

General Conditions:

1. This Special Use Permit (SUP) is contingent upon compliance with the applicable conditions of the Routt County Zoning Regulations (RCZR) including but not limited to Sections 5, 6, 8 and 9. By signing this SUP, Permittee acknowledges that he or she fully read and understands the standards and mitigation techniques described in the RCZR and this SUP and shall abide by same.
2. This SUP is limited to uses and facilities for the Permitted Operation (Operation) as presented in the Approved Project Plan. Any additional uses or facilities must be applied for in a new or amended permit application. [The Approved Project Plan will be a summary of the entire application consisting of one to two pages and containing the “highlights” of the proposed operation to include type of drilling, location of well and pad, depth, stimulation, etc...]
3. Any request for a change of operations shall be submitted to the Local Government Designee of Routt County (LGD) for evaluation. If the LGD, or individual(s) appointed by the Routt County Planning Director, determine that said request would not create impacts to the environment, adjacent property owners, wildlife etc., administrative adjustment to the permit may be made. Should the request create impacts that cannot be mitigated or cannot be determined; the request will be reviewed by the Routt County Planning Commission and Board of County Commissioners in accordance with the RCZR.
4. If, due to changes to the Colorado Oil and Gas Conservation Commission (COGCC) Rules and Regulations, an operational conflict exists between said rules and the conditions set forth herein, Permittee may apply to the Planning Director for an amendment to these conditions. The Planning Director shall request review of the amendment application by the Planning Commission and the Board of County Commissioners.
5. Accessory structures or uses as defined in the RCZR and associated with this permit may be administratively approved by the Planning Director without public notice.
6. This SUP does not provide for the construction of off-site facilities, pipelines or tanks. A new SUP is required for off-site facilities, pipelines or tanks.
7. Permittee shall notify the LGD in advance of all drilling and completion dates, drilling rig arrival and removal, name of the drilling company, and the drilling rig number. Notification shall occur at least fourteen (14) days in advance of drilling or completion.
8. Permittee shall notify the LGD of any violations or citations issued to Permittee by the COGCC or the Colorado Department of Public Health and

Environmental (CDPHE), or a designee thereof, within 72 hours of issuance and provide documentation as to same.

9. Permittee shall notify the LGD of any investigations into *possible* violations by Permittee and the next action to be taken by the COGCC, CDPHE, or designee thereof, within 72 hours of notice as to same.

10. Permittee shall provide all documented results of any inspections conducted by COGCC or CDPHE personnel within 72 hours of receipt.

11. This SUP is contingent upon Permittee obtaining and complying with any required federal, state and other local permits and the Permittee shall comply with all federal, state, and local laws. Permittee shall notify the LGD should the Permittee have any required permit denied, revoked, or suspended. Denial, revocation, or suspension of any required permit shall be grounds for revocation of this SUP.

12. Any land survey monuments shall be recorded in the Colorado Land Survey Monument Records prior to commencement of mining, and if removed, shall be replaced following reclamation.

13. Prior to the issuance of this SUP, the Permittee shall provide evidence of liability insurance in the amount of no less than \$1,000,000 per occurrence with either unlimited aggregate or a policy endorsement requiring notice to Routt County of all claims made. Routt County shall be named as an additional insured on the policy. The Certificate of Liability Insurance shall include all permit numbers associated with the Operation.

14. The Permittee shall be assessed an annual review fee pursuant to the Routt County Planning Department's Fee Schedule for the life of this SUP and nonpayment thereof may result in a revocation of this SUP. Additional fees for mitigation monitoring will be charged on an hourly basis for staff time required to review and/or implement this SUP and the conditions set forth herein.

15. This SUP shall not be issued until all fees have been paid in full. Failure to pay fees may result in revocation of this SUP.

16. This SUP is granted for the following time periods:

a. Oil and gas exploration: drilling shall occur within one (1) year. Interim reclamation shall occur no later than three (3) months on crop land or six (6) months on non-crop land. Crop land shall mean lands which are cultivated, mechanically or manually harvested, or irrigated for vegetative agricultural production.

b. Oil and gas testing: eighteen (18) months with administrative renewals after that if appropriate.

c. Oil and gas production: Life of active production.

17. Transfer of this SUP may occur only after a statement has been filed with the Planning Director by the transferee guaranteeing that they will comply with the terms and conditions of the permit. Bonds, insurance certificates, or other security required by this SUP shall also be filed with the Planning Director by the transferee to assure the work will be completed as specified. Any proposal to change the terms and conditions of this SUP shall require a new permit.

18. Any complaints or concerns which may arise from the Operation may be cause for review of this SUP, at any time, and amendment or addition of conditions, or revocation of the permit if necessary.

19. In the event that Routt County commences an action to enforce or interpret this SUP, the substantially prevailing party shall be entitled to recover its costs in such action including, without limitation, attorney fees.

20. Permittee shall follow the COGCC requirements for initial and ongoing site security and safety measures. Such requirements shall adequately address security fencing, the control of fire hazards, equipment specifications, structural stabilization and anchoring, and other relevant safety precautions. Evidence of compliance with the COGCC requirements shall be provided by Permittee to the LGD.

21. Fencing of all equipment and the well pad shall be installed after drilling operations are complete. All open pits shall be fenced until reclaimed. Access to the Site shall be gated or cattle guards shall be installed.

22. All tanks or hazardous materials containment areas shall be lined and bermed to contain spills. Containment areas shall be designed to hold the contents of the tanks and an additional two (2) feet of freeboard in case of spills or leakage.

23. No junk, trash, or inoperative vehicles shall be stored on the site of the drilling, testing, completion, or production (Property or Site).

24. On-Site toilets shall meet minimum CDPHE requirements for sanitary/sanitation facilities.

25. No pets or firearms shall be allowed on the Property at any time.

26. Fuel, flammable materials, or hazardous materials shall be kept in a safe area and shall be stored in accordance with state and local environmental requirements.

27. No burning will be permitted unless absolutely necessary and only with approval of the Routt County Environmental Health Department and the local

Fire District. Permittee shall also notify the Routt County Communications Center of any planned burn.

28. Flaring of gas during drilling and notice to local emergency dispatch. Any gas escaping from the well during drilling operations shall be, so far as practicable, conducted to a safe distance from the well site and burned. The operator shall notify the local emergency dispatch as provided by the local governmental designee of any such flaring. Such notice shall be given prior to the flaring if the flaring can be reasonably anticipated, and in all other cases as soon as possible but in no event more than two (2) hours after the flaring occurs.

29. Fire suppression equipment shall be kept on the Site pursuant to applicable COGCC rules.

30. All exterior lighting shall be downcast and opaquely shielded with the exception of the drilling rig.

31. A flare arrestor, or other device serving the purpose of a flare arrestor, shall be used to reduce the visibility of flaring to neighboring properties, residences, and public roadways.

32. Tanks, overhead wire, fences, pole tops and other facilities or structures shall be designed so they do not provide perches or nests for raptors, crows, and ravens. Raptor perch deterrents shall also be installed.

33. Permittee shall conform to the noise abatement procedures and standards as set forth in the current COGCC rules.

34. Overweight and over length permits for vehicles shall be obtained from the Routt County Road and Bridge Director prior to the use of such vehicles.

35. All haul roads that are public roads must have adequate signage at intersections and at any other locations that may require signage or additional signage.

36. Access permits shall be obtained to all access roads to be built or improved, which intersect Routt County roads.

37. Routt County has the authority to close any county road at its sole discretion if such road surface would be damaged by its use.

38. Routt County roads shall not be completely blocked at any time. If traffic regulation is deemed necessary, the Permittee shall notify the Routt County Road and Bridge Director in advance (if possible), who may then require:

- a. The Permittee or Permittee's contractor/sub-contractor to place traffic control signage along haul routes and at intersections as specified by the Routt County Road and Bridge Director; and

- b. Flaggers to be placed at the intersections of affected county roads as specified by the Routt County Road and Bridge Director and at the expense of Permittee; and
- c. The Permittee or Permittee's contractor/sub-contractor to supplement regular dust control efforts by application of dust palliative, as approved by the Routt County Road and Bridge Director and the Routt County Environmental Health Department.

39. Directional signs shall be provided by the drilling companies to advise emergency crews where the Operation is taking place. Said signs shall be no more than six (6) square feet and shall be located at the intersection of the county road and point of access to the Site. The Permittee shall also notify the Sheriff's Department of the Site and its access point.

40. Permittee shall provide at least two (2) days advance notification to the LGD or the Planning Director before hauling hazardous materials on county roads. Such notice shall include the type of material being hauled, the intended haul route, dates, and times.

41. Trash and excess drilling fluids and water from on-Site pits shall be transported to an approved disposal site. The Routt County Road and Bridge Director shall have approved the hauling of such materials if on a County Road. If waste materials are hazardous according to state and federal definitions, the wastes must be disposed of in an approved hazardous waste disposal site and records of such disposal shall be provided to the LGD within 30 days of disposal.

42. If unproductive, the drill Site shall be restored to the original or higher use including, but not limited to grading, replacement of topsoil, and revegetation with a seed mix that avoids the use of aggressive non-native grass species. Revegetation shall occur not later than the next planting season following plugging and abandonment of the well.

43. All interim restoration and revegetation and final reclamation shall occur in accordance with the applicable COGCC rules. Permittee shall work with the local Natural Resources Conservation Service, the County Extension Service, and the landowner in furtherance of this condition.

44. All equipment and housing units from the drilling operations must be removed from the site after drilling operations are complete.

45. If the well goes to production, the petitioner shall take measure to reduce the noise to surrounding property and wildlife. This may include, but not be limited to enclosing the pump jack generator, replacing the generator, installing mufflers, or using other mitigation technology.

46. Permittee shall obtain an estimate of the cost of restoration of the Site from a third party qualified professional. Permittee shall furnish a bond in an amount of 150% of the estimated cost of restoration of the site to guarantee site restoration. Such bond shall be payable to and held by the Board of County Commissioners or its agent.

47. Permittee shall strictly adhere to COGCC standards for reclamation.

Specific Conditions

1. [Road maintenance standards from the traffic study]
2. Dust control shall be applied as needed to the private access during construction and use of the access. If dust complaints are received along CR __, the Permittee will work with the Routt County Road and Bridge Department for dust mitigation.
3. Equipment used for the operation will not be visible from adjacent or surrounding residences, or will be mitigated to the extent possible to reduce visual impacts.
4. Permittee shall obtain a permit from the Routt County Department of Environmental Health for sewage and greywater systems prior to installation.
5. On-site reserve pits shall comply with the requirements of RCZR Section 9.8.
6. Reserve pits shall:
 - a. Be impervious to leaching or lined with an impervious membrane
 - b. Be flagged and netted to prevent the intrusion of waterfowl.
 - c. Be fenced to prevent access by livestock or wildlife.
7. All domestic water wells/springs within the project area and outside of the project area to a distance of one (1) mile beyond the furthest point of ground disturbance shall be located and, with the consent of the owner, sampled and tested by a qualified, independent water sampling firm for inorganic and organic contaminants, including but not limited to methane, BTEX, hydrogen sulfide, ammonia chloride, nitrates and sulphates. Such wells/springs shall be tested prior to the start of drilling to establish baseline data, and monthly thereafter with results submitted to the Planning Department quarterly throughout the life of the project to ensure domestic water wells/springs are not contaminated as a result of the project. The Planning Director, in consultation with the Routt County Department of Environmental Health, may authorize changes in the testing regimen including: location, frequency, and required tests.
8. If the results of the testing of any wells or springs conducted subsequent to the initial baseline testing indicate an increase in contamination from that level found in the initial baseline testing, the Permittee shall notify the LGD and well owner within 24 hours of receiving the test results.

9. The Permittee is required to take corrective action to contain the contaminant and mitigate the damage to any such well or spring to levels found in the initial baseline testing.
10. Water may be discharged in accordance with the Water Quality Control Act and COGCC rules. Permittee shall notify the LGD at least four weeks in advance of such discharge and provide the Colorado discharge permit number as well as a topographic map showing the location of the discharge outfall.
11. The Permittee shall:
 - a. Prevent the spread of weeds to surrounding agricultural and residential lands.
 - b. Fence the pad site in its entirety.
 - c. Protect and maintain flows of all affected irrigation ditches.
 - d. Prevent erosion on the new road and well pad site.
12. The operator shall provide the Yampa Valley Regional Airport with specific information regarding the installation of the drilling rig, including the location, height and lighting. FAA approval forms shall be submitted to the YVRA and County Planning prior to operations. If FAA finds no impact, this may be communicated by letter or email.
13. The attached wildfire hazard recommendations of the Colorado State Forest Service shall be followed.
14. The attached recommendations of the Colorado Division of Parks and Wildlife shall be followed.