

Crestone Peak Resources Operating, LLC\*

**Lowry Ranch CAP Application Rule 314.f. – Informational Meeting** 

**ECMC Docket No. 221000282** 

April 11, 2024 – 6:00-8:00 p.m.

\*Crestone Peak Resources Operating, LLC is a wholly owned subsidiary of Civitas Resources, Inc.

### <u>Lowry Ranch CAP Informational Meeting – Agenda</u>

Welcome and Introductory Remarks Crestone Lowry Ranch CAP Presentation Crestone Feedback to Questions submitted prior to meeting Crestone Feedback to Questions submitted live Discussion of ECMC Hearing Process and Timing Closing Remarks

### <u>Lowry Ranch CAP Informational Meeting – Webinar Logistics</u>



#### **Contact Information for Webinar Issues**

lowryranchcap@civiresources.com



### Submit questions in English during presentation via Zoom Q&A

#### Request Spanish slide deck or submit questions in Spanish during presentation via Zoom Q&A

Puede solicitar la presentación en español o enviar sus preguntas en español, durante la presentación, a través de Preguntas y respuestas de Zoom

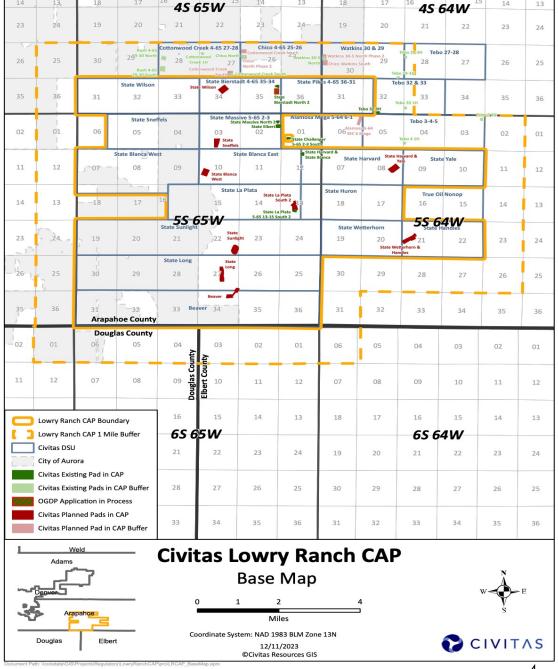
[Please use Chat or Q&A function on-screen]
(Por favor, utilice las funciones Chat o
Preguntas y respuestas en la pantalla)



### <u>Lowry Ranch CAP – Overview</u>

- 32,000 acres on Colorado State Land Board Lowry Ranch
  - Individual OGDPs to be submitted to ECMC
- Up to 166 new horizontal wells Niobrara Formation
- 10 Oil and Gas Locations
  - 1 OGL (State Bierstadt) was approved prior to CAP hearing
  - 1 OGL is an expansion of an existing location (State La Plata)
  - 8 OGLs are new locations (two of which are planned to merge (Sunlight-Long))
- No High Occupancy Building Units, Schools, Childcare Centers or Public Water Supplies within 2,000' of the proposed Oil and Gas Locations
- Additionally, the Lowry Ranch includes 5 Existing Oil and Gas Locations with legacy Crestone horizontal wells (with no future operations or expansions planned)





### ECMC CAP Application Process and Upcoming Dates

- ECMC Lowry Ranch CAP Application History:
  - October 27, 2022: Original Application Submitted
  - April 28, 2023: Amended Application Submitted
  - January 30, 2024: Second Amended Application Submitted
  - February 23, 2024: ECMC Issues Completeness for CAP Application
  - February 27, 2024: Notice of Hearing and CAP Application Mailed
  - April 11, 2024: Virtual Informational Meeting
- Upcoming Dates:
  - Public Comment Period: May 3, 2024
    - https://ecmc.state.co.us/permits4.html#/CAP
  - Petition Deadline: May 27, 2024
  - ECMC Hearing Date: June 26, 2024



# <u>Lowry Ranch CAP – Interested Party Statistics</u>

- Interested Parties: 5,940
- RBU Owners within 2,000' of proposed OGL (non-DIC): 1 (informed consent granted)
- RBU Owners within 2,000' of proposed OGL (DIC): 0
- Surface Owners of proposed OGLs: 1 (Colorado State Land Board)
- Mineral Owners within/offsetting CAP: 5,901
- Relevant Local Government: 1 Arapahoe County
- Proximate Local Government: 3 City of Aurora, Elbert County & Douglas County

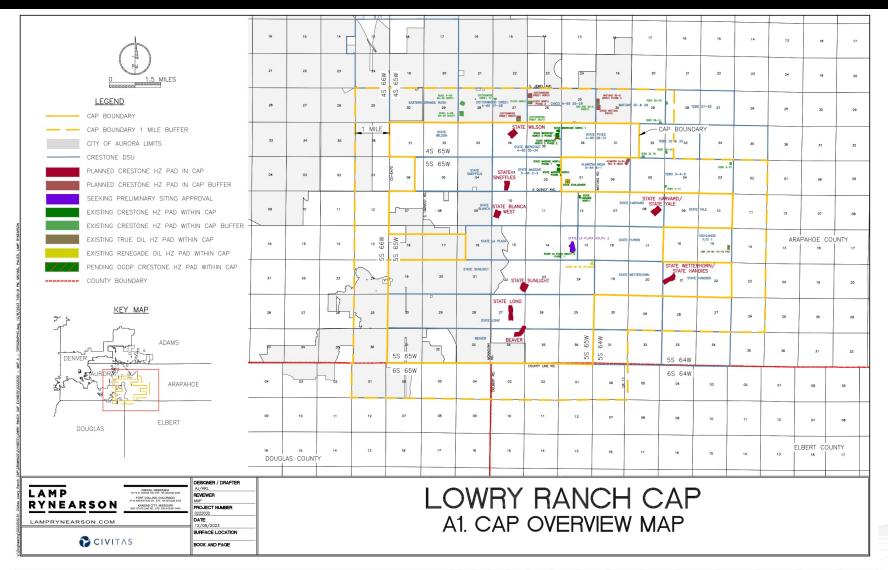


## <u>Lowry Ranch CAP – Governing Agencies</u>

- Colorado Energy & Carbon Management Commission
  - OGDP Application, Form 2A and Form 2 Permits
- Colorado Department of Public Health & Environment
  - AQCC Air Permit
- Arapahoe County
  - Oil and Gas Facility Permit
- Colorado Parks & Wildlife
  - Species Management & Consultation with ECMC
- Colorado State Land Board
  - Lowry Ranch Surface and Mineral Management

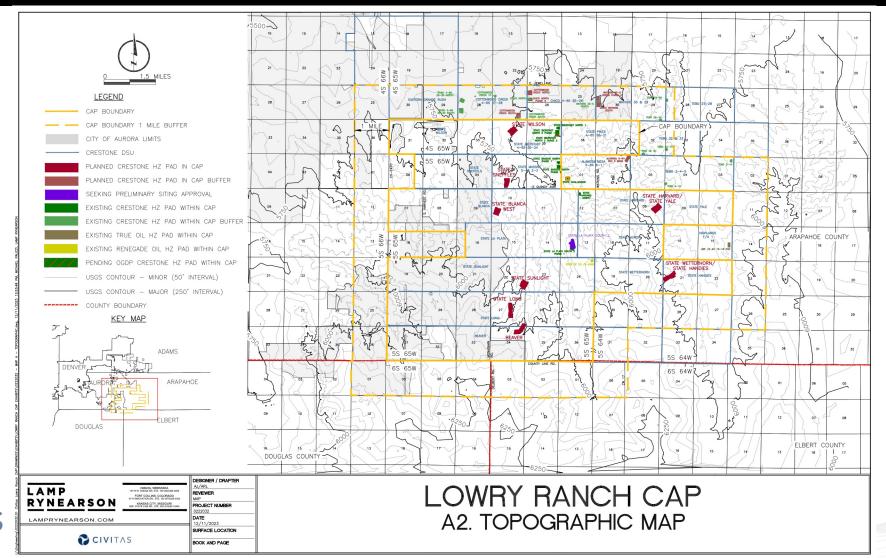


### Rule 314 - Lowry Ranch CAP - Exhibit A-1



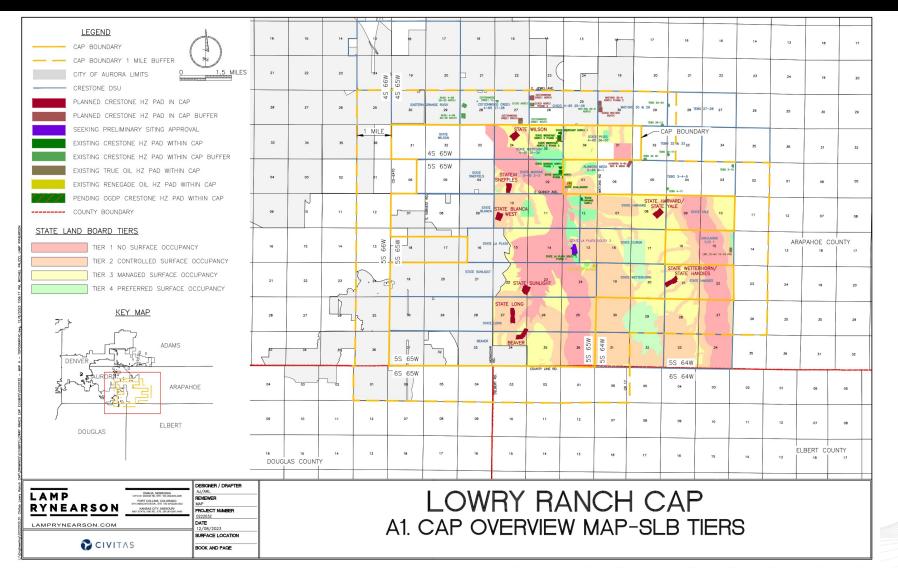


### Rule 314 - Lowry Ranch CAP – Exhibit A-2



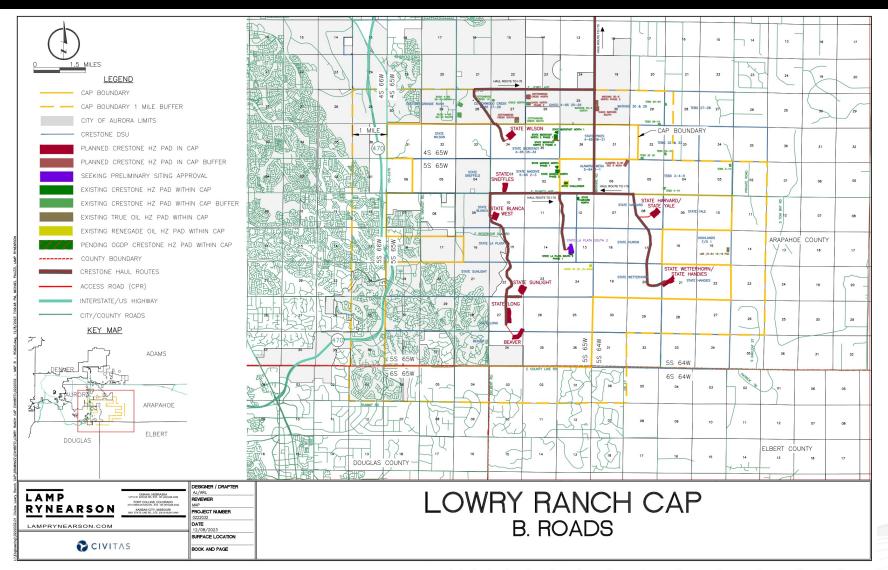


### Rule 314 - Lowry Ranch CAP – Exhibit A-3



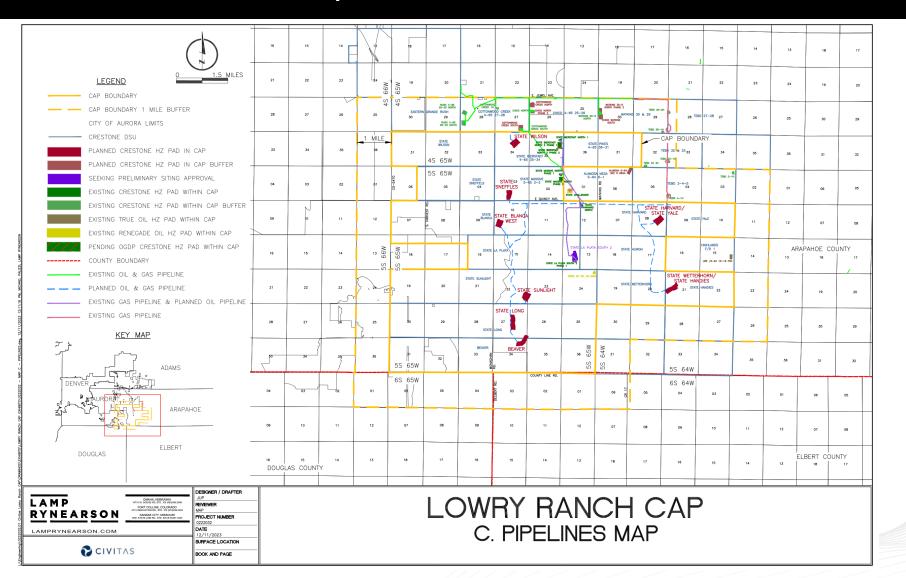


### Rule 314 - Lowry Ranch CAP – Exhibit B



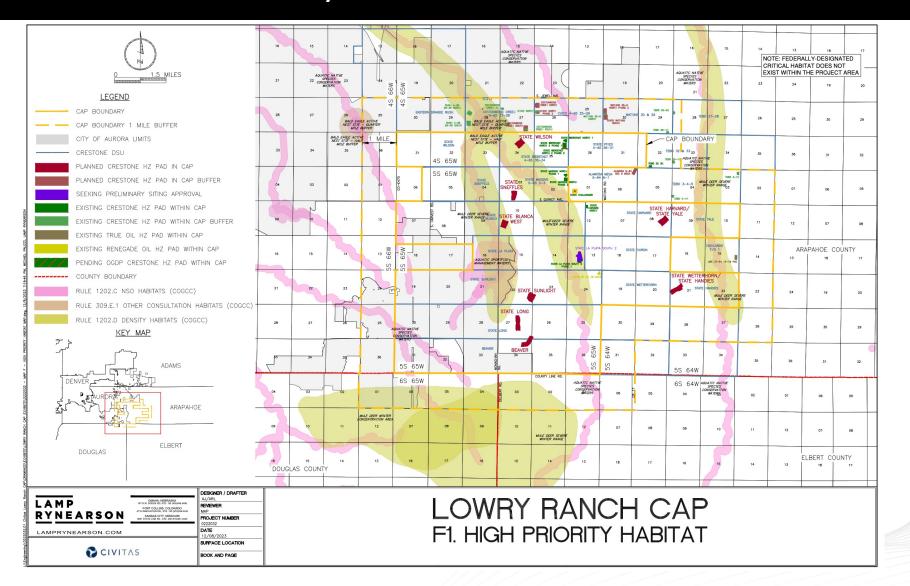


### Rule 314 - Lowry Ranch CAP – Exhibit C



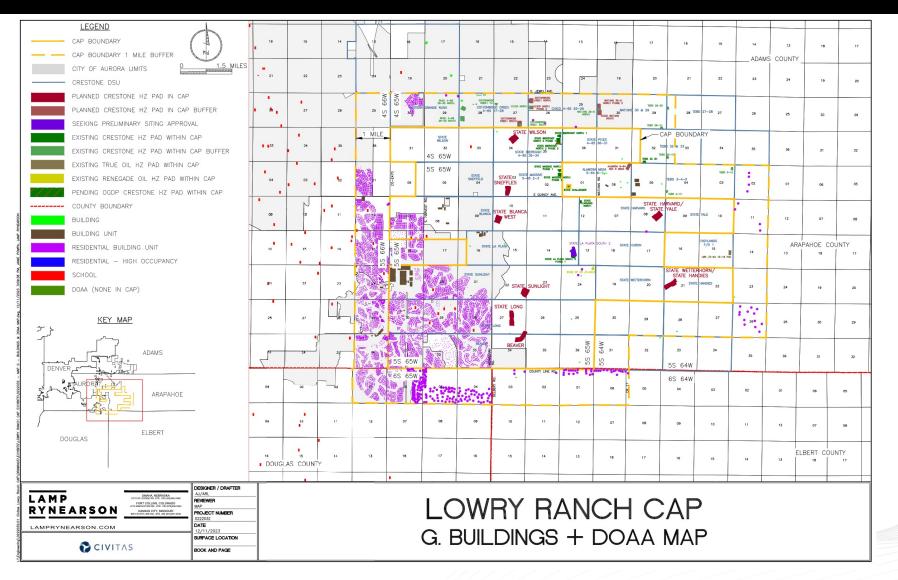


### Rule 314 - Lowry Ranch CAP – Exhibit F-1



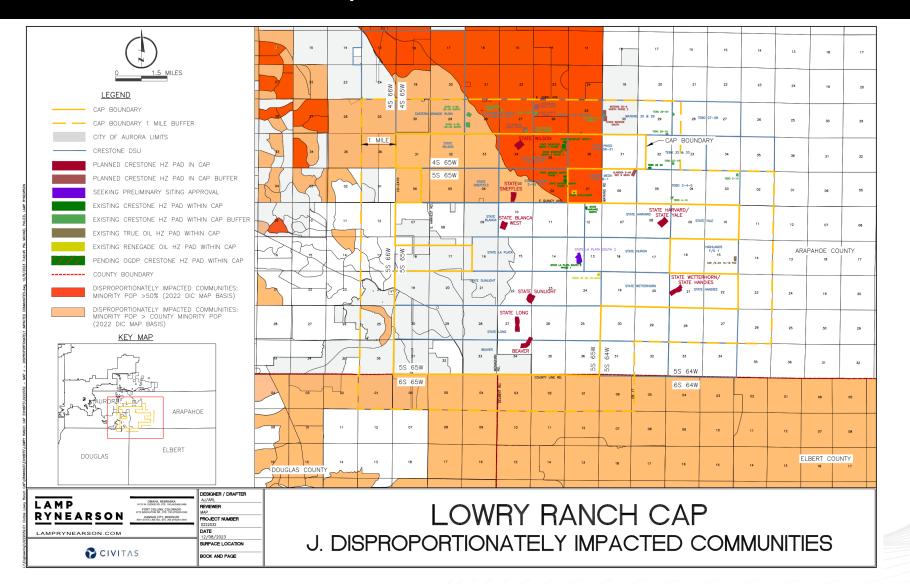


### Rule 314 - Lowry Ranch CAP – Exhibit G



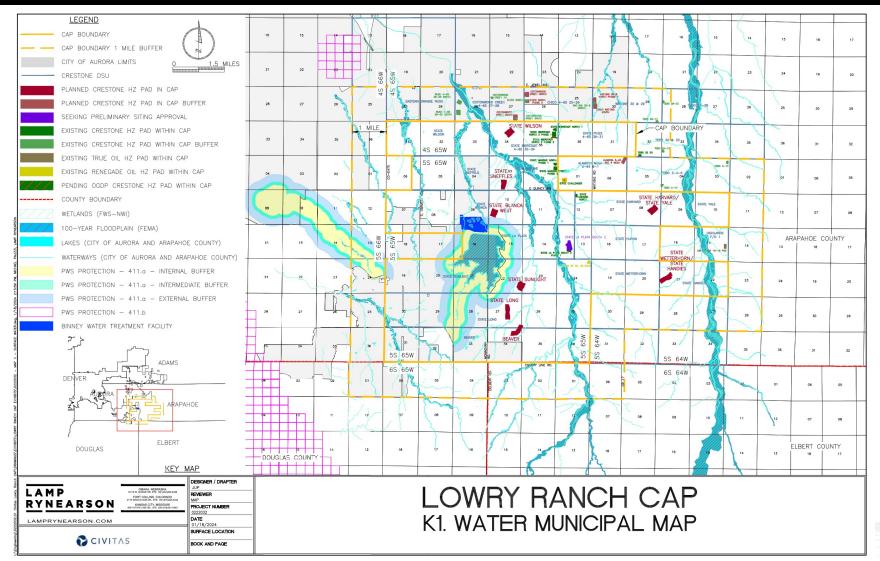


### Rule 314 - Lowry Ranch CAP – Exhibit J



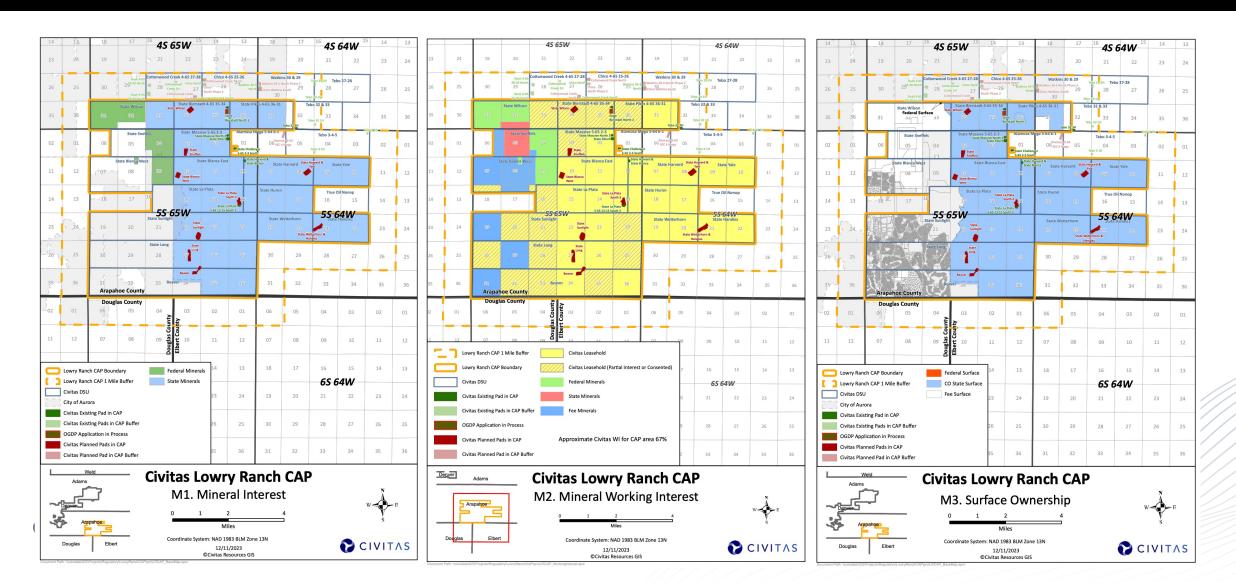


# Rule 314 - Lowry Ranch CAP – Exhibit K-1





### Rule 314 - Lowry Ranch CAP - Exhibit M-1 -- M-3



# Lowry Ranch CAP – Schedule of Operations

Pad	Ops Phase	2024					2025				2026				2027				2028		
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
State Bierstadt North 2 Phase 2	Drill Complete Production Start																				
State La Plata Phase 2	Drill Complete Production Start																				
State Harvard	Drill Complete Production Start																				
State Wetterhorn	Drill Complete Production Start																				
State Sunlight-Long	Drill Complete Production Start																				
State Blanca	Drill Complete Production Start																				
Beaver	Drill Complete Production Start																				
State Wilson	Drill Complete Production Start																				
State Sneffels	Drill Complete Production Start																				

subject to change



## Best Management Practices – Lowry Ranch CAP Sites

#### Construction

- Install soundwalls on western and central CAP locations (Beaver, State Sunlight-Long, State Wilson, State La Plata, at minimum) for the entirety of Drilling and Completions operations
- Build pads with impervious pad surfaces and stormwater control measures
- Deploy erosion and dust control measures on all pad sites and access roads
- Maintain an ERP/TRP with the local fire department and remove vegetation surrounding our locations, to minimize and mitigate the unlikely event that there is a fire off or on location

#### Drilling

- Traffic will be routed north and east (towards Quincy Ave or Yale Ave, to Watkins Rd) for all operations
- Utilize Tier IV Equivalent (lower emission) rig engines, or grid-power if feasible
- Utilize Group III (low odor) drilling mud
- Angle and/or screen rig lights to mitigate visual impact
- Install polyethylene liner under rig during operations





## Best Management Practices – Lowry Ranch CAP Sites

#### Completions

- Traffic will be routed north and east (towards Quincy Ave or Jewell Ave, to Watkins Rd) for all operations
- Install temporary surface pipe to transport freshwater to site to reduce truck traffic
- Utilize Tier IV equivalent (lower emissions) engines on completions equipment
- Flowback wells through permanent production facility

#### Production

- Install gas and oil takeaway pipelines for all sites
- Install water takeaway pipelines for sites proximate to RBUs and Aurora Reservoir (Beaver, State Sunlight-Long, State Blanca, State Sneffels), with onload point to east
- Power production facilities with grid power
- No permanent lighting on location, and facilities will be painted "desert tan" (or similar) to blend with landscape





# Lowry Ranch CAP - Community Outreach

- 11/02/2023 State Harvard-Yale, State Wetterhorn-Handies, State La Plata (virtual, 3 attendees)
- 12/20/2023 State Sneffels Neighborhood Meeting (virtual, 3 attendees)
- 2/27/2024 State Blanca, State Sunlight-Long, State Wilson, Beaver Neighborhood Meeting (in-person, approximately 65 attendees)
- Continual communication via multiple outreach channels (below) 150+ individual conversations

Lowry Ranch CAP inbox: <a href="mailto:lowryranchcap@civiresources.com">lowryranchcap@civiresources.com</a>

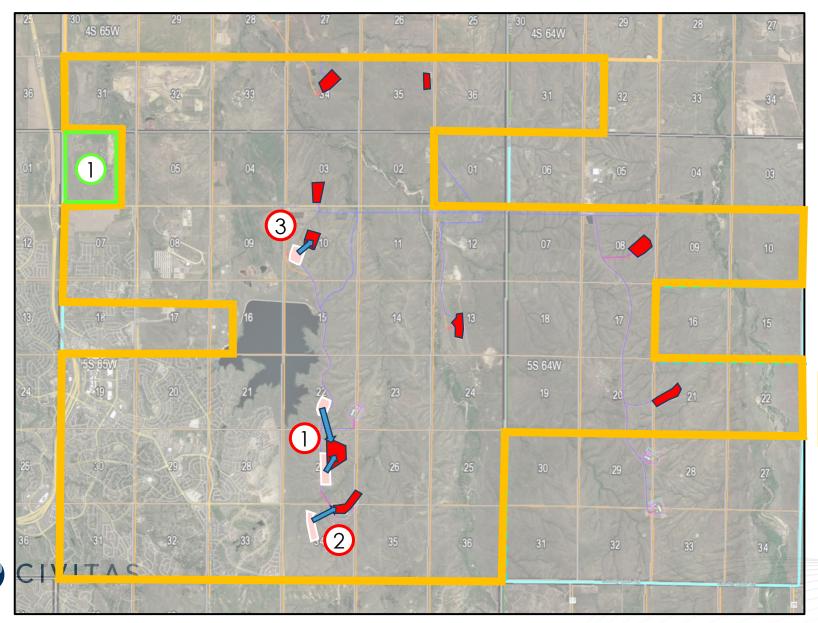
Civitas Community Relations: <a href="mailto:communityrelations@civiresources.com">communityrelations@civiresources.com</a>

Lowry Ranch CAP hotline: 720-279-9842

LR CAP website: <a href="https://www.civitascommunityrelations.com/lowry-ranch-cap">https://www.civitascommunityrelations.com/lowry-ranch-cap</a>



# <u>Lowry Ranch CAP – Project evolution</u>



#### Pad siting changes

- State Sunlight/Long re-siting
- 2. Beaver re-siting
- 3. State Blanca re-siting

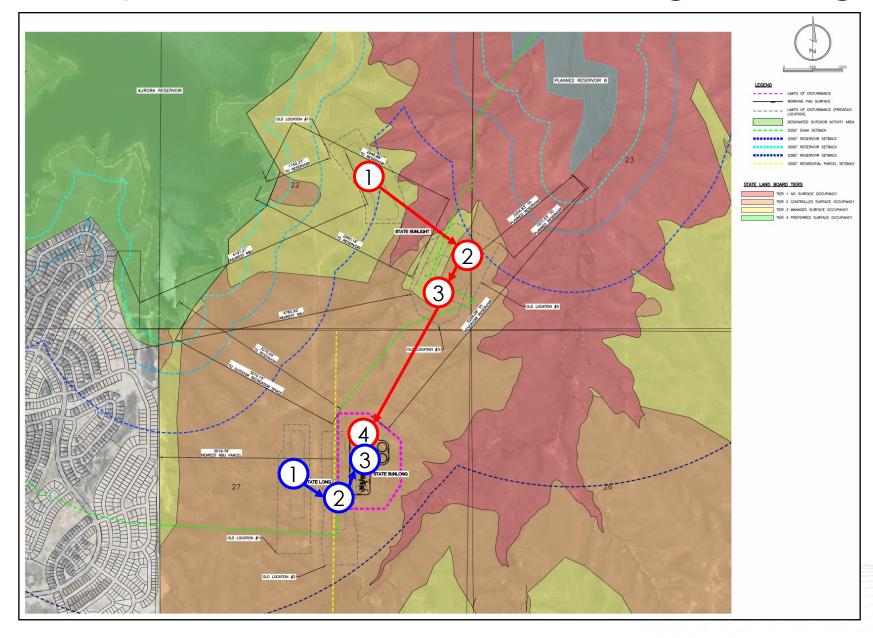
#### **Lowry Landfill cutout**

1. Superfund Site (removed from development plan)

#### **Current CAP boundary**



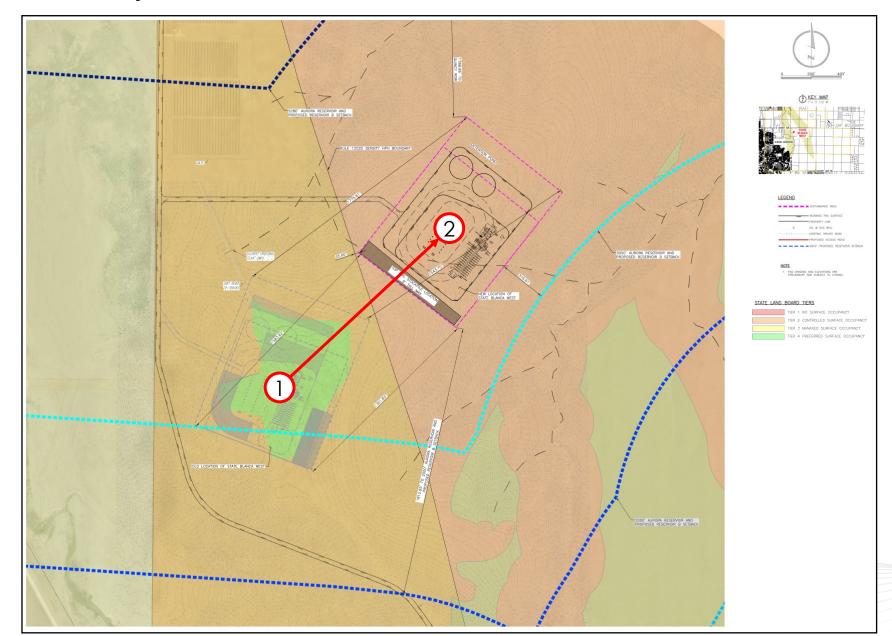
### <u>Lowry Ranch CAP – State Sunlight/Long modifications</u>



- 1. Original Oct 2022 State Sunlight
- Amended Apr 2023 State Sunlight

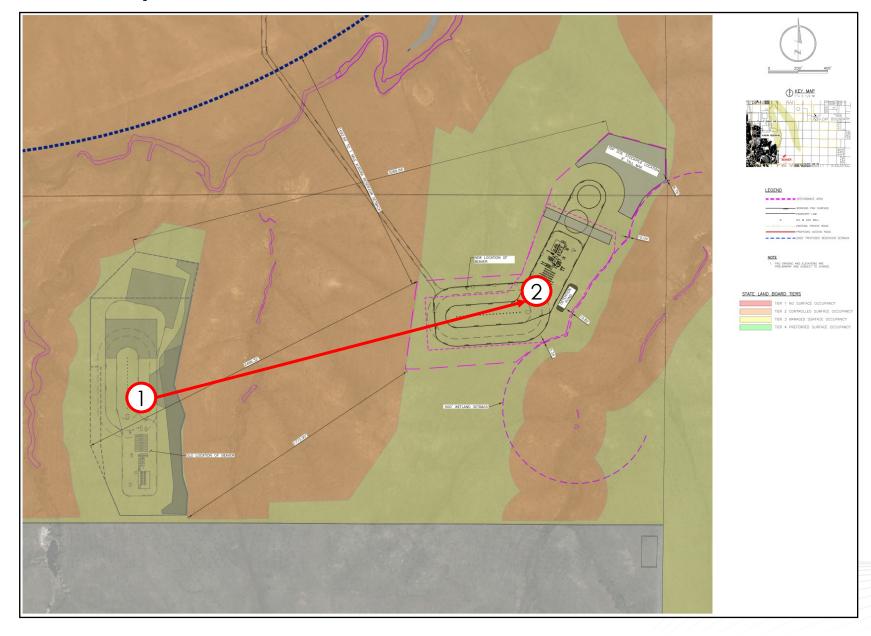
   proactively moved to improve
   setbacks from residences and
   Aurora Reservoir
- Amended Oct 2023 State
   Sunlight shifted to improve setback to Planned Reservoir B
- Final Jan 2024 State Sunlight shifted to further improve setback to Planned Reservoir B; merge with State Long
- 1. Original Oct 2022 State Long
- Amended Apr 2023 State Long proactively moved to improve setbacks from residences and Aurora Reservoir
- Final Jan 2024 State Long shifted to further improve setback from residences and DOAA; merge with State Long

# <u>Lowry Ranch CAP – State Blanca modifications</u>



- 1. Original Oct 2022 State Blanca
- Amended Jan 2024 State
   Blanca moved to improve
   setback from DOAA to south,
   and moved out of Mule Deer
   HPH

# <u>Lowry Ranch CAP – Beaver modifications</u>



- 1. Original Oct 2022 Beaver
- 2. Amended Apr 2023 Beaver proactively moved to improve setbacks from residences and wetlands

### Questions submitted in Zoom Q&A

Please submit questions via Zoom Q&A

- Panel of Crestone Representatives:
  - Dan Harrington
  - Kathy Steerman
  - Nathan Bennett
  - Rich Coolidge



- Please discuss regulations governing locations of drilling sites, noise levels, and drilling in residential areas.
- When did the State of Colorado approve these drilling sites?
- How long will these sites be active, and will the area be extended in the future?
- Exactly where are the boundaries of the 32,000 acres?
- Please identify the three existing north-south roads south of Quincy Avenue and the east, west and central roads.
- Please describe BMPs for wildlife, in particular for pads in HPH.
- Why must the well pads be located where they are (relative to homes, reservoir, schools, community areas)?
- Where is the haul route for the water being used for the first phase of the fracturing?
- Will there be noise pollution from this site?
- Will there be any pollution or emissions or smells from this site?
- Who will be responsible for capping off wells, dismantling pad sites, and other clean-up activities once wells are no longer active?
- What is the location or name of the horizontal well that will be producing outside the CAP boundary?
- Why aren't setbacks at least 5,280 feet from closest home and/or reservoir?

- What environmental and safety measures are planned?
- How will you ensure that the pipelines used for produced water and oil won't leak and ruin the land and expose us to harmful chemicals?
- Why don't you believe any of the peer reviewed science that exists around hydraulic fracturing?
- Describe Civitas' processes for identifying and assessing local risks such as oil spill, drilling-induced earthquakes, water contamination, detonation of UEO, impacts to threatened wildlife, etc.
- Does the possibility of an earthquake increase, similar to the ones in Weld County over the past 15 years?
- How can you demonstrate from pre-testing for seismic activity safety, that fracking right next to the Lowry Ranch Superfund Site won't cause any leaks into the groundwater? How can you demonstrate that fracturing underneath the Aurora Reservoir and dam will not cause any issues of concern?

- Will there be impacts anticipated on home values in the area?
- Is there a monetary incentive for participating in the project? Will there be ongoing remunerations to homeowners with mineral rights within the CAP boundary who provide consent?
- What is the process with the rights if we were to sell our property in the future?
- How much has Civitas donated without expectations to Arapahoe County and the City of Aurora?
- If we currently lease our property to other tenants, are there requirements to notify the tenants regarding mineral operations?
- Will any of you relocate to the area near the CAP?
- Why should this be allowed to affect Colorado air quality if all the profits are going to a Canadian corporation?
- How will this affect ground water (will our water bills go up)?
- What happens to property taxes?
- Who will be responsible for making landowners/residents whole for losses incurred during the construction, operation/production, and shut-down stages?
- If the Operations phase duration is six years and the Production is listed as "up to 25 years", who will become responsible for operations as well as possible losses to landowners/residents if Crestone or Civitas Resources become insolvent or are no longer involved?

- Why don't you repurpose to geothermal and renewables?
- What is your response to the reports on the rapid acceleration of climate change?
- Describe the climate-related risks Civitas has identified over the short-, medium and long-term as they related to the proposed project. Describe Civitas' role in assessing and managing climate-related risks related to the proposed project.
- How does your company help support efforts to stop climate change?



### ECMC CAP Application Process and Upcoming Dates

- ECMC Lowry Ranch CAP Application History:
  - October 27, 2022: Original Application Submitted
  - April 28, 2023: Amended Application Submitted
  - January 30, 2024: Second Amended Application Submitted
  - February 23, 2024: ECMC Issues Completeness for CAP Application
  - February 27, 2024: Notice of Hearing and CAP Application Mailed
  - April 11, 2024: Virtual Informational Meeting
- Upcoming Dates:
  - Public Comment Period: May 3, 2024
    - https://ecmc.state.co.us/permits4.html#/CAP
  - Petition Deadline: May 27, 2024
  - ECMC Hearing Date: June 26, 2024



# Lowry Ranch CAP – Contact Information

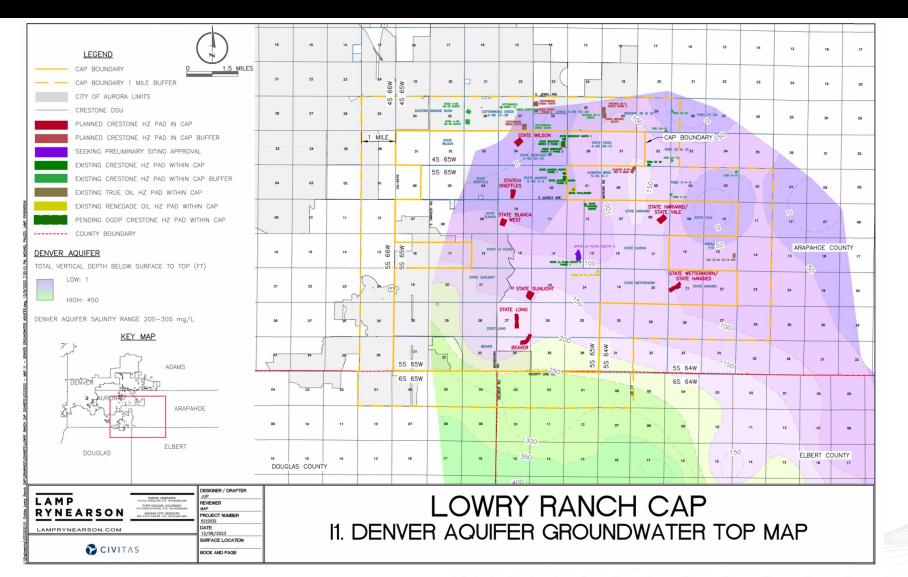
- For any questions you may have after the conclusion of this Informational Meeting, please reach out to:
  - lowryranchcap@civiresources.com
  - 720-279-9842
- You can find updates on the Lowry Ranch CAP project (including this slide deck) at:
  - https://www.civitascommunityrelations.com/lowry-ranch-cap
  - https://ecmc.state.co.us/permits4.html#/CAP



# Backup – Additional Rule 314 Exhibits

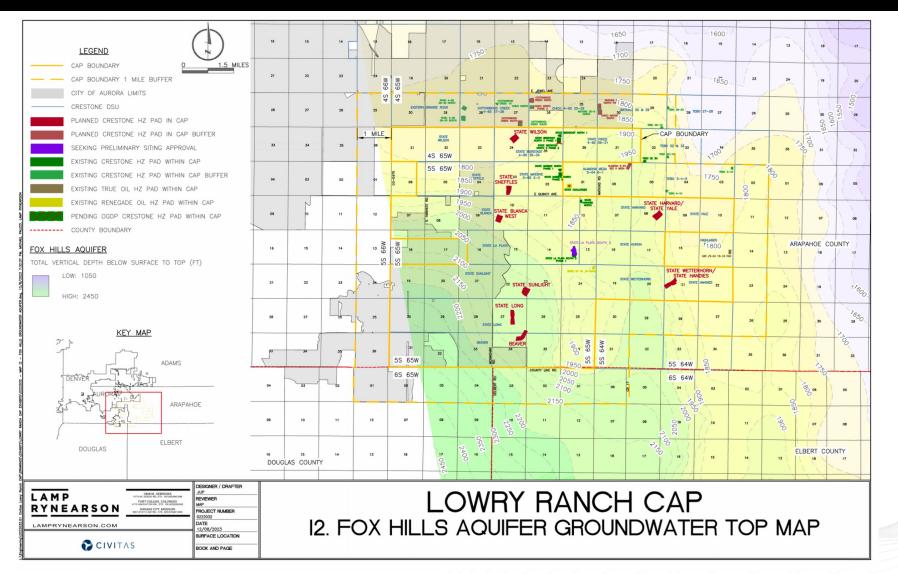


# Rule 314 - Lowry Ranch CAP – Exhibit I-1



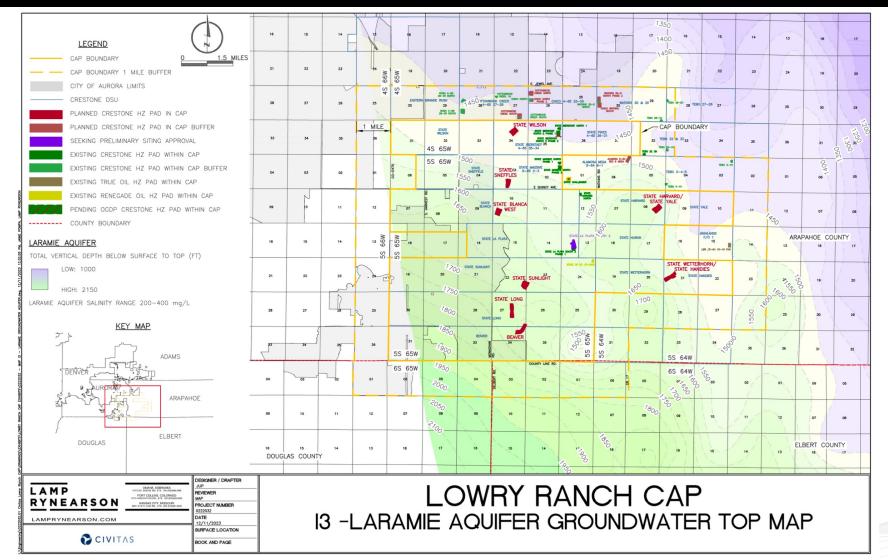


# Rule 314 - Lowry Ranch CAP - Exhibit I-2



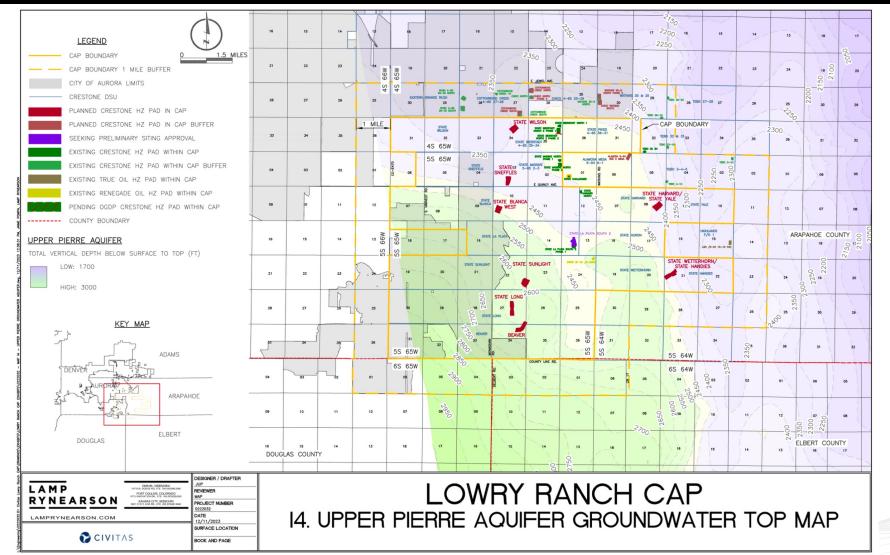


# Rule 314 - Lowry Ranch CAP – Exhibit I-3



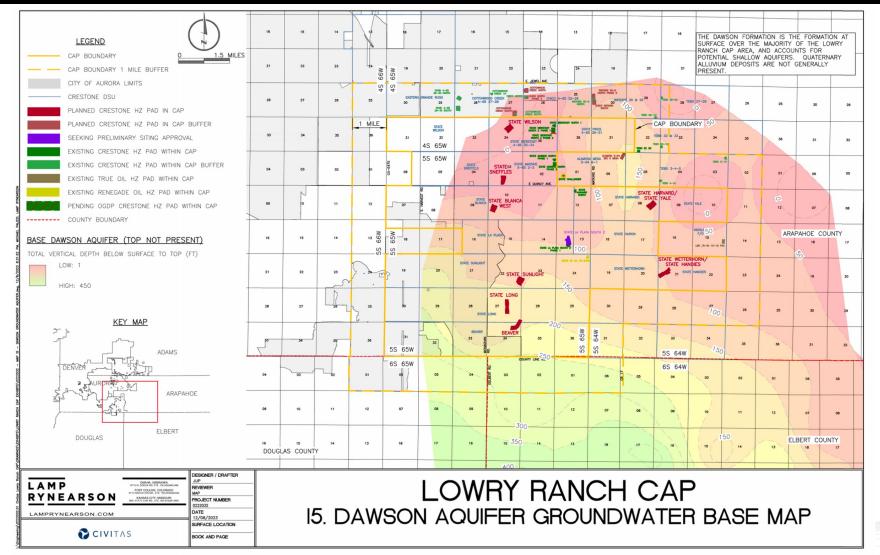


# Rule 314 - Lowry Ranch CAP - Exhibit I-4



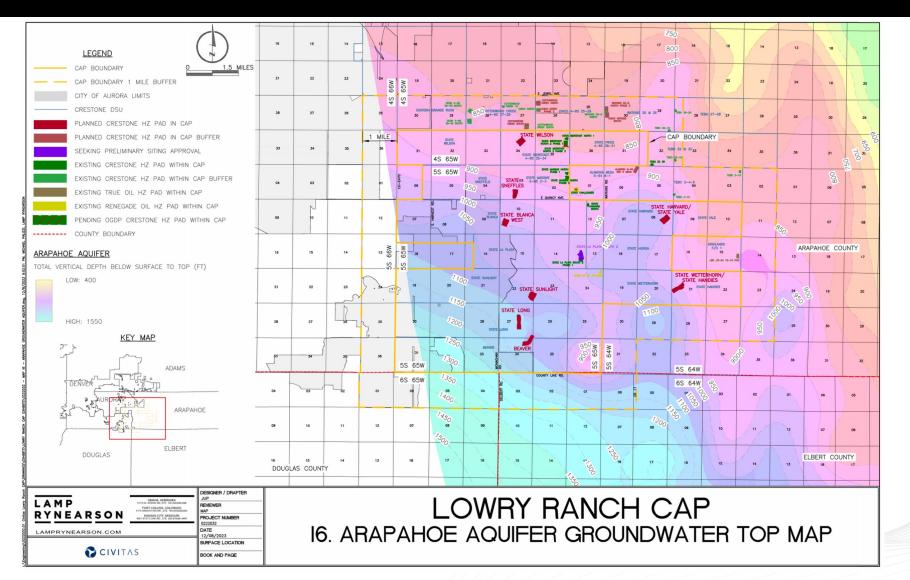


# Rule 314 - Lowry Ranch CAP – Exhibit I-5



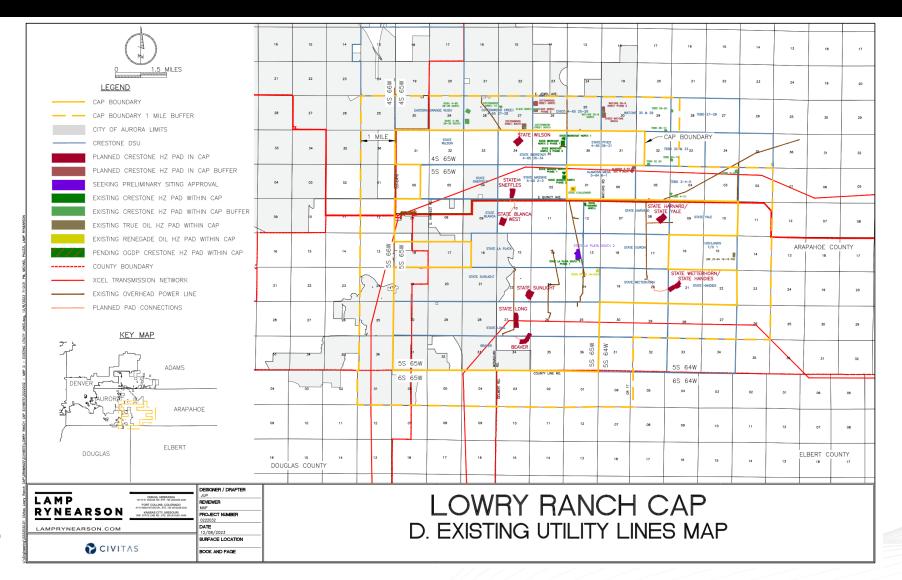


# Rule 314 - Lowry Ranch CAP - Exhibit I-6



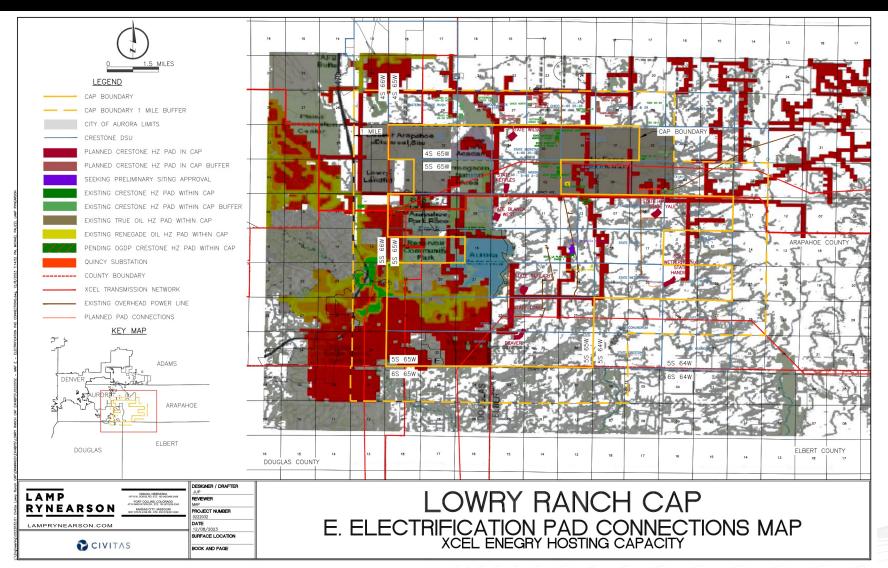


### Rule 314 - Lowry Ranch CAP – Exhibit D



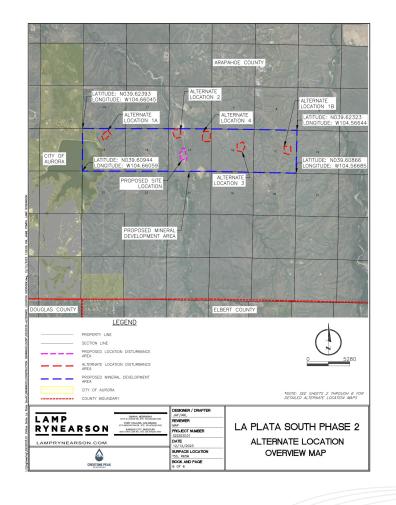


### Rule 314 - Lowry Ranch CAP – Exhibit E



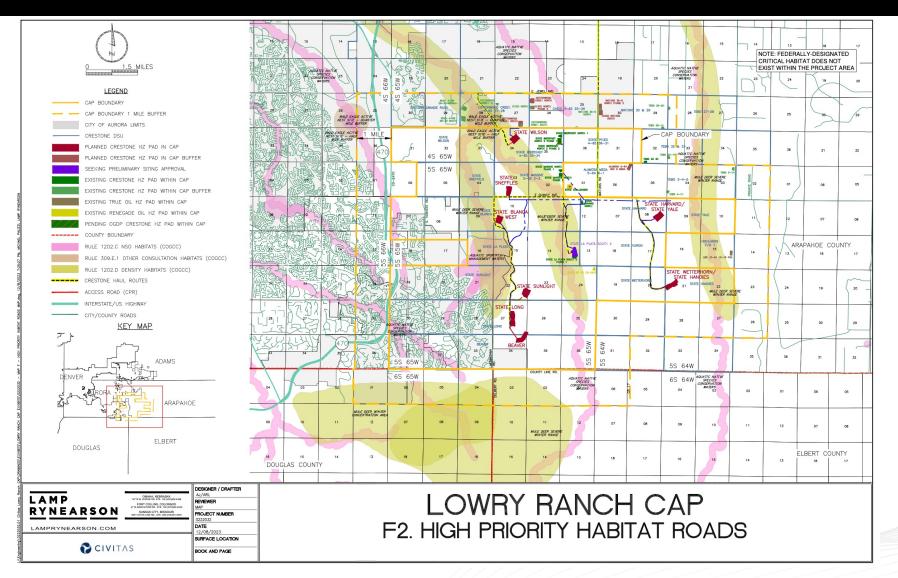


### Rule 314 - Lowry Ranch CAP – Exhibit P Preliminary Siting Approval Request – State La Plata Site



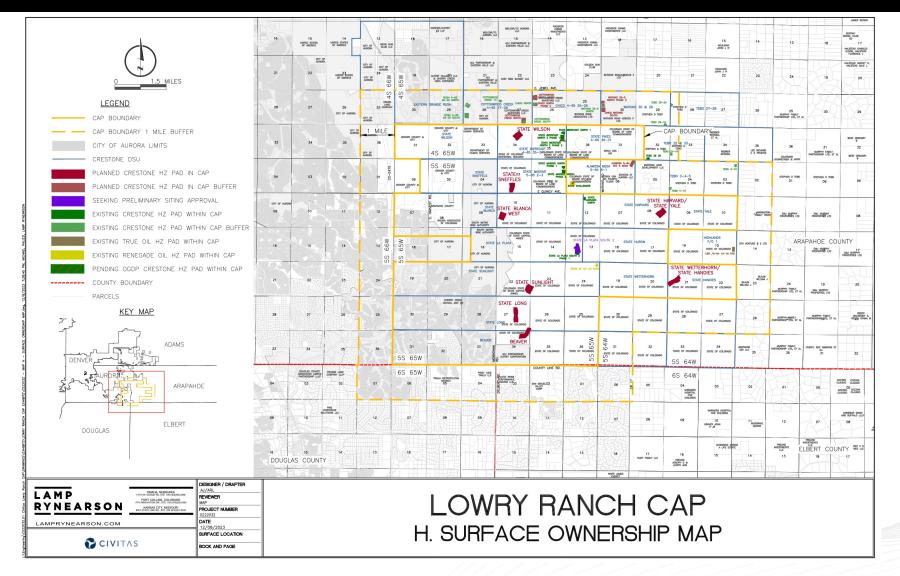


### Rule 314 - Lowry Ranch CAP – Exhibit F-2



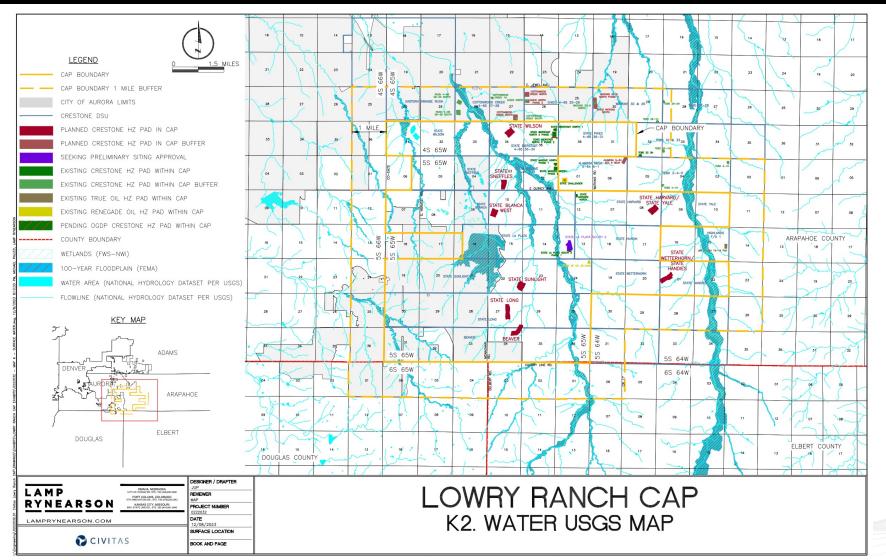


### Rule 314 - Lowry Ranch CAP – Exhibit H





### Rule 314 - Lowry Ranch CAP – Exhibit K-2





### Rule 314 - Lowry Ranch CAP – Exhibit L

