat mitigation fees associated with direct and indirect impacts to mule deer from the construction and long-term operation of the proposed wells at the Federal RGU 44-1-298 pad.

As an alternative to payment of the compensatory mitigation fees listed in Table 5, Compensatory Mitigation Fees, TEP and CPW have agreed to evaluate potential mitigation projects within the northwest

region of Colorado that could be used to off-set direct and indirect impacts to mule deer. If TEP and CPW agree to a compensatory mitigation project(s), TEP will submit a sundry to amend this Wildlife Mitigation Plan detailing the relevant plan components described under Rule 1203.b.(1). To ensure the Director has adequate time to review the revised mitigation plan, TEP will submit the sundry a minimum of 30 days prior to the payment due date described in COGCC Rule 1203.c., or 60 days prior to submittal of the Form 42 – Notice of Construction.

Rule 1203.c Direct Impact Habitat Mitigation Fee

Development of the Federal RGU 44-1-298 pad includes the expansion of the existing Oil and Gas Location to support drilling and completion operations, reconstruction of the existing access road, and installation of the proposed natural gas and water pipeline for transportation of natural gas and fluids to existing gathering systems. Implementation of the proposed development plan would result in 2.10-acres of new disturbance within Mule Deer Severe Winter Range and Winter Concentration Area. The direct impact habitat mitigation fee for disturbance acreage between 1.0-acres and 10.99-acres is \$13,750.00 per Table 1203-1. Please see Table 5, Compensatory Mitigation Fees, for further information.

Rule 1203.c Indirect Impact Habitat Mitigation Fee

Development of the Federal RGU 44-1-298 pad is estimated to affect approximately 40.688-acres through indirect adverse impacts to wildlife resources. This estimate is based on the presence of mule deer severe winter range and winter concentration area high priority habitats (1202.d.). Factors that influence the estimate for this Oil and Gas Location and proposed operations are: high use of existing infrastructure, relatively low winter range forage values in the surrounding area, high amount of existing disturbance (existing pad site and county road), and best management practices being implemented to reduce traffic/visitation (e.g. remote monitoring, pipeline infrastructure, reduced speed limits, etc.). This indirect impact assessment, and associated compensatory mitigation fee, also incorporates an additional component intended to offset the seasonal disturbance from proposed drilling and completions during the winter stipulation period. The baseline indirect impact assessment is 23.25 acres with an additional 17.438 (75%) acres to offset impacts from the seasonal timing relief. CPW supports this approach to address the needed flexibility in scheduling for this activity. Furthermore, TEP will acquire the needed timing stipulation exceptions from the BLM White River Field Office prior to commencing operations during timing limitations.

Table 5, Compensatory Mitigation Fees

Impact Type	Total New Disturbance	Fee Assessed per Acre	Total Fee
Direct Impacts	2.10-acres	--	\$13,750.00
Indirect Impacts	40.688-acres	\$735.00	\$29,905.68
Total			\$ 43,655.68

WILDLIFE BEST MANAGEMENT PRACTICES

The following wildlife Best Management Practices will be employed by TEP during development of the Federal RGU 44-1-298 pad:

- 1) TEP will inform and educate all employees and contractors on wildlife conservation practices, including no harassment or feeding of wildlife;

- 2) TEP will install a proposed water pipeline from the Oil and Gas Location to TEP's existing water management system to minimize truck traffic to the location and minimize potential impact to wildlife;
- 3) TEP will minimize direct impacts to wildlife habitat by utilizing existing infrastructure and disturbance corridors whenever possible;
- 4) Well telemetry equipment will be installed to minimize site visitation through remote monitoring of production operations;
- 5) During post-development production operations, TEP will make best efforts to minimize operations at this location during winter months (December 1 – April 30) by minimizing operations, when possible, to between 9:00 am to 4:00 pm;
- 6) Stormwater control measures will be in place during all phases of development (construction, drilling, completions, interim reclamation, and production) to control stormwater runoff in a manner that minimizes erosion, transportation of sediment offsite, and site degradation and to minimize potential downstream impacts on aquatic sportfish;
- 7) During installation of the proposed pipelines, stormwater control measures will be implemented to avoid and/or minimize potential off-site migration of sediment. Stormwater control measures such as straw bales or straw wattles will be utilized at drainage crossings to avoid or minimize potential sedimentation within aquatic high priority habitat;
- 8) Reclamation of pipeline corridors at drainage crossing will be completed immediately following completion of pipeline installation to minimize potential impacts to aquatic wildlife.
- 9) Spill response equipment will be provided on site during drilling and completion operations. Additional spill response equipment will be staged at a nearby location that can be accessed quickly as needed during drilling and completion operations as well as during long-term production operations.

Black Bear BMPs:

- 1) Wildlife – Avoidance: The operator agrees to report bear conflicts immediately to CPW staff.
- 2) Wildlife – Avoidance: TEP will install and utilized bear proof dumpsters and trash receptacles for food- related trash at all facilities that generate trash.

Raptors BMPs:

- 1) Wildlife – Minimization: Exclusionary devices will be installed to prevent bird and other wildlife from access equipment stacks, vents, and openings.
- 2) Wildlife – Avoidance: TEP will conduct vegetation removal activities outside the migratory bird nesting season (April 1 – August 30). If vegetation removal must occur during the nesting season, TEP will implement hazing or other exclusionary measures prior to April 1 to avoid take of migratory birds. Alternatively, TEP may conduct a migratory bird survey prior to vegetation removal as required by COGCC Rule 1202.a.(8) to avoid take of migratory birds.

Mule Deer and Elk BMPs:

- 1) Wildlife – Avoidance: The operator agrees to reclaim mule deer and elk habitats with CPW identified native shrubs, grasses, and forbs appropriate to the ecological site disturbed.
- 2) Wildlife – Minimization: To minimize the potential for wildlife related traffic accidents, TEP has implemented speed restrictions for all lease roads and requires that all TEP employees and contractors adhere to these posted speed restrictions.

- 3) Wildlife – Minimization: Certified weed-free native seed in seed mixes, except for non-native plants that benefit wildlife will be used. TEP will use certified, weed free grass hay, straw, hay or other mulch materials used for the reseeded and reclamation of disturbed areas.

Aquatic Sportfish Management Waters BMPs (1202.a.(10) and 309.e.(5).D.ii.bb):

- 1) Wildlife – Minimization: Contain Flowback and Stimulation Fluids in Tanks that are placed on a Working Pad Surface in an area with downgradient perimeter berming.
- 2) Wildlife – Minimization: Construct lined berms or other lined containment devices pursuant to Rule 603.o around any new crude oil, condensate, and produced water storage Tanks that are installed after January 15, 2021.
- 3) Wildlife – Minimization: Inspect the Oil and Gas Location on a daily basis for the first six to nine months of production operations and bi-weekly for the remaining life of the wells.
- 4) Wildlife – Minimization: Maintain adequate spill response equipment at the Oil and Gas Location during drilling and completion operations.

APPENDIX A

FEDERAL RGU 44-1-298 PAD

COLORADO PARKS AND WILDLIFE

PRE-APPLICATION CONSULTATION

CPW CONSULTATION

TEP conducted a pre-application consultation meeting with Colorado Parks and Wildlife (“CPW”) to discuss the proposed development plan for the Federal RGU 44-1-298 pad and the potential impacts to wildlife resources as a result of construction and operation of the Oil and Gas Location. Since the proposed facility would be located within Mule Deer Severe Winter Range, Mule Deer Winter Concentration Area, and within 500 feet of an Aquatic Sportfish Management Water, the pre-application consultation meeting with CPW was necessary to ensure TEP’s planned operation would be protective of these species and to discuss options for compensatory mitigation to off-set impacts to the species. On March 24, 2022, TEP representatives met with CPW to review the proposed development plan and to discuss potential wildlife impacts.

The following outlines the primary concerns and discussion topics reviewed during the pre-application consultation meeting:

- 1) Proposed Development Plan Project Components
- 2) Rule 1202.a. Operating Requirements – Statewide
 - a. 1202.a.(3) – Staging, Refueling, and Chemical Storage within 500’ of Int Stream
 - b. 1202.a.(10).c.- Inspection frequency
- 3) Rule 1202.b. Operating Requirements – Flowline Installation
- 4) Rule 1202.c. Operating Requirements – No Surface Occupancy
 - a. Within Aquatic Sportfish Management Waters (Rule 1202.c.(1).S)
 - b. Waiver Best Management Practices per Rule 309.e.(5).D.ii.bb
- 5) Rule 1202.d. Operating Requirements – HPH Density Limits
- 6) Alternative Location Analysis Waiver Request.
- 7) Compensatory Mitigation for Direct and Indirect Impacts.
- 8) Noise and Lighting Mitigation Plans
- 9) Best Management Practices

Proposed Development Plan

TEP provided a summary of planned construction, drilling, and completion operations associated with development of the eighteen (18) proposed wells on the RGU 44-1-298 pad. This included details regarding the re-construction and expansion of the existing Oil and Gas Location, installation of proposed natural gas and produced water pipelines, remote support facilities, and temporary surface pipelines. Following review of the proposed development plan TEP and CPW discussed project timing. TEP provided a summary of project timing with construction operation beginning in September 2023, drilling operations starting in November 2024, and completion operations starting in January 2025. Simultaneous operations would be employed on this Oil and Gas Location minimizing the total duration of planned drilling and completion operations. Well completion operations are estimated to be complete in July 2025.

Rule 1202.a. Operating Requirements – Statewide

TEP and CPW reviewed all statewide operating requirements in the context of the RGU 44-1-298 pad. TEP requested a waiver to Rule 1202.a.(3) and Rule 1202.a.(10).c. The following describes discussions regarding these waiver requests:

1. *Rule 1202.a.(3). Staging, Refueling, and Chemical Storage with 500' of an Intermittent Stream:* TEP and CPW discussed Rule 1202.a.(3), which states “[a]t new and existing Oil and Gas Locations, Operators will not situate new staging, refueling, or chemical storage areas within 500 feet of the Ordinary High Water Mark (“OHWM”) of any river, perennial or intermittent stream, lake, pond, or wetland.” Due to the proximity of the RGU 44-1-298 pad to Ryan Gulch (intermittent stream), TEP would not be able to situate new staging, refueling, or chemical storage areas more than 500 feet from the OHWM of Ryan Gulch. TEP will implement best management practices outlined in the Stormwater Management Plan to minimize potential impacts to the Ryan Gulch. Additionally, TEP agreed to locate staging refueling, or chemical storage areas during drilling and completion operations along the north and west sides of the Oil and Gas Location whenever possible to maximize overall distance from Ryan Gulch. CPW agreed that the measures discussed would minimize potential impacts and a waiver to Rule 1202.a.(3) would be provided upon formal written request.
2. *Rule 1202.a.(10).C. Inspection Frequency Modification:* TEP and CPW discussed Rule 1202.a.(10).C, which states that operators must “[i]nspect the Oil and Gas Location on a daily basis, unless the approved Form 2A provides for different inspection frequency or alternative method of compliance.” TEP requested a modified inspection frequency for this Oil and Gas Location. TEP stated that inspection of this location will occur daily for the first 6 – 9 months of production operations. Inspection frequency will then drop to once per week (minimum) for the remaining life of the wells. TEP stated that remote monitoring would be implemented for this location along with remote shut-in capabilities. CPW did not express any concerns regarding this request and stated that a waiver would be provided upon formal written request.

Rule 1202.b. Operating Requirements – Flowline Installation

TEP stated that the development plan for the RGU 44-1-298 pad would not have any impacts to perennial streams; therefore, TEP’s operations would be in compliance with Rule 1202.b.

Rule 1202.c. Operating Requirements – No Surface Occupancy

TEP stated that the RGU 44-1-298 pad is located within Aquatic Sportfish Management Waters (Rule 1202.c.(1).S). Rule 1202.c. states that “[o]perators will not conduct any new ground disturbance and Well work, including access road and pad construction, drilling and completion activities, and Flowline/utility corridor clearing and installation activities in the High Priority Habitats listed in Rule 1202.c.(1).” TEP requested a waiver from CPW pursuant to Rule 309.e.(5).D.ii, which allows CPW to grant a waiver from Rule 1202.c.(1).S with implementation of the Best Management Practices listed under Rule 309.e.(5).D.ii.bb for intermittent streams such as Ryan Gulch. TEP agreed to implement the Best Management Practices listed under Rule 309.e.(5).D.ii.bb, with the exception of Rule 309.e.(5).D.ii.bb.3, which required daily inspection of the Oil and Gas Location. TEP requested a modified inspection frequency as described above for Rule 1202.a.(10).C. CPW stated that impacts to sportfish are likely to be minimal if nonexistent based on the characteristics of Ryan Gulch within the segment of the intermittent stream adjacent to the Oil and Gas Location. CPW stated that they would review their data to determine where the nearest fish bearing segment of the stream is located. CPW agreed that with implementation of

Best Management Practices outlined in the Stormwater Management Plan and the Fluid Leak Detection Plan, a waiver would be provided upon formal written request, including approval of the modification to the inspection frequency.

Rule 1202.d. Operating Requirements – HPH Density Limits

TEP presented a density calculation of 1.36 Oil and Gas Location per square mile during the pre-application meeting. Since the density exceeds one (1) Oil and Gas Location per square mile, a Wildlife Mitigation Plan is required per Rule 1202.d. TEP provided a draft of the Wildlife Mitigation Plan during the meeting, which included preliminary details on compensatory mitigation. TEP requested additional details from CPW regarding the indirect habitat impact assessment and associated fees. CPW agreed to review and provide additional details at a later date.

Compensatory Mitigation

During the pre-application consultation meeting TEP agreed to pay the direct impact fee and requested that CPW calculate and provide the indirect impact fee associated with planned activities to fully assess project costs. CPW agreed to review and provide details at a later date. CPW and TEP also agreed that as an alternative to paying the mitigation fee, a mitigation project could be proposed. If a mitigation project is agreed to by TEP and CPW then the Wildlife Mitigation Plan would be updated, and a Form 4 Sundry would be submitted detailing the project scope and requirements under the 1200 Series Rules.

Alternative Location Analysis

During the pre-application consultation meeting, TEP also mentioned the requirement to complete an Alternative Location Analysis (“ALA”), per Rule 304.b.(2), due to the siting of this location within HPH. TEP and CPW reviewed if an ALA was necessary for this location and found that Mule Deer Severe Winter Range and Mule Deer Winter Concentration Area covers a vast majority of the development area within the vicinity of the Oil and Gas Location, and use of the existing pad location resulted in the least amount of new disturbance. Therefore, relocation of the Oil and Gas Location to an area outside HPH for mule deer would be unlikely, and a new location within HPH would result in unnecessary impacts to the species. Additionally, the BMPs outlined under Rule 309.e.(5).D.ii.bb are sufficient to mitigate impacts to aquatic species. Relocation of the proposed activities would likely have more impacts on wildlife habitat since additional disturbance would likely be required for construction of an alternative location and associated facilities (i.e., pipeline and access road). Therefore, TEP and CPW agreed that a formal ALA would not be necessary and CPW would provide a waiver to the ALA requirement upon formal written request (See Appendix B, Federal RGU 44-1-298 Pad Colorado Parks and Wildlife Correspondence).

Best Management Practices

TEP and CPW reviewed the proposed BMPs in the draft Wildlife Mitigation Plan. CPW stated that the applicable BMPs listed under Rule 1202.a.(10) and Rule 309.e.(5).D.ii.bb should be included in the BMPs section of the Wildlife Mitigation Plan. No additional BMPs were requested during the pre-application consultation meeting.

APPENDIX B
FEDERAL RGU 44-1-298 PAD
COLORADO PARKS AND WILDLIFE
CORRESPONDENCE

From: [Taylor Elm - DNR](#)
To: [Adam Tankersley](#)
Cc: [Molly West - DNR](#)
Subject: Re: Ryan Gulch Phase 3 OGDG - Wildlife Mitigation Plans & Waiver Requests
Date: Tuesday, November 8, 2022 11:43:39 AM
Attachments: [image.png](#)

CAUTION: This email originated from outside of the organization. Do not click links or open attachments unless you recognize the sender and know the content is safe.

Adam,

Thank you for providing the additional information, final drafts of the Wildlife Mitigation Plans for our review/approval, and the detailed waiver requests for both locations (RGU 23-6-297 and RGU 44-1-298) within the Ryan Gulch Phase 3 OGDG permit application.

First - CPW approves of both Wildlife Mitigation Plan documents and verifies that the information within them is accurate in regards to the pre-application consultation process and discussions that have occurred between CPW and TEP. The BMPs, timing of operations, and compensatory mitigation are all accurately documented regarding our agreements during the consultation process. Please let us know if we can provide any other details or information for inclusion in the WMPs.

Second - CPW does not have any additional requests or recommendations as it relates to the noise and light mitigation plans. The requirements contained within Rules 423 and 424 are sufficient to alleviate impacts to the particular high priority habitats present at these sites.

Third - I've prepared CPW's written responses to each requested waiver below. Consider this email as CPW's official written/signed concurrence with TEP's request to waive the following rules, pursuant to the authority granted to CPW in the 300 and 1200 series regulations.

Rule 304.b.(2).B.viii - Alternative Location Analysis - Waiver Request

CPW agrees to TEP's request to waive the requirement to conduct an alternative location analysis due to the presence of CPW-mapped high priority habitat (HPH). As you have indicated, the HPH layers in this area cover a vast amount of the landscape which removes the possibility of re-locating the sites outside of HPH. Additionally, these sites are already existing disturbances and located adjacent to a fairly active county road (Rio Blanco CR 24). For these reasons, CPW agrees that the existing pad sites are the most appropriate locations for development of new wells within this area, and CPW does not see a need to analyze additional locations to further avoid adverse impacts to wildlife resources.

Rule 1202.c.(1).S - Aquatic Sportfish Management Waters - Waiver Request

CPW staff, including the area aquatic biologist, have reviewed both locations in regard to the CPW-mapped Aquatic Sportfish Management Waters designation in Ryan Gulch. Upon this review, CPW has determined that the drainage is indeed

intermittent in nature (*as mapped by USGS NHD*) with possible seasonal flows occurring during large storm events or following high snowpack years. This assessment coincides with the field work and associated biological report prepared by WestWater Engineering, which states "This segment of Ryan Gulch is an intermittent stream which lacks a continuous defined bed and bank, and does not contain water during much of the year." For these reasons, it is determined that Ryan Gulch does not support a sport fishery (or other native fish or aquatic native species). Furthermore, the nearest perennial waterway downstream of the pad locations is after Ryan Gulch's intersection with Piceance Creek. This section of Piceance Creek is approximately 2 stream miles from the RGU 23-6-297 pad location, without any defined channel for much of that distance. Based on the above factors, CPW agrees to waive the No Surface Occupancy requirement associated with Rule 1202.c.(1).S. and the mapped Aquatic Sportfish Water buffer.

Rule 1202.a.(10).C - Inspection Frequency - Waiver Request

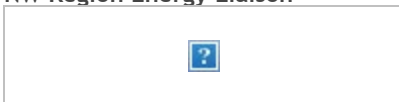
CPW agrees to the operator's proposed "different inspection frequency or alternative method of compliance" as described in your email. During the production phase of the wells, the use of remote monitoring and remote shut-in capabilities will ensure that the operator is immediately aware and able to remedy any potential leaks or spills at these locations. Additionally, as you indicated, reducing daily traffic to these sites will result in less long-term disturbance to wintering mule deer.

Rule 1202.a.(3) - Staging, Refueling, or Chemical Storage Setback - Waiver Request

Due to many of the same reasons for CPW's agreement to waive the sportfish management water NSO above, CPW also agrees to waive Rule 1202.a.(3). as it relates to staging, refueling, or chemical storage tanks within 500 ft. of intermittent drainages. In addition to the lack of flows within this portion of Ryan Gulch, CPW also concurs with the best management practices, use of an emergency spill response kit, and stormwater management techniques between the pad disturbance areas and Ryan Gulch. It is also CPW's understanding that all fuel and chemical storage tanks will be placed within secondary containment structures to further eliminate any potential for spills or releases that could harm the waterway.



Taylor Elm
NW Region Energy Liaison



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On Fri, Nov 4, 2022 at 4:55 PM Adam Tankersley <ATankersley@terraep.com> wrote:

| Good Afternoon Taylor,

Thank you for meeting with TEP Rocky Mountain LLC (“TEP”) on March 24, 2022 and on October 28, 2022 to review the Ryan Gulch Phase 3 Oil and Gas Development Plan and the Wildlife Mitigation Plans associated with the RGU 23-6-297 Pad and RGU 44-1-298 Pad. The Wildlife Mitigation Plans for these locations have been updated per our discussions and have been attached for your review. I have also attached drafts of the associated Wildlife Habitat Drawings, Lesser Impact Area Exemptions Requests, and Plan of Developments for your review. TEP respectfully request approval of four (4) separate waivers for both Oil and Gas Locations as described below.

Rule 304.b.(2).B.viii – Alternative Location Analysis - Waiver Request

TEP respectfully requests CPW’s approval of a waiver to Rule 304.b.(2).B.viii – Alternative Location Analysis for both proposed Oil and Gas locations. As discussed during the pre-application consultation meeting, the RGU 23-6-297 pad and RGU 44-1-298 pad are both located within Mule Deer Severe Winter Range (Rule 1202.d.(3)), Mule Deer Winter Concentration Area (Rule 1202.d.(3)), and within 500 feet of an Aquatic Sportfish Management Water (Rule 1202.c.(1).S). Per COGCC Rule 304.b.(2).B.viii, operators are required to perform an Alternative Location Analysis for any proposed Oil and Gas Location within High Priority Habitat, unless CPW grants a waiver through pre-application consultation. As described during the pre-application consultation meeting, Mule Deer Severe Winter Range and Mule Deer Winter Concentration Area covers a vast majority of the development area within the vicinity of the Oil and Gas Location, and use of the existing pad location results in the least amount of new surface disturbance and impacts to High Priority Habitat. Relocation of the Oil and Gas Location to an area outside HPH for mule deer would be unlikely, and a new location within HPH would result in unnecessary impacts to the species. Additionally, the Best Management Practices outlined under Rule 309.e.(5).[D.ii.bb](#) are sufficient to mitigate impacts to aquatic species. Relocation of the proposed activities would likely have more impacts on wildlife habitat since additional disturbance would be required for construction of an alternative location and associated facilities (i.e., pipeline and access road). Utilization of the existing RGU 23-6-297 pad and RGU 44-1-298 pad minimizes overall impacts to High Priority Habitat.

Rule 1202.a.(3) – Staging, Refueling, or Chemical Storage Setback - Waiver Request

TEP respectfully requests CPW’s approval of a waiver to Rule 1202.a.(3) – Staging, Refueling, or Chemical Storage 500 foot setback requirement for both Oil and Gas locations. As discussed during the pre-application consultation meeting, the RGU 23-6-297 pad and RGU 44-1-298 pad are both located within 500 feet of Ryan Gulch (intermittent stream). Rule 1202.a.(3) states that “a[t] new and existing Oil and Gas Locations, Operators will not situate new staging, refueling, or chemical storage areas within 500 feet of the Ordinary High Water Mark (“OHWM”) of any river, perennial or intermittent stream, lake, pond, or wetland.” During drilling and completion operations, TEP will make best efforts to place staging, refueling, or chemical storage areas, along the south side of the RGU 23-6-297 pad and along the north side of the RGU 44-1-298 pad maximizing the distance between staging,

refueling, or chemical storage areas on the Oil and Gas Locations and the intermittent stream. TEP will implement best management practices outlined in the Stormwater Management Plan, attached to the Form 2A, to minimize potential impacts to downstream surface water features. Additionally, TEP will have spill response materials on site during drilling and completion operations for immediate response to spills or releases. TEP has staged spill response materials in TEP's Ryan Gulch Development Area to assist with immediate spill response action during drilling, completion, and long-term production operations.

Rule 1202.a.(10).C – Inspection Frequency - Waiver Request

TEP respectfully requests CPW's approval of a waiver to Rule 1202.a.(10).C – Inspection Frequency for both proposed Oil and Gas locations. Both the RGU 23-6-297 pad and RGU 44-1-298 pad are located within 1,000 feet of Aquatic Sportfish Management Waters; therefore the Best Management Practices listed under Rule 1202.a.(10) apply to both Oil and Gas Locations. TEP will adhere to all the requirements listed under Rule 1202.a.(10); however, TEP is requesting a waiver to the inspection frequency described under Rule 1202.a.(10).C and approval of a modified frequency of once daily for the first 6 – 9 months of production operations, and once per week for the remaining life of the wells. This modification to the inspection frequency is necessary to minimize potential impacts to mule deer. Daily inspection would increase the level of long-term activity at the Oil and Gas Locations. TEP will be implementing remote monitoring on all wells and production facilities at this Oil and Gas Location, along with remote shut-in capabilities, to minimize site visitation and potential impacts to mule deer.

Rule 1202.c.(1).S – Aquatic Sportfish Management Waters - Waiver Request

TEP respectfully requests CPW's approval of a waiver to Rule 1202.c.(1).S pursuant to Rule 309.e.(5).D.ii to conduct new ground disturbance and well work on the RGU 23-6-297 pad and RGU 44-1-298 pad. Both Oil and Gas Locations are located within 500 feet of Aquatic Sportfish Management Waters. Per Rule 1202.c., "[o]perators will not conduct any new ground disturbance and Well work, including access road and pad construction, drilling and completion activities, and Flowline/utility corridor clearing and installation activities in the High Priority Habitats listed in Rule 1202.c.(1)." However, under Rule 309.e.(5).D.ii, "CPW may waive the application of and the Director may grant an exception to Rule 1202.c.(1).S" if the operator commits to the listed Best Management Practices. TEP will adhere to all Best Management Practices listed under Rule 309.e.(5).[D.ii.bb](#), except for Rule 309.e.(5).[D.ii.bb](#), which requires daily inspection. In addition to the waiver to Rule 1202.c.(1).S, TEP is also requesting a modification to the inspection frequency described in Rule 309.e.(5).[D.ii.bb](#), such that the inspection frequency is consistent with the Rule 1202.a.(10).C waiver request mentioned above.

As part of the Form 2A, TEP will be submitting a Lesser Impact Area Exemption request for the Noise Mitigation Plan and Lighting Mitigation Plan for both Oil and Gas Location (RGU 23-6-297 Pad and RGU 44-1-298 Pad). TEP's evaluation of noise and lighting impacts

associated with our proposed operations indicated that the proposed activities would be in compliance with noise standards outlined in Rule 423 and with lighting standards outlined in Rule 424. Both pads are located within Mule Deer Severe Winter Range, Mule Deer Winter Concentration Area, and Aquatic Sportfish Management Waters. The Oil and Gas Locations are located in close proximity to existing oil and gas operations and adjacent to Rio Blanco County Road 24. Since the pad is in close proximity to existing facilities and existing public roads, impacts to mule deer will be minimal. As discussed, TEP will be paying a habitat mitigation fee to CPW to offset impacts to mule deer due to direct and indirect impacts associated with development activities, including winter operations. TEP will also direct all lighting fixtures downward and inward toward operational activities on the well pads to minimize light pollution from planned activities. No onsite lighting is proposed during long-term production operations. Based on this evaluation it is unlikely for noise and light during pre-production or production operations to adversely affect wildlife resources.

Attached is the latest draft of the Plan of Development, Wildlife Protection Plan, Wildlife Habitat Drawing, and Lesser Impact Area Exemption request for your review. Please let me know if CPW has any question regarding the waiver requests or BMPs listed in the Wildlife Mitigation Plan. Additionally, please let me know if CPW agrees with TEP assessment on noise and lighting impacts associated with activities planned on the RGU 23-6-297 pad and RGU 44-1-298 pad.

Thanks,

Adam Tankersley | Planning Manager | TEP Rocky Mountain LLC | 1058 CR215 Parachute, CO 81635

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