

STATE OF COLORADO)
COUNTY OF ADAMS)

Stan Martin, Adams County, CO.

At a regular meeting of the Board of County Commissioners for Adams County, Colorado, held at the Government Center in Brighton, Colorado on the 8th day of November, 2017 there were present:

Eva J. Henry	Commissioner
Charles "Chaz" Tedesco	Commissioner
Steve O'Dorisio	Commissioner
Erik Hansen	Commissioner
Mary Hodge	Commissioner
Heidi Miller	County Attorney
Erica Hannah	Clerk to the Board

when the following proceedings, among others were held and done, to-wit:

RESOLUTION APPROVING APPLICATION IN CASE #USR2016-00006 WARD PETROLEUM
IVEY WELL PAD

Resolution 2017-558

WHEREAS, this case involved an application for a Use by Special Review Permit to allow up to twenty-six (26) oil and gas wells and a production facility on one (1) well pad pursuant to Section 4-10-02-03-03-06 of the County's Development Standards and Regulations.

LEGAL DESCRIPTION:

A Parcel of land lying in the South Half of the Southeast Quarter of Section 11, Township 1 South, Range 68 West of the 6th Principal Meridian, except the following:

That portion conveyed to the City of Thornton by warranty deeds recorded June 18, 2002 at Reception Nos. C0985125, C0985119, C0985122 C0985123, C0985124 and C0985121; and except that portion conveyed by special warranty deed to E-470 Public Highway Authority, a political subdivision of the State of Colorado, recorded October 18, 2002 at Reception No. C1040249, County of Adams, State of Colorado.

APPROXIMATE LOCATION: Northwest of 152nd Parkway and York Street.

WHEREAS, on the 8th day of November, 2017, the Board of County Commissioners held a public hearing on the application of Ward Petroleum, Case # USR2016-00006; and,

WHEREAS, substantial testimony was presented by members of the public and the applicant.

NOW, THEREFORE, BE IT RESOLVED, by the Board of County Commissioners, County of Adams, State of Colorado, that based upon the evidence presented at the hearing and the recommendations of the Department of Community and Economic Development, the application in this case be hereby APPROVED based upon the following findings of fact and subject to the fulfillment of the following conditions by the applicant:

Findings of Fact:

1. The applicant and the County have executed a Memorandum of Understanding (MOU) that is currently in full force and effect, and the oil and gas facility is in compliance with the provisions of the MOU.
2. The applicant has satisfied the submittal requirements for an Administrative Use by Special Review application, as outlined in the Development Standards and Regulations.
3. Based upon compliance with the recommended conditions of approval, the oil and gas facility is compatible with the surrounding area and does not create site specific or material impacts to nearby land uses.
4. The applicant has provided a commitment to serve the facility from the authority having jurisdiction for providing emergency services.

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 4-10-02-03-03-06 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. The applicant shall initiate the permitting process with the City of Thornton for the installation of the deceleration and turn lane requested by the City of Thornton prior to the construction of the well pad site.
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. The primary traffic route for this permit shall be the site access road to East 152nd Parkway, East 152nd Parkway to York Street, York Street to E-470. The secondary traffic route shall be the site access to 152nd Parkway, 152nd Parkway to Washington Street, Washington Street to 168th Ave., 168th Ave. to Interstate 25. The transportation of hazardous materials shall be subject to federal regulations.
2. The E-470 Authority is currently exploring the possibility of seeking a Hazardous Materials (HAZMAT) designation for some or all of E-470. If E-470 is designated as a Colorado HAZMAT Route at any point within the duration of this use, the applicant shall submit a modified traffic plan to Adams County for review and approval depicting all traffic using E-470 within 60 days of the formal designation.
3. The applicant shall implement the best management practices as identified in the Ambient Sound Study provided as part of the application and provided in Exhibit 5.3 (Ambient Sound Study). These mitigation measures include 12-foot high sound walls around the equipment within the site during drilling operations, 24-foot high sound walls along the northwestern pad perimeter and 32-foot high sound walls along the northeastern, southeastern, southern, and southwestern pad perimeters during the hydraulic fracturing (completion) operations.
4. The applicant shall submit written certification that the facility is connected to a pipeline for the transfer of product off-site prior to the initiation of production.
5. The on-site storage of oil shall be limited to ten (10) low-profile 533-barrel tanks. The tank battery shall be painted in uniform, non-contrasting, non-reflective color tones with the colors matched to but slightly darker than the surrounding landscape.
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. 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.
9. The deceleration and turn lane, approved by the City of Thornton, and immediate entrance to the site shall be paved. In addition, the access road to this site shall be outfitted with a vehicle tracking pad. The construction of the turn lane and deceleration lane shall be completed prior to the commencement of production.
10. Noise levels during the construction, drilling, completions, and production life-cycles shall not exceed those outlined in COGCC Section 802.
11. 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.
12. Financial assurance shall meet or exceed the requirements of COGCC 700 Series Rules Financial Assurance and Oil and Gas Conservation and Environmental Response Fund.
13. A closed loop system shall be used, as depicted in the permit application.
14. Per COGCC Rule 604.c. G Overflow containment facilities shall be constructed around crude oil, condensate, and produced water storage tanks and shall enclose an area sufficient to contain and

provide secondary containment for one-hundred fifty percent (150%) of the largest single tank. Berms or other secondary containment devices shall be sufficiently impervious to contain any spilled or release material.

15. Per Section 5 of the executed MOU, in an effort to reduce truck traffic, where feasible, the Operator will identify a water source lawfully available for industrial use, including oil and gas development, close to the facility location, to be utilized by Operator and its suppliers. Operator will comply with the Colorado Department of Public Health and Environment requirements and Tri-County Health Department (TCHD) regulations concerning water quality. With respect to 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 application matters as required inspections.

16. This location shall utilize above-ground water pipelines for the transport of water into the site for the hydraulic fracturing operations.

17. 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 the CEDD Director within 24 hours of flaring operations and/or approval, whichever occurs first.

18. 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 be solid screen wood fence, with a locked gate, as depicted in the landscape plan and shall be maintained in good condition through the life of the well pad.

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. The Adams County Oil & Gas Inspector shall have access to ALL gate key(s)/combination(s) at all times for use in case of emergency.

19. The applicant is required to receive an approved completion of reclamation from Adams County upon abandonment and reclamation of well pad and associated facilities.

20. 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.

21. 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 Public Works Department.

22. All permanent lighting shall be directed downward and internally. Temporary lighting shall conform to COGCC Rule 803 and not adversely affect adjacent residential properties. Temporary lighting shall be directed downward to minimize light and the recommendations of the Photometric Study (Exhibit 5.4) shall be followed. Any complaints regarding lighting shall be communicated to the Adams County Oil & Gas Inspector in order to ensure resolution.

23. All representations and commitments of the applicant made during the AUSR process are incorporated herein as conditions of approval, including representations and commitments made during the public hearing on November 8, 2017.

24. The applicant shall amend the COGCC 2A permits to include all conditions of approval of this AUSR permit, subject to approval by the COGCC.

25. For the first two years following commencement of construction of the new well pad site, unless otherwise approved by the Director of Community & Economic Development, the operator shall facilitate quarterly neighborhood meetings to encourage collaboration and open lines of communication between company representatives and the nearby neighborhood(s). Operator shall provide written notice for each neighborhood meeting to property owners within one half mile from the Ivey well pad at least 10 days prior to the meeting.

26. The landscaping material maturity shall be reviewed and approved by Adams County in order to provide additional screening upon planting.

27. The applicant shall plug and abandon all wells owned by Ward Petroleum within the subject spacing units to be accessed by this site.

28. The compatibility of the proposed well sites is enhanced as a result of the non-use of the 35-acre potential well site located in Wadley Farms. The operator agrees that based on the approval of the current Ivey site, it will not in the future allow the Wadley Farms property to be used for oil and gas development.

29. The applicant shall work with Adams 12 Five Star Schools to address concerns related to truck traffic. To the maximum extent possible, the truck traffic shall be planned to avoid school bus hours. The applicant shall meet monthly with Adams County 12 Five Star School district staff during the first two years of the permit to address any concerns of the school district.

30. All complaints received by the applicant concerning the conditions of this permit, and the resolution of those complaints, shall be conveyed to the Adams County Local Government Designee. Impacts from the conditions of this permit shall be responded to and resolved immediately by the applicant.

Upon motion duly made and seconded the foregoing resolution was adopted by the following vote:

Henry _____ Nay
Tedesco _____ Aye
O'Dorisio _____ Aye
Hansen _____ Aye
Hodge _____ Aye

Commissioners

STATE OF COLORADO)
County of Adams)

I, Stan Martin, County Clerk and ex-officio Clerk of the Board of County Commissioners in and for the County and State aforesaid do hereby certify that the annexed and foregoing Order is truly copied from the Records of the Proceedings of the Board of County Commissioners for said Adams County, now in my office.

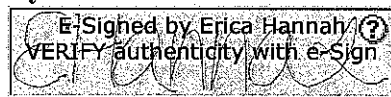
IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of said County, at Brighton, Colorado this 8th day of November, A.D. 2017.

County Clerk and ex-officio Clerk of the Board of County Commissioners

Stan Martin:



By:



Deputy