

Oil & Gas Monthly Update

City Council Meeting June 2020

City Oil & Gas Permit Applications

- Eight Oil and Gas Permits had previously been submitted and deemed complete by the city all by Extraction
- One application (Condor) does not currently have complete information to begin processing
- Seven applications are currently deemed complete and being processed by the city

Site Name	Case Number	Operator	Council Action	Well Count
			Required	
Pelican	OG-002-19	Extraction Oil and Gas	Conditional Use Permit	28
Heron	OG-003-19	Extraction Oil and Gas	Conditional Use Permit	24
Blue Jay	OG-004-19	Extraction Oil and Gas	Rezoning	18
Owl	OG-005-19	Extraction Oil and Gas	Rezoning	18
Falcon	OG-006-19	Extraction Oil and Gas	Rezoning	18
*Harlo	OG-007-19	Extraction Oil and Gas	Rezoning	32
*Anteater (Jacobson)	OG-008-19	Extraction Oil and Gas	Rezoning	36

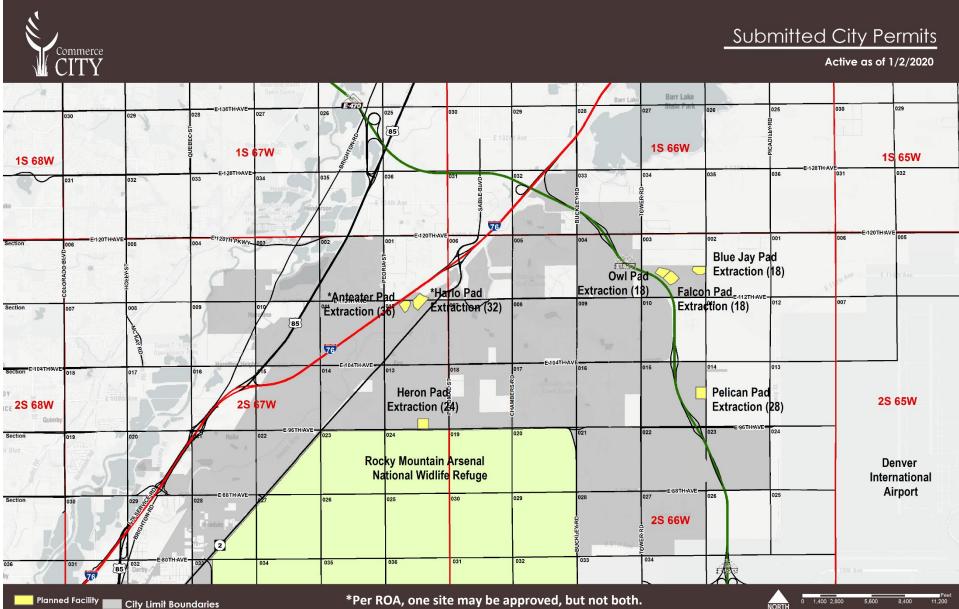
*Pursuant to Exhibit A of the ROA, one of these sites may be permitted by the city, but not both.

- All operators have asked (at the request of the city) that holds be placed on the processing of all Form 2A's, with the additional request of a 2nd comment period.
- Oil and Gas Permits may not be approved until Council actions have occurred *and* a CUP for a pipeline has been approved by Council, per the ROA.



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City Permits Deemed Complete



Review Schedule

Site Name	Case Number	Date Permit Application Submitted to City	Date Permit Application Deemed Complete By Staff	Sent Out For Review On	Referral Agency Comments Due to Staff	Development Review Team Date	Permit Status (Approved / Pending / Denied / Withdrawn / Completeness Review)
Condor	OG-001-19	10/8/2019				TBD	Completeness Review
Pelican	OG-002-19	10/8/2019	10/21/2019	11/18/2019	12/30/2019	1/9/2020	Pending
Heron	OG-003-19	10/18/2019	11/4/2019	11/25/2019	1/6/2020	1/16/2020	Pending
Blue Jay	OG-004-19	10/17/2019	11/8/2019	12/2/2019	1/13/2020	1/23/2020	Pending
Owl	OG-005-19	10/17/2019	11/8/2019	12/5/2019	1/21/2020	1/30/2020	Pending
Falcon	OG-006-19	10/17/2019	11/8/2019	12/9/2019	1/27/2020	2/6/2020	Pending
Harlo	OG-007-19	10/21/2019	11/4/2019	12/13/2019	2/3/2020	2/13/2020	Pending
Anteater (Jacobson)	OG-008-19	12/10/2019	12/23/2019	1/10/2020	2/18/2020	2/20/2020	Pending



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Current Spacing Applications

Docket No	Operator	Location	Intervention	Status
		(Sections)	Date	
180300262	Petro Operating	Sections 10 & 11, T2S R67W	4/16/2018	Approved
180400300	Extraction Oil and Gas	Sections 21, 22 & 23, T2S R66W	4/16/2018	Approved
180400284	Extraction Oil and Gas	Sections W ¹ / ₂ 26, 27 & 28, T2S R66W	4/16/2018	Approved
180700524	Great Western Operating	Sections 32 & 33, T1S R66W	4/16/2018	Approved
180600433	Extraction Oil and Gas	Sections 11 & 14, T2S R66W	5/25/2018	Approved
190300473	Extraction Oil and Gas	Sections 3, 4 & 5, T2S R66W	2/25/2019	Pending
190300474	Extraction Oil and Gas	Sections 7 & 8, T2S R66W	2/25/2019	Pending
190300475	Extraction Oil and Gas	Sections 12 & 13, T2S R67W	2/25/2019	Pending
190300476	Extraction Oil and Gas	Sections 9 & 10, T2S R66W	2/25/2019	Pending
		Sections 15 & 16, T2S R66W		Consent
190300230	Extraction Oil and Gas		2/25/2019	Agenda
		Sections S ¹ /2 22, 27 & 34, T1S R66W		Consent
				Agenda

Note: applications highlighted in blue above were split from a previously submitted spacing unit (1903000230), into separate docket numbers.

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Current Form 2 Applications

Site Name	Operator	Original Intervention	Approved?	Well Count
		Date or Comment		
		Deadline		
Blue Jay	Extraction Oil and Gas	4/12/2018	On Hold	32
Owl	Extraction Oil and Gas	4/18/2018	On Hold	16
Condor	Extraction Oil and Gas	4/25/2018	On Hold	16
Red Tail	Extraction Oil and Gas	5/14/2018	On Hold	16
Antelope	Petro Operating, LLC	5/16/2018	Pending	24
Falcon	Extraction Oil and Gas	5/21/2018	On Hold	32
Kestral	Extraction Oil and Gas	5/21/2018	On Hold	16
Oriole / Hawk	Extraction Oil and Gas	9/5/2018	On Hold	32

New Form 2 Applications received since the last monthly update: None



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Current Form 2A Applications

Site Name	Operator	Original Intervention Date or	Approved?
		Comment Deadline	
Condor	Extraction Oil and Gas	4/25/2018	On Hold
Blue Jay	Extraction Oil and Gas	5/27/2018	On Hold
*Antelope	Petro Operating, LLC	5/31/2018	Pending
Falcon	Extraction Oil and Gas	6/9/2018	On Hold
Harlo	Extraction Oil and Gas	9/15/2018	On Hold
Red Tail	Extraction Oil and Gas	9/15/2018	On Hold

* The city provided a comment letter to the COGCC requesting the opening of a second comment period after further conversations with the operator occur regarding the location. The city currently opposes the proposed location of this site based on proximity to planned and existing residential, and other health and safety concerns.

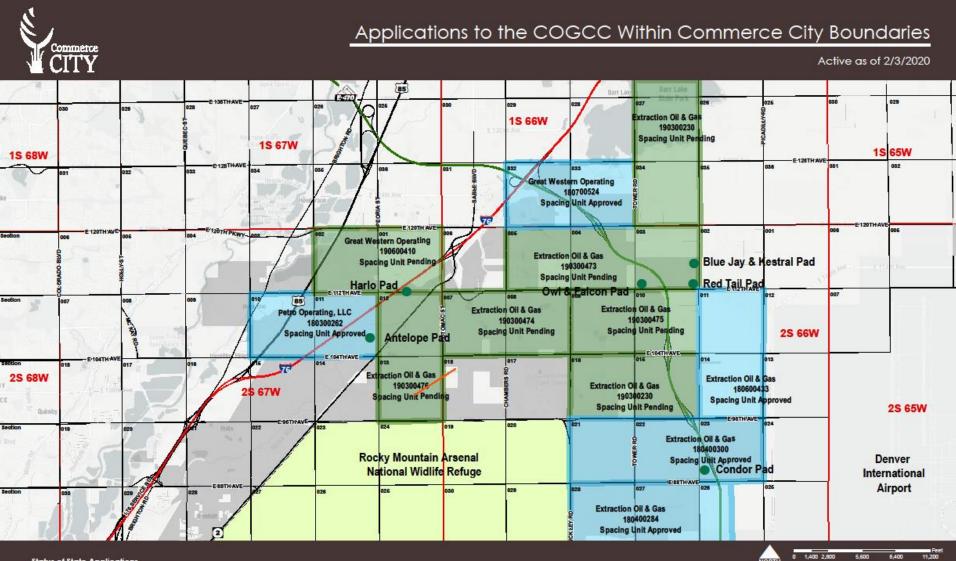
New Form 2A Applications received since the last monthly update: None



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Map of COGCC Activity



Status of State Applications Spacing Unit Approved Spacing Unit Pending City Limit Boundaries

Pending Form 2A

*This map represents all pending Form 2A applications, and spacing applications that have been submitted by Oil & Gas operators to the COGCC. Approval of a spacing unit by the COGCC does not constitute the ability to drill, unless Form 2's and 2a's within that section are also approved, and a city permit has been issued.

General Updates

- Staff awaiting re-submittals on Extraction Oil and Gas permits
- Telephone town hall / Q&A with staff
 - Conducted on Thursday, May 7
 - Attended by roughly 60 community members
 - 8 members utilized live Spanish translation services
 - Recording of the meeting can be viewed online at <u>c3gov.com/oilgas</u>
- Oil and Gas LDC Remaining Schedule
 - Friday, May 29 Public Comment Deadline (Extended from April 10)
 - Mon, June 8 City Council Study Session
 - Tues, June 16 Planning Commission public hearing and recommendation
 - Mon, July 6 Ordinance #2266 presented to city council for a public hearing and first reading
 - Mon, July 20 If passed on first reading, ordinance #2266 will be considered for final approval by city council on second reading

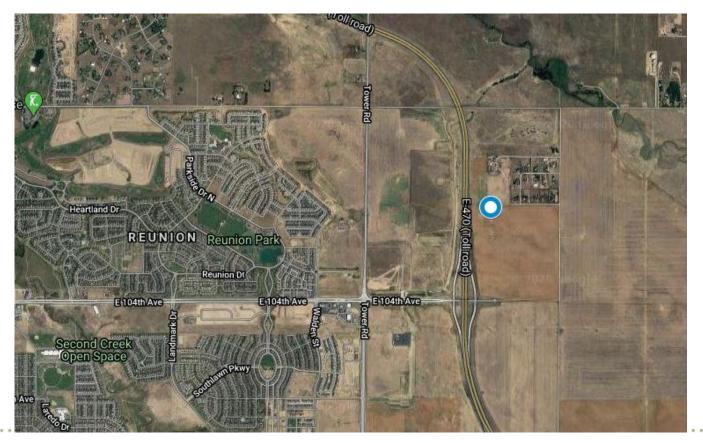


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General Updates

- Notice of Work
 - Extraction Oil and Gas provided 30 day notice to remove off-location flowline (see location below)
 - Work to be conducted starting June 19th, 2020





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Suncor

- Primary environmental regulatory agency for the refinery is the Colorado Department of Public Health and Environment (CDPHE)
 - Air Pollution Control Division primary regulator on air quality

- Facility is a title V major source emitter facility (more than 100 tons of hazardous pollutants per year) additional regulations the facility is required to comply with (required as part of Federal Clean Air Act)
- <u>Up-to-date information page hosted by CDPHE</u>
 - Includes update on enforcement actions
 - Live updates on air quality monitoring stations surrounding the facility
 - Access this page if you have any questions or complaints about permits, air quality monitoring, operational upsets
- Other Updates
 - On March 6, Suncor reached settlement agreement with CDPHE for past violations
 - Will include \$2.6 million to be utilized for a number of community environmental projects
 - On March 17, the refinery experienced a subsequent operational upset
 - Similar to the event that occurred last year



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Suncor Settlement Funds

- On March 6, Suncor reached settlement agreement with CDPHE for past violations
 - Will include \$2.6 million to be utilized for environmental projects
 - Funds will be allocated through CDPHE's <u>Supplemental Environmental Projects Framework</u>
- Local Governments & nonprofit organizations that are considered an "impacted community" as it relates to the settlement will have the opportunity to submit project proposals that:
 - Would have some form of nexus between the impacts of the refinery, and propose some method to remediate the impacts
 - Would be in the form of a formal RFA (request for applications)



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SEP Timeline

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	City Process	State Process			
May	 Initial Groundwork Conducted by Staff Due diligence / evaluation of various potential project submission concepts, with some form of environmental nexus related to impacts of the refinery (air quality, water quality, renewable energy development, waste, etc) 	 CDPHE staff will be meeting and speaking with community leaders, staff, and representatives to understand priorities and needs in the communities CDPHE will reach out to Council members 			
June	 Collaborating with and evaluating potential project partners for grant submission CDPHE Staff recommends multi-jurisdictional / non-profit partnership submissions Develop a list of potential project ideas to bring to the community for feedback 	serving core areas of Commerce City at this time			
July	Study Session with City Council to discuss potential projects to be presented to the community for feedback, items for staff to consider of Council importance, and feedback on proposed public engagement strategy	CDPHE will conduct community engagement			
August	Conduct various feedback with members of the public, nonprofit groups, etc. Staff will narrow in and focus on the ideas that are best received through the community engagement process, and generate draft RFA submission(s) accordingly. Will evaluate	with members of the general public. Most likely remotely due to COVID			
	feedback received through City engagement efforts, as well as state efforts Staff provides formal RFA submission to CDPHE as soon as it is	CDPHE releases the formal RFA for local			
September	made available	governments and nonprofits			
		Formal evaluation committee will review submissions			
October	City notified if selected for funding, implementation begins	October 2nd: Per settlement agreement, the latest date RFA submission will be selected for			