

Mike Gardner

From: Mike Gardner
Sent: Thursday, August 29, 2024 9:34 AM
To: aaron.trujillo@state.co.us
Cc: Shawn Brennan; Lindsey Ellsworth
Subject: Field Inspection Report Doc. #696206110 (Facility ID 335467 and 335294)

Hi Aaron,

Thanks for taking my call on Monday, August 26, 2024. As requested, the purpose of this email is to provide you with an update regarding a Corrective Action you noted in FIR doc#696206110 (Facility ID 335467) regarding the storage of hay bales at the TEP GGU 11-30 well pad. Ms. Mary Van Ordstrand is the landowner, but the hay stored at this location belongs to a tenant who is leasing Ms. Van Ordstrand's land for agricultural uses. This location has been used for hay storage since 2014.

In summary, you conducted the site inspection on August 9, 2024, and requested that the hay be removed by August 28, 2024. TEP believes the corrective action to remove the hay by the prescribed date is not warranted / feasible for the following reasons:

- The primary reason cited in the inspection report is "... that hay bales are being stored within close proximity of production equipment, on the southwest end of the location; this is a potential fire hazard." It is assumed that you are referring to the flare that is located in the southwest corner of the pad, and since this flare is the nearest piece of production equipment located in the proximity of the stackyard. Although the flare has been physically disconnected and has not been operational for several years, TEP is physically removing the flare from this location. It is anticipated that the flare removal will be completed by September 6, 2024. The remaining production equipment are located at sufficient distances away from the stackyard such that they do not pose a potential fire hazard.
- This stackyard has been in its current location for approximately 10 years (since 2014). During this time, there have been no fires or other safety incidents of any kind related to this stackyard.
- Since the owner began storing hay at this location, this pad has been inspected by ECMC / COGCC on 11 different occasions, and by 6 different inspectors. There have been no requests or corrective actions by any of the previous inspectors to remove the hay. Further, all previous inspection reports were reviewed and approved by the respective ECMC inspection supervisors who expressed no concerns about the hay being stored at this location.
- Currently, there is approximately 150 – 175 tons of hay stored within this stackyard. It is unreasonable to expect that this amount of hay can / should be moved in this short amount of time (i.e., 19 days).

In discussions with the landowner and tenant, the hay will be fed-out during the winter and spring months of 2024/2025. It is anticipated that the current stockpile of hay will be completely depleted no later than June 1, 2025. If an acceptable alternative location cannot be identified by the owner for future hay storage, the owner has indicated that they may request that TEP seek a Surface Owner Variance request per ECMC Rule 606.a.2 and Rule 502.b.

In summary, previous ECMC inspectors have not seen the stackyard at this location to pose a threat to public health, safety, welfare, or the environment. TEP and the landowner also do not see the stackyard in its current location as posing a potential fire risk or any other type of hazard. The owner has always maintained this stackyard in a neat, clean and orderly condition. The landowner has agreed to feed-out the remaining inventory of hay and will attempt to re-configure the stackyard so that it does not encroach upon the permitted boundary of this oil and

gas location. However, if an acceptable alternative location cannot be found, the owner and TEP may pursue a Surface Owner Variance to use a portion of the pad in compliance with applicable ECMC rules.

This correspondence will be included as an attachment to a FIRR that will be submitted in response to this corrective action. TEP recognizes that although, the CA will not be “completed” by the August 28, 2024, completion date, it is the only means available to TEP to document / respond to the corrective action as identified in your inspection report doc #696206110.

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