



Community & Economic Development Department

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MEMORANDUM

USR2017-00005 Administrative Memo

Date: February 22, 2018

Request: A Use by Special Review Permit to allow twenty-four (24) horizontal wells on one (1) well pad for the production of oil and gas.

Address: 15300 E 132nd Avenue; SE/4 SE/4 Section 30, Township 1S, Range 66W; Parcel number 0156930000033

Zoning Designation: A-3 Agriculture

Future Land Use Designation: Local District Mixed Use

Applicable regulations Section of the Development Standards and Regulations:

Per Section 4-10-02-03-03-07-02(1) of the County's Development Standards and Regulations, the Administrative Use by Special Review (AUSR) permit for an oil and gas facility shall automatically include as conditions of approval all provisions of the MOU executed by the applicant.

Conformity with Development Standards and Regulations:

The conditions of approval included in the AUSR permit allow the oil and gas facility to satisfy the Compatibility requirement of the Administrative Approval Criteria (Section 4-10-02-03-03-07-02(3)).

Referral Comments/Concerns:

Of the 66 referral notices sent to property owners within one half mile of the proposed facility, one citizen comment was received with questions about noise limits and proposed screening; these were answered by the applicant. Four referral agencies, including the City of Brighton, the Colorado Department of Public Health and the Environment (CDPHE), Xcel Energy, and the Tri-County Health Department provided comments. The City of Brighton expressed concerns with the protection of water quality and transportation. CDPHE provided a general request that the operator comply with state and federal environmental rules and regulations. Xcel Energy requested that Ward contact the Colorado Utility Notification Center for verification of underground utilities on-site. Tri-County Health provided comments addressing domestic wastewater, baseline water quality testing, water supply for workers, air quality permitting, traffic safety, dust control, above ground storage tanks, and the emergency response plan/spill reporting. The referral comments were provided to the applicant at the end of the referral period. Ward considered and responded to each comment received (Exhibit 3.6 of the Recommendation Memo).

Recommended Conditions of Approval

Conditions Precedent:

1. Pad construction and/or drilling shall not commence until combined State approval of Colorado Oil and Gas Conservation Commission (COGCC) Form 2 and 2A and County approval of AUSR permit. Drilling shall only occur during the COGCC Form 2 permit validity timeframe.
 - a. Per section 4-10-02-05-10 of the Adams County Development Standards and Regulations, proposed changes to the plans, including but not limited to, any changes in the source or location of water to be used by the Oil and Gas Facility, shall be submitted as amendments to the Administrative Use by Special Review application, reviewed by staff, and approved by the Director or BOCC (if the BOCC approved the original application).
2. Prior to initiation of construction, the applicant shall provide the applicable title commitment documents to Adams County for review of the easement rights necessary to construct the oil, water, and gas pipelines for the facility.
3. The applicant or the applicant's subcontractors may be required to obtain Oversize Load Permits and/or Rig-Move permits. These permits may be obtained through the Adams County One-Stop Customer Center.
4. As referenced in 8(c.) of the Ward Petroleum/Adams County MOU, the applicant agrees to conduct a baseline test of any registered water well requested by the owner, on a one-time basis, if such well is within a ½ mile radius of the new oil and gas facility.
5. The applicant shall receive a "Notice to Proceed" from the Department of Community and Economic Development. Written proof that all of the conditions precedents have been satisfied shall be required prior to receiving this notice.

Conditions:

1. Due to the proposed use of composite high pressure pipelines, tracer wire will be required parallel to all flowlines for future locate needs.
2. The approved traffic route for this permit is the site access road to 132nd Avenue, 132nd Avenue to Buckley Road, Buckley Road to 136th Avenue, and 136th Avenue to Interstate 76 or Interstate 85. These routes are depicted in the site plan submitted with this application. All traffic activities associated with this site shall utilize the approved traffic route and any modification shall require an amendment to the AUSR permit.

3. Prior to initiation of production, the applicant will submit to the county written certification that the facility is connected to a pipeline for the transfer of product off-site.
4. Applicant shall implement the best management practices as identified in the Sound Impact Assessment which was provided as part of the Administrative Use by Special Review application.
5. Noise levels during the construction, drilling, completions, and production life-cycles shall not exceed those outlined in COGCC Section 802 for Industrial Zones during development and Residential/Agricultural/Rural Zones during production.
6. The applicant shall be required to implement the approved landscaping and screening plan for the site. Screening of the site shall be provided through a combination of six-foot wood screen fencing and landscape materials. This plan shall be implemented by the applicant within 90 days of completion of the construction of the final well, if all twenty-six approved wells are drilled and completed at the same time. If applicant staggers well completion (i.e., completes a lesser number of wells initially with plans to complete the remaining wells at a future date), then this plan shall serve as the interim restoration plan, and it shall be implemented within 90 days of completion of the initial set of wells.
7. Maintenance of required landscaping and fencing shall be in compliance with the Adams County Development Standards and Regulations at all times.
8. The applicant shall be responsible for the cleanliness and safety of all roadways adjacent to this site. If at any time, these roadways are found to be dangerous, not passable due to debris or mud, or found to be a nuisance due to tracking of sediment or other debris, Adams County will shut down the project until the roadway conditions have improved and are deemed acceptable. If the contractor/applicant fails to keep the adjacent roadways clean and free from debris, the County has the option to do the required clean up and bill the charges directly to the applicant, Ward Petroleum.
9. The access road to this site shall be outfitted with a vehicle tracking pad.
10. Per Section 14 of the executed MOU, fresh water as referenced in the COGCC's rules and Regulations, or another source as approved by the County on a case by case basis, may be applied to roads and land surfaces for purpose of dust mitigation. Absolutely no other liquid or substance generated by the production of the operator's facility, including, but not limited to, exploration and production waste (as defined by the COGCC) or any other application of liquids that would have negative impact to natural resources, shall be permitted to be applied to roads and land surfaces.

11. Financial assurance shall meet or exceed the requirements of COGCC 700 Series Rules Financial Assurance and Oil and Gas Conservation and Environmental Response Fund.
12. A closed loop system will be used for drilling, as depicted in the AUSR permit application.
13. Wastewater treatment, Operator agrees to comply with TCHD's Regulations NO O-14, On-site Wastewater Treatment Systems, as adopted or modified. The Operator agrees to contact TCHD in a timely manner to arrange for the processing of appropriate applications as required.
12. Per COGCC Section 604.c (4) B. IV. Zero Flaring or venting of gas upon completion of flowback, excepting upset or emergency, or with prior written approval from the COGCC Director for necessary maintenance operations. The applicant shall provide a copy of written COGCC Director approval to Adams County LGD within 24 hours of flaring operations and/or approval, whichever occurs first.
13. Upon conclusion of construction, drilling, and completion, the site shall be fenced according to the Adams County Development Standards and Regulations Section 4-10-01-03. The fence shall contain a gate and the gate shall remain closed and locked when the well pad and associated facilities are not in use.
 - a. The local fire district shall have access to ALL gate key(s)/combination(s) at all times for use in case of emergency.
 - b. Adams County oil & gas inspector shall have access to ALL gate key(s)/combination(s) at all times for use in case of emergency.
14. Applicant is required to receive an approved waiver of responsibility/completion of reclamation from Adams County upon abandonment and reclamation of well pad and associated facilities.
15. Well pad, associated facilities, and access road shall be free of any county and state identified noxious weeds throughout the drilling, completion and production portions of operations.
16. A tabletop exercise pertaining to the Emergency Response Plan will be required. This may be requested by the County's Local Government Designee, Emergency Manager, Local Emergency Planning Commission, Sherriff's Office, site-specific Fire District, or Transportation Department.
17. All representations and commitments of the applicant made during the AUSR process are incorporated herein as conditions of approval.
18. Ward Petroleum is required to maintain compliance with COGCC Cause Order 1-189.

Based on the criteria for Approval outlined in Section 4-10-02-05-02 of the County's Development Standards and Regulations, the Director officially issues an **Approval of the request.**

A handwritten signature in cursive script that reads "Kristin Sullivan".

Kristin Sullivan, AICP
Director, Community & Economic Development