

UPDATE ON OIL AND GAS ISSUES

CITY COUNCIL STUDY SESSION

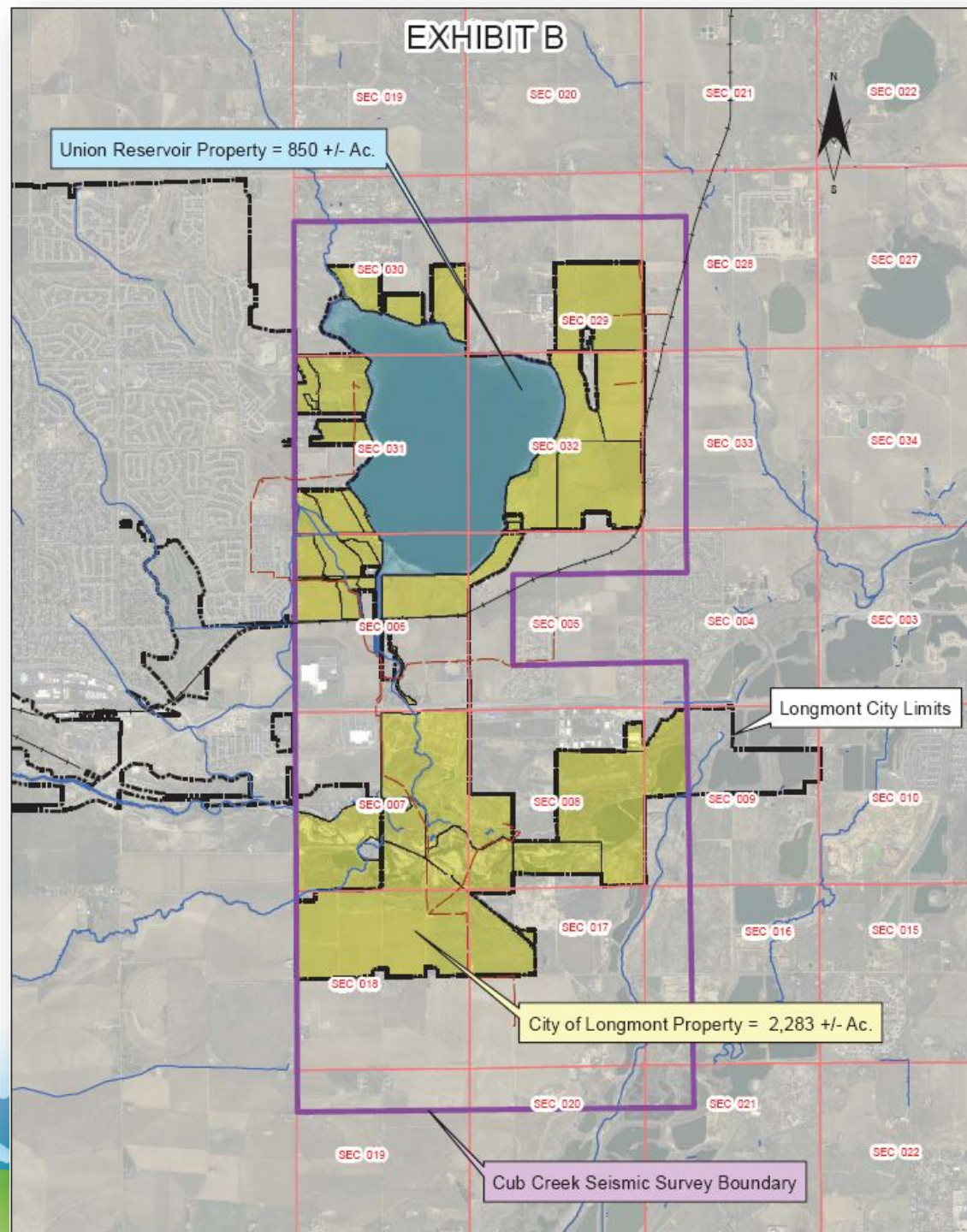
OCTOBER 3, 2017



STUDY SESSION AGENDA

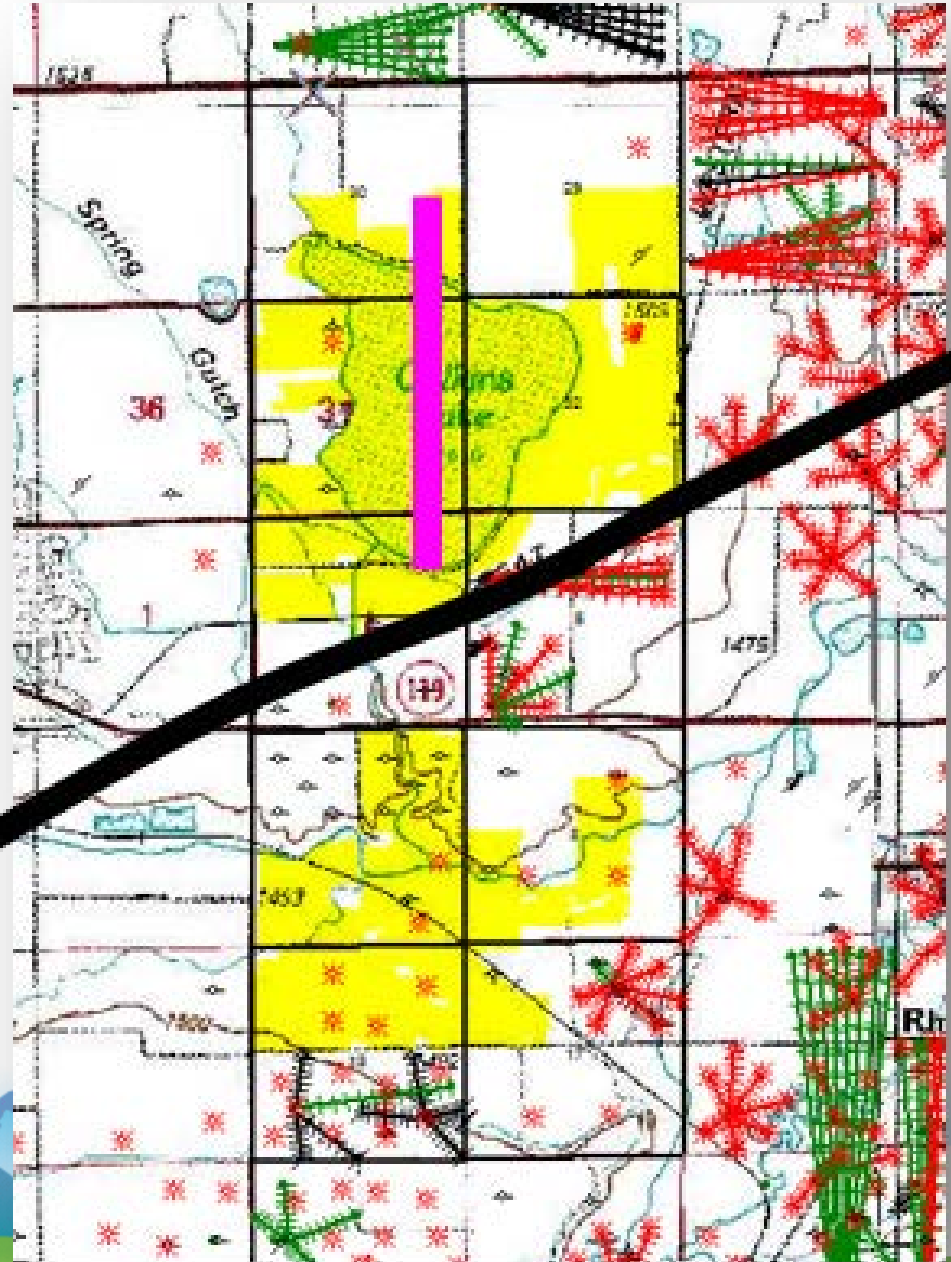
- Update on Seismic Survey
- Review of Master Contract and Drill Locations
- Update on Status of State and Local Permitting
- Ongoing discussions to further limit drilling locations
- Pipeline routing - Routing discussions
- Plug and Abandonment of existing vertical wells

Seismic Survey Area



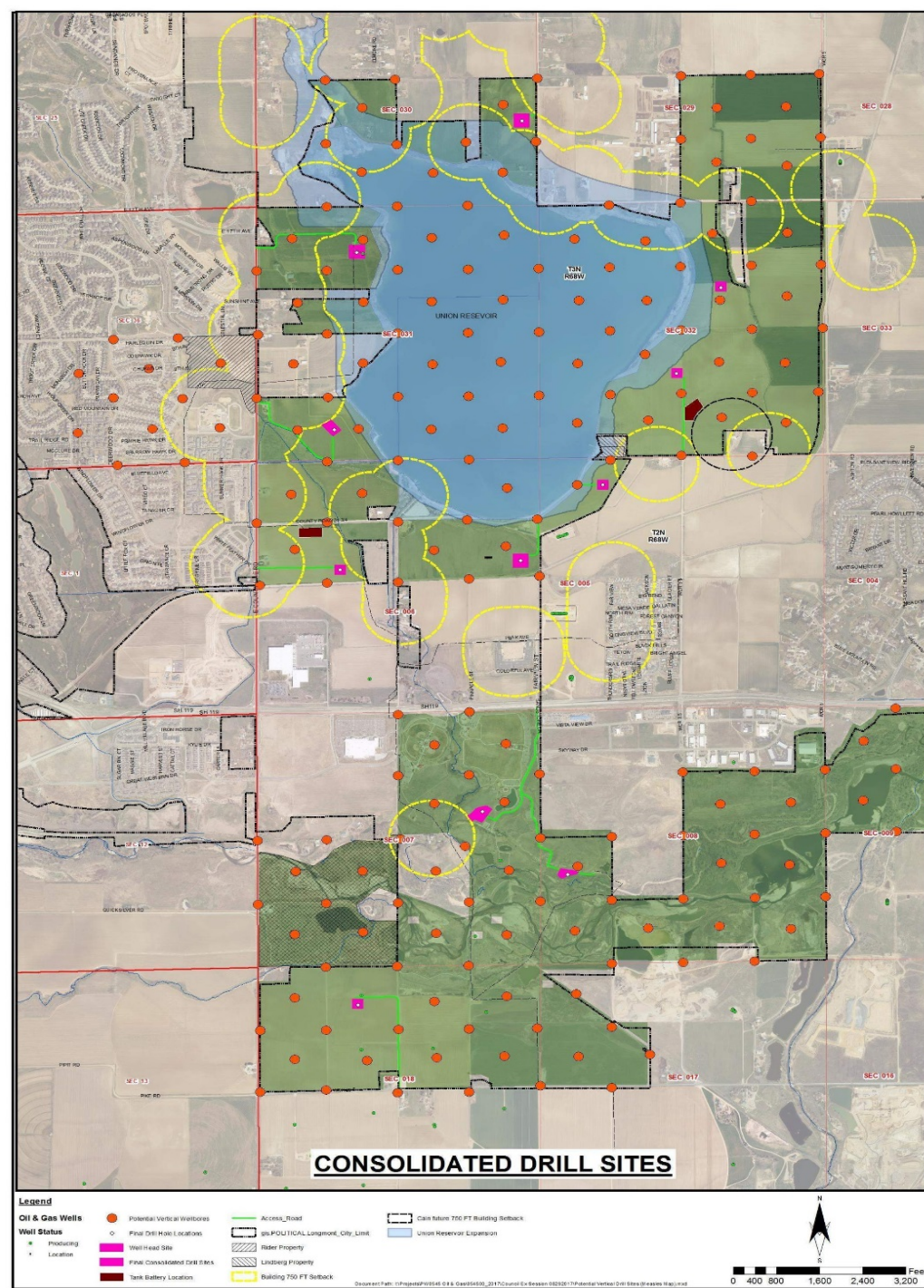
Seismic Survey Information

- Approximate Location of the “Longmont” fault line
- Influences the orientation of horizontal drilling



Typical Drill Spacing and Location

- Previously most wells were either vertical or directional

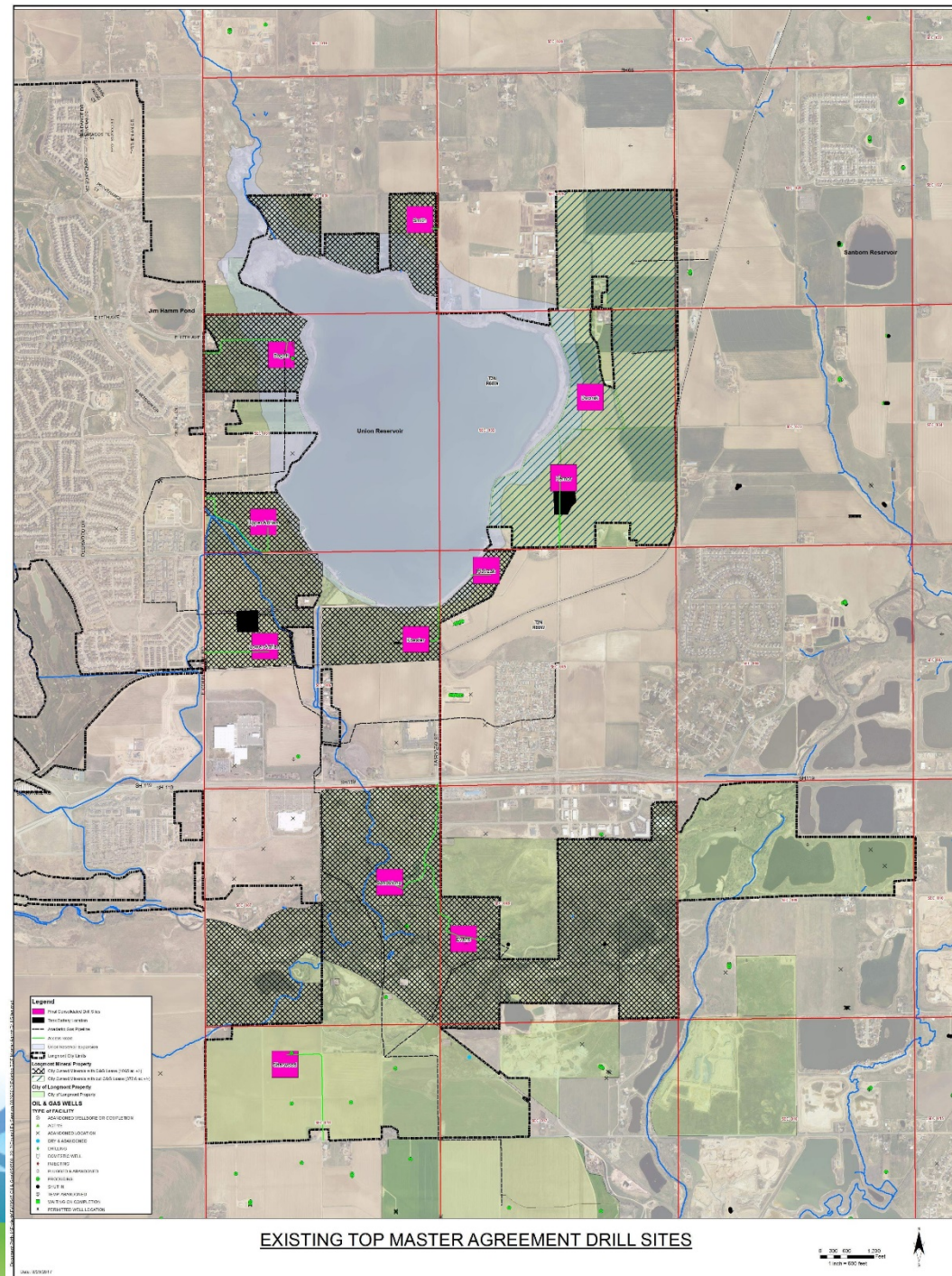


MASTER CONTRACT

- Establishes a comprehensive vision for oil and gas development on City properties located in eastern Longmont
- Achieves a number of policy goals
- Complex business deal involving property purchases, consolidated drill site locations, leases, and reciprocal compensation

Consolidated Drill Locations achieved from the Master Contract

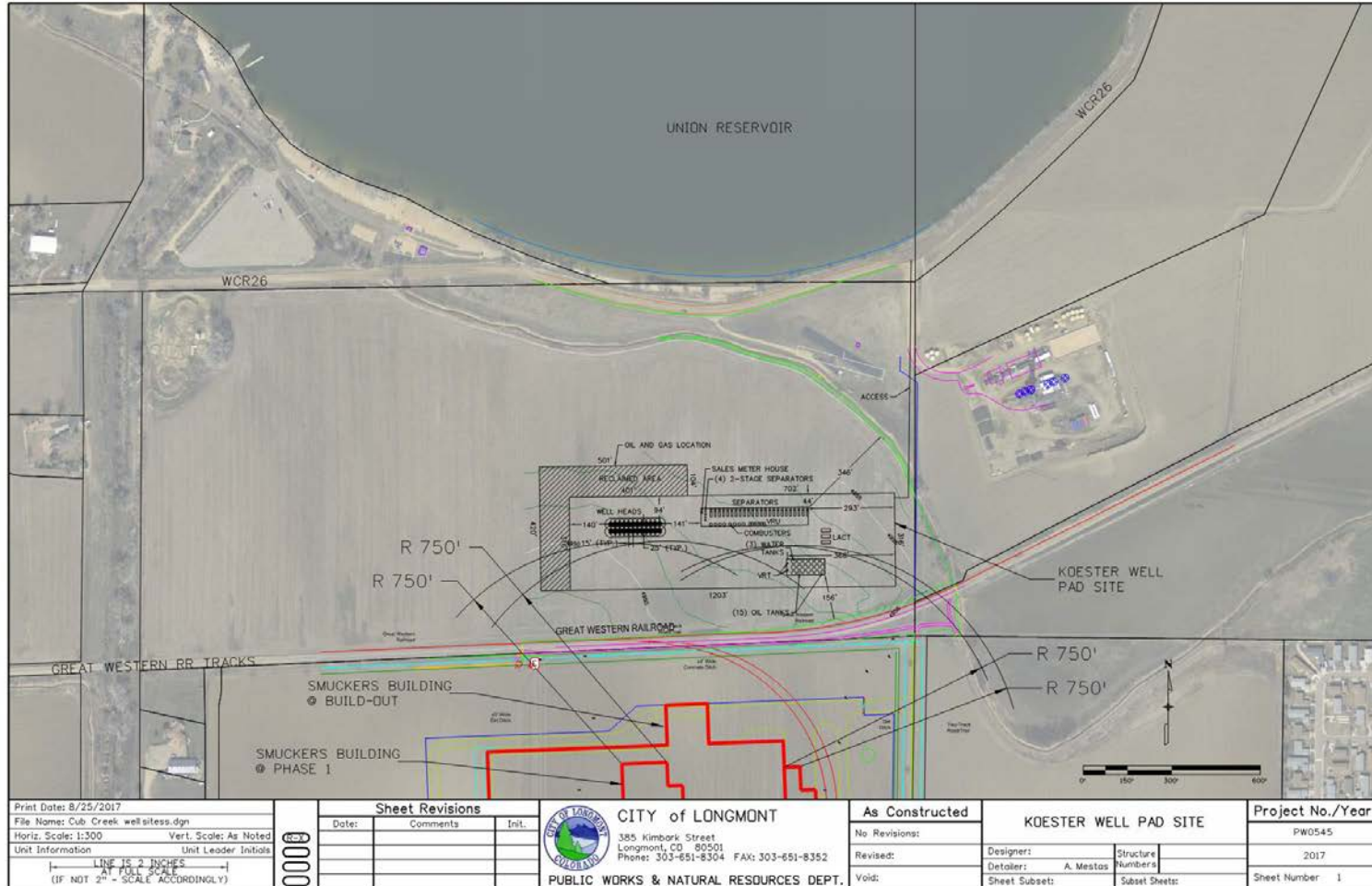
Accomplished a
reduced surface
disruption of a total of
11 drill locations and 2
tank battery locations



Update on Status of State and Local Permitting

- Cub Creek has submitted Limited Use applications to City of Longmont for Koester, Pietrzak and Hernor locations
- City applications in process of review
- Cub Creek has submitted applications to State for same wells
- State approval given to Lower Adrian and Koester. Pietrzak and Hernor in review

Koester Consolidated Drill Location



m:\proj\17\170545.dwg Date: 08/25/2017 08:00:00 AM User: jk...

Print Date: 8/25/2017	
File Name: Cub Creek well sites.dgn	
Horiz. Scale: 1:300	Vert. Scale: As Noted
Unit Information	
Unit Leader Initials	
LINE IS 2 INCHES AT FULL SCALE (IF NOT 2" = SCALE ACCORDINGLY)	

Sheet Revisions		
Date	Comments	Init.


CITY of LONGMONT
 385 Kimbark Street
 Longmont, CO 80501
 Phone: 303-651-6304 FAX: 303-651-6352
PUBLIC WORKS & NATURAL RESOURCES DEPT.

As Constructed
No Revisions:
Revised:
Void:

KOESTER WELL PAD SITE	
Designer:	Structure Numbers
Detailer: A. Mestas	
Sheet Subset:	Subst Sheets:

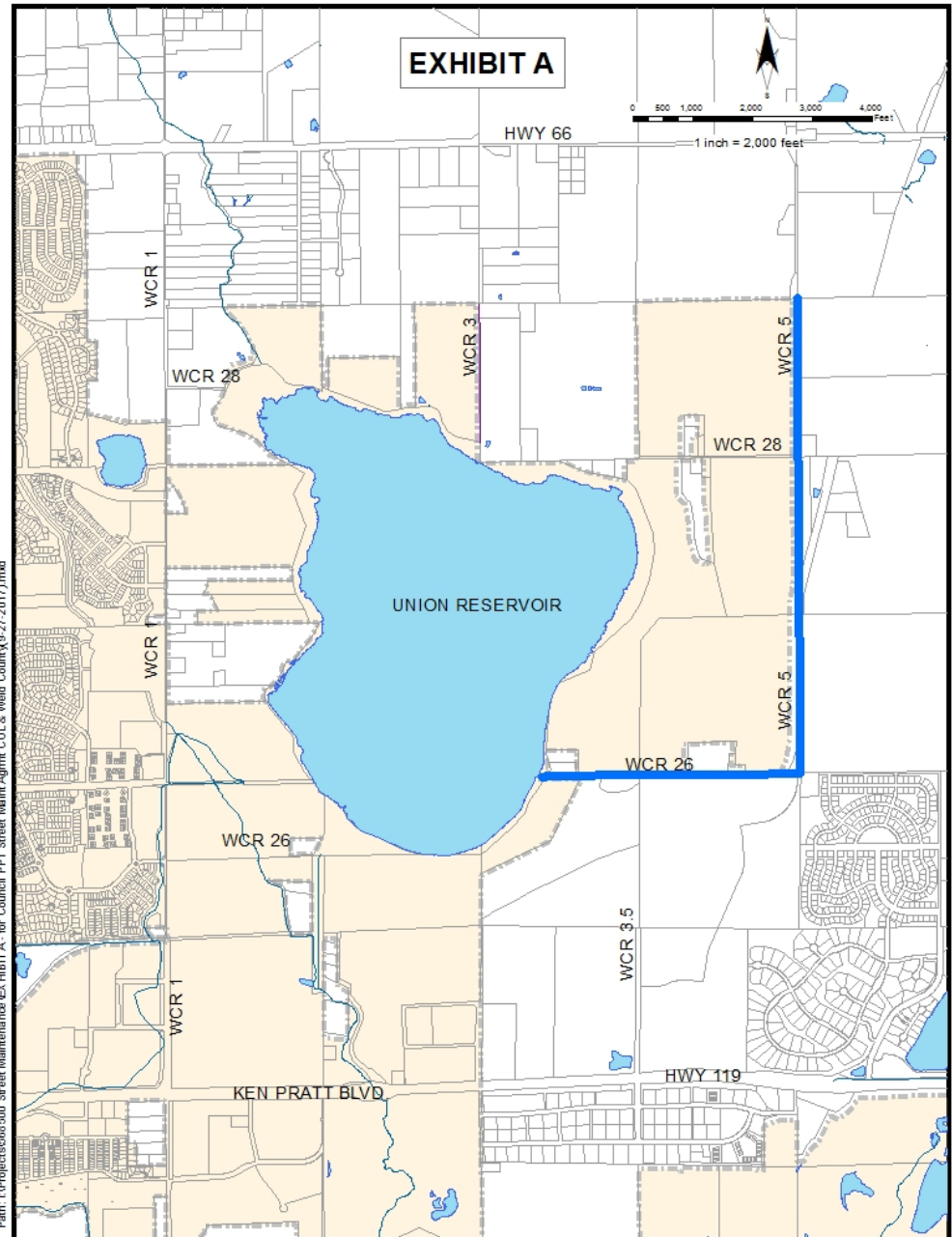
Project No./Year
PW0545
2017
Sheet Number 1

Pipeline Routing Issues

- Pipelines were anticipated in the Master Contract
- Desired to have pipelines extended to consolidated sites to convey oil, gas and produced water
- Routing issues with placement on City property versus County Road right-of-way or other private property

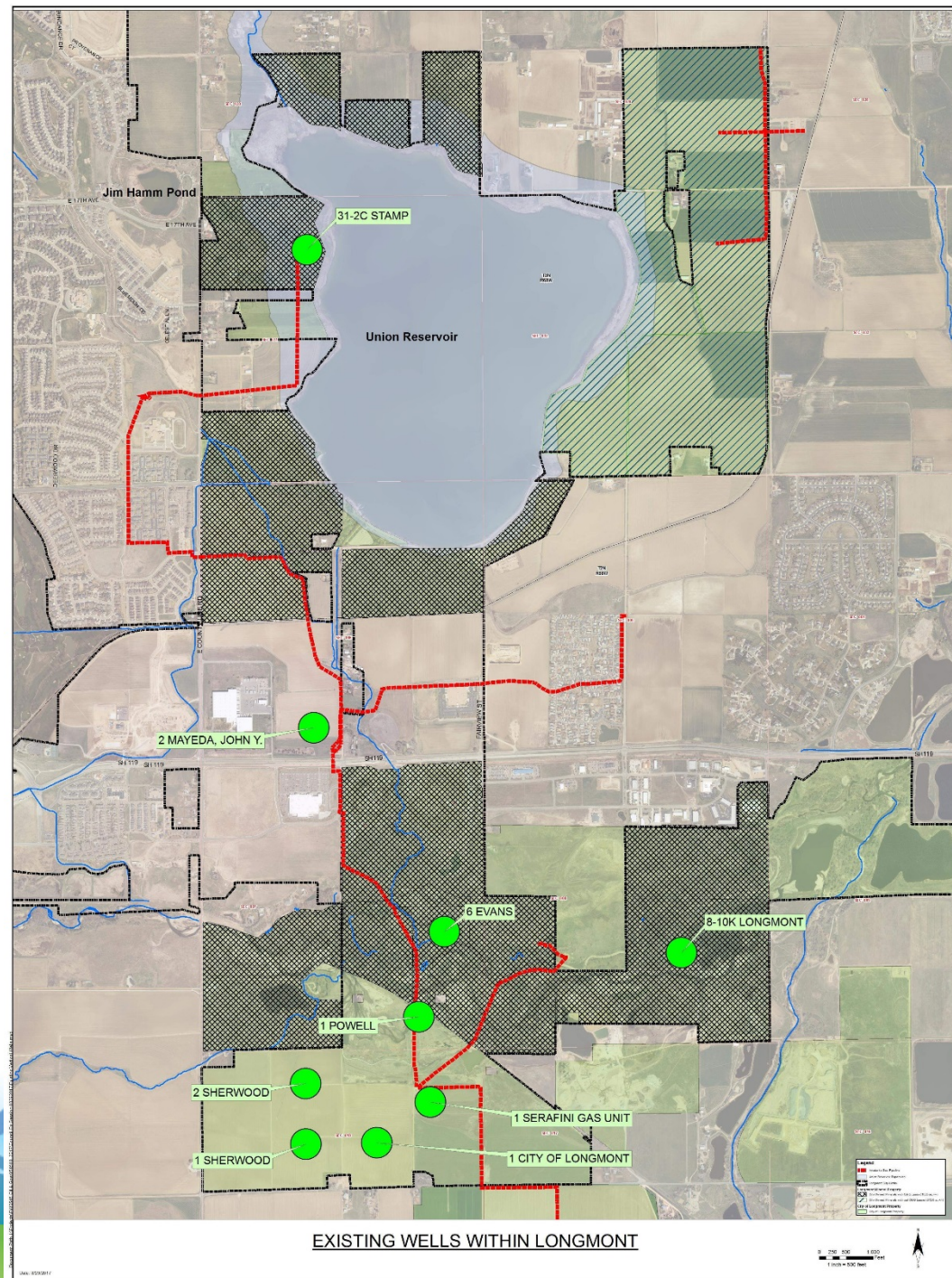
Pipeline Routing Discussions

- Map for possible WCR 5 & 26 pipeline alignment



Plug and Abandonment of existing vertical wells

- Previously achieved P&A of Rider Well
- Achieved commitment to P&A Longmont 8-10 this year – likely this year



Summary

- Staff is continuing with efforts to further limit the number of potential drill locations within the City
- Staff will continue with the local permitting process in accordance with the City Code

Questions?

