

# ADMINISTRATIVE SPECIAL USE PERMIT

## ROUTT COUNTY BOARD OF COUNTY COMMISSIONERS

Permit No.: 94-222

Owner: Robert Bayless

Address: 621 17th St., Ste 1640, Denver CO 80293 303-296-9900

Type of Use: Transfer of Oil Well Special Use Permit #85-P-025 from Harvey Operating and Production Co and Energy Reserves Group.

Location/Legal Description: Eilts Bradley #1-14, SE4 SE4 Section 11, NE4 NE4 Section 14, Township 6 North, Range 87 West

Period of Permit: Life of Use

Approval Date: May 18, 1994

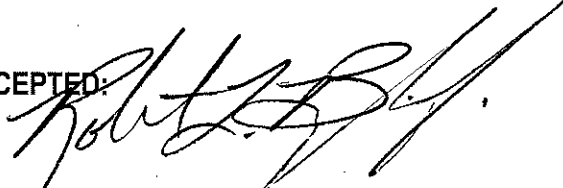
Conditions of Approval: See attached conditions on pages 3, 4, and 5 of Resolution #85-P-025

### PERMIT ISSUED BY:

  
Caryn Fox, Staff Planner

2-17-95  
Date

### ACCEPTED:

  
Robert L. Bayless, Jr. Attorney-In-Fact  
Permittee

April 12, 1995  
Date

COUNTY OF ROUTT )  
                  )ss.  
STATE OF COLORADO)

RESOLUTION #85-P-025 Special Use Permit  
to Drill and Operate an Oil/Gas Well,  
Off-Site Pipeline and Tank Battery  
Energy Reserves Group, Inc.

*file*  
Exhibit "B"

WHEREAS, the Board of County Commissioners for the County of Routt, State of Colorado, has duly received a petition from Energy Reserves Group, Incorporated for a Special Use Permit to drill and operate an oil/gas well and construct an off-site pipeline and tank battery on land zoned Agriculture-Forestry;

WHEREAS, all necessary data has been submitted and all required fees have been paid on behalf of the petitioner;

WHEREAS, the petition has been reviewed by the Routt County Regional Planning Commission which has submitted an advisory report recommending approval with the following conditions:

**STANDARD CONDITIONS**

1. A bond or other acceptable surety shall be posted with the Routt County Planning Department for reclamation of all disturbed areas, including, but not limited to, access roads and drill site. Said bond shall be 150% of anticipated reclamation costs. Verification of reclamation costs shall be submitted with the bond.
2. A certificate of liability insurance for a minimum of \$500,000 shall be filed with the Routt County Regional Planning Department. Routt County shall be named an additional insured for this operation. Certificates of renewal must also be filed with the Planning Department throughout the approved period of the Special Use Permit.
3. Well is to be drilled within two (2) years or a new Special Use Permit shall be required.
4. Transfer of this permit shall occur only after review by the Board of County Commissioners and after filing of a statement by said prospective operator indicating compliance with all terms of the existing Special Use Permit.
5. The County Planning Department is to be notified of:
  - a. The approximate date the drilling rig will commence drilling within 48 hours after the drilling rig arrives
  - b. The depth of the well
  - c. The number of the drilling rig
  - d. The name of the drilling company
6. The tank battery shall be bermed to contain spills.
7. The well area is to be bermed or cellared.
8. Sanitary facilities must be provided at or near the extraction site.
9. Net or wire enclosures are to be used over trash pits.
10. Weed control is to be exercised along constructed roads or disturbed areas.
11. Oil cellars shall be left free of oil, or the area shall be protected with netting or wire enclosures to prevent intrusion of waterfowl.
12. Spills are to be cleaned up without burning whenever possible. If burning is necessary, a Colorado State open burning permit shall be obtained and the Routt County Sheriff's Department shall be notified.

13. The well is to be cased with sealed pipe to at least a depth of 300 feet.
14. If the oil or gas well is not productive, the following reclamation procedures will apply:
  - a. Topsoil will be stockpiled. Site will be regraded to original contours, topsoil replaced, and the area revegetated in accordance with Soil Conservation Service recommendations.
  - b. Roads not to be retained for use by the surface property owner will be regraded to reflect natural contours, waterbarred and revegetated in accordance with Soil Conservation Service recommendations.
15. If the oil or gas well is productive, the following reclamation procedures will apply:

The drill site will be graded so as to reduce the disturbed area necessary for tank battery, pump, etc. Areas not devoted to production should be revegetated in accordance with Soil Conservation Service recommendations.
16. Underground pipelines on site are to be revegetated.
17. The applicant shall pay all reasonable attorney and court expenses incurred if Routt County deems it necessary to enforce any conditions of this Special Use Permit.
18. Drilling fluids shall be contained on site or disposed of in an area approved by the Department of Environmental Health. Chemicals used shall be biodegradable and non-toxic. If drilling fluids are not biodegradable or if they are toxic, the pit shall be lined with impermeable materials.

#### SPECIFIC CONDITIONS

1. If a U.S. Army Corps of Engineers 404 permit is required for the tank battery, it shall not affect the commencement of the balance of the Special Use Permit. However, no tanks shall be constructed until a 404 permit is received.
2. The pipeline and bridge shall be engineered to safely accommodate the transmission of additional oil and to prevent all possibility of leakage, either on the ground or into the river.
3. The tank battery shall be bermed to accommodate the entire contents of the tanks and to prevent spillage of oil into the river. The berm shall also prevent river water from entering the tank battery site.
4. The tanks and pipeline shall be painted an earthtone color to blend with the surrounding area.
5. The pipeline shall be buried and shall be revegetated in accordance with Soil Conservation Service recommendations. A provision shall be made for expansion and contraction of the pipe; i.e. offset at 90° or swing joints, in the river area.
6. The petitioner shall consult the Division of Wildlife to determine what, if any, mitigation measures must be taken to alleviate wildlife impacts.
7. The petitioner shall contact the coal operator in the area to determine if any precautions must be taken to prevent further impacts to the adjacent subsidence areas.
8. The cuts and fills of the access road shall be reseeded in accordance with Soil Conservation Service recommendations, to prevent erosion of the road edges.

9. The operator shall supply fire extinguishing equipment and employ such methods as are necessary to ensure that drilling and pumping operations will not cause brush fires. Water for fire fighting shall be obtained by the operator and be available at all times during drilling operations.

WHEREAS, the Board of County Commissioners for the County of Routt, State of Colorado, held a public hearing on the matter, notice of said hearing having been advertised according to law;

NOW, THEREFORE, BE IT RESOLVED THAT the Board of County Commissioners for the County of Routt, State of Colorado, hereby approves the Special Use Permit for Energy Reserves Group, Incorporated to drill and operate an oil/gas well and construct an off-site pipeline and tank battery on the following lands:

Well: NE4 NE4 Section 14, Township 6 North, Range 87 West  
Tank Battery: SE4 SE4 Section 11, Township 6 North, Range 87 West  
Pipeline: Will run in the above described areas

BE IT FURTHER RESOLVED THAT the Board of County Commissioners for the County of Routt, State of Colorado, approves the Special Use Permit based upon the facts and testimony presented at the public hearing, subject to the following conditions:

#### STANDARD CONDITIONS

1. A bond or other acceptable surety shall be posted with the Routt County Planning Department for reclamation of all disturbed areas, including, but not limited to, access roads and drill site. Said bond shall be 150% of anticipated reclamation costs. Verification of reclamation costs shall be submitted with the bond.
2. A certificate of liability insurance for a minimum of \$500,000 shall be filed with the Routt County Regional Planning Department. Routt County shall be named an additional insured for this operation. Certificates of renewal must also be filed with the Planning Department throughout the approved period of the Special Use Permit.
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DONE, this 23 day of April, 1985.

ATTEST:

BY THE BOARD OF COUNTY COMMISSIONERS

*Kim Bonner*

*by Cynthia Cheekley*  
Kim Bonner, County Clerk

*William R. Haight*  
William R. Haight, Chairman

VOTE: William R. Haight: Aye  
Paul A. Kenney: Aye  
William C. Mack: Aye