



October 12, 2017

VIA EMAIL ONLY - kaburke@bouldercounty.org

Kate A. Burke Boulder County, Assistant County Attorney P.O. Box 471 Boulder, Colorado 80306-0471

RE: Crestone Peak Resources Operating LLC

Dear Kate,

Crestone Peak Resources Operating LLC ("Crestone") is in receipt of your October 10, 2017 letter to Director Matt Lepore at the Colorado Oil and Gas Conservation Commission ("Commission") regarding your concerns about Crestone's two upcoming public meetings scheduled for October 18 & 19, 2017 to discuss its Rule 216 Comprehensive Drilling Plan proposal. Crestone respects your position, however, the notice and scheduling of the two required public meetings are in compliance with the Commission's "Pre-Hearing Application Process and Timeline" ("Timeline") and Crestone has gone to great lengths to ensure that any landowner within ½ mile of a potential oil and gas location received a personalized invitation and information about the meetings.

First, your assumption that Crestone "pre-selected its CDP oil and gas locations" is inaccurate and seems to be an attempt to discredit Crestone prior to the public engagement portion of the CDP process. Crestone has been transparent as to how it would be determining its potential oil and gas locations as early as the initial state agency and local government stakeholder meeting on March 31, 2017, which you and Kim Sanchez, Boulder County's local government designee, attended in person. Crestone's process of determining the *potential* oil and gas location can be described as nothing short of "planning by exclusion." Crestone will be providing an overview of the process utilized to determine the potential oil and gas locations at the upcoming October 18th and 19th meetings. Crestone also provided this information to the Commission for its review on September 29, 2017 pursuant to the Commission's Timeline. See Pre-Hearing Application Process and Timeline attached hereto.

Second, Crestone scheduled the public meetings on October 18th and 19th in order to allow adequate time to ensure that any reasonable and informative comments received at the public meetings, as well as during meetings to be scheduled with Boulder County, the Town of Erie, CDPHE and CPW, could be thoroughly reviewed and applied to Crestone's Second Draft Preliminary CDP plan due to the Commission on November 17, 2017. Crestone will accept comments to the CDP plan outside of the public meetings as well so your inference that the public meetings will be the only place for landowners to comment is misplaced.

Third, Crestone sent notice of the two public meetings and invitations to landowners outside of the CDP area as shown on the attached map illustrating the tracts of land within $\frac{1}{2}$ mile of a potential oil and gas location. Crestone also included the entire membership of the homeowner's

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association in Section 26, Township 2 North, Range 69 West. Again, your assumption that Crestone did not notice landowners outside of the CDP area is inaccurate.

Fourth, Crestone did notice Boulder County Open Space in its capacity as the landowner of four of the potential oil and gas locations of the two public meetings and Boulder County Open Space was also sent an invitation for the meetings. Please see the attached green card signed by Boulder County. Crestone has attempted on numerous occasions to meet and consult with Boulder County Open Space regarding the four potential oil and gas locations. As of the date of this letter, Boulder County has refused to meet with Crestone regarding the four potential oil and gas locations.

Crestone is also sending each of you notice of the meetings and invitations. Crestone believes that you will find the information presented at the October 18th and October 19th meetings educational as Crestone will be addressing many of your mischaracterizations in the October 10, 2017 letter. We hope that you and Ms. Sanchez plan to attend the meetings so that you can speak to Boulder County's landowners and constituents with information obtained directly from Crestone.

Crestone believes that it has satisfied the Commission's requirements for two public meetings and also believes that it has properly noticed affected landowners within the immediately outside the CDP area.

As always, I would be happy to discuss this in person or via conference call at any time. Many of the comments and inaccuracies contained in your October 10, 2017 letter could have been addressed had outreach occurred. Please let me know if you would like to schedule a call to discuss the contents of your October 10, 2017 letter and this response in greater detail.

Sincerely,

Jamie L. Jost

Managing Shareholder

Fariel. Fost

cc:

Matthew J. Lepore - COGCC

Crestone Peak Resources Operating LLC



Crestone Peak CDP Pre-Hearing Application Process and Timeline

- September 29, 2017: Crestone Peak submits draft information package containing all "Conceptual" and "Preliminary" Comprehensive Drilling Plan (CDP) Elements (the "Preliminary CDP") requested by COGCC Staff in the March 14, 2017 "CDP Plan Elements" document.
- October 2 13, 2017: COGCC reviews draft information package for completeness.
- October 13, 2017: Crestone Peak's "Completed" First Draft Preliminary CDP is posted to COGCC website.
- October 16 November 3, 2017: First formal stakeholder outreach and engagement period. Crestone will be obligated to conduct two public meetings in Boulder County, preferably within the proposed CDP lands. Crestone also commits to meet and confer with Boulder County, the Town of Erie, CDPHE, CPW during this period, unless those agencies decline to participate in writing. Crestone will also schedule meetings at a mutually convenient time with any other state regulatory agency with regulatory responsibility related to the CDP that requests a meeting.
- **November 17, 2017:** Crestone Peak submits Second Draft Preliminary CDP, which will incorporate and highlight any plan modifications arising from information obtained during stakeholder outreach process.
- November 20 22, 2017: COGCC reviews Second Draft Preliminary CDP.
- November 27, 2017: Completed Second Draft Preliminary CDP is posted to COGCC website.
- **November 27 December 8, 2017:** Written public comment accepted on Second Draft Preliminary CDP.
- **December 18, 2017:** Crestone Peak submits information package containing all Conceptual, Preliminary, and Final CDP Plan Elements (the "Final CDP"). The Final CDP posted to COGCC website.
- **December 18, 2017 January 19, 2018:** Written public comment accepted on Final CDP. COGCC director evaluates Final CDP and stakeholder input to determine whether the Final CDP should be presented to Commission for consideration.
- January 26, 2018: If Final CDP is satisfactory to COGCC Staff, COGCC Director will file a hearing application with Commission requesting Commission acceptance of the Final CDP.
- March 19 20, 2018: Commission hearing on CDP if Director has filed application.





TO:

CDP Parcel Owners within 0.5 miles of Crestone's Boulder County proposed

oil and gas locations

FROM:

Crestone Peak Resources Boulder County CDP Team

RE:

Invitation to Stakeholder Meetings for Crestone Peak Resources' COGCC Rule

216 Comprehensive Drilling Plan – Conceptual and Preliminary Elements

Crestone Peak Resources would like to invite you to attend an upcoming stakeholder meeting on October 18 or October 19. Your parcel boundary is within 0.5 miles of a proposed oil and gas location within Crestone's proposed Comprehensive Drilling Plan (CDP) area. At these meetings, we will share preliminary aspects of our draft plan, including potential surface locations and a timeline of the proceedings related to the CDP. Most importantly, we want to give you an opportunity to share feedback with the Crestone team and ask questions in a safe, open and respectful venue. Please note that additional meetings will be held at later stages in the permitting process to address specific operational aspects (equipment, mitigation measures, etc.) of oil and gas development.

The details for the two stakeholder meetings are below. We hope that you will consider attending at least one of them, though the same information will be shared at each meeting.

In-Person Stakeholder Meeting:

Wednesday, October 18, 2017 At Vinelife Church

6:00 p.m. to 7:30 p.m. 7845 Lookout Rd., Longmont, CO 80503

Please bring the enclosed ticket, your ID and/or proof of name and address that matches Boulder County's parcel records. If you would like to request an additional ticket for another adult member of the household, please email cdpboulder@crestonepr.com with their name and one will be held at the registration table.

You are not required to attend the in-person meeting. To make attending the meeting easier, every parcel owner was provided a pre-printed ticket(s).

Security will be in place at this meeting to ensure everyone's safety.

Telephone Town Hall Stakeholder Meeting:

Thursday, October 19, 2017 Meeting participation by phone only

5:30 p.m. to 6:30 p.m.

We will also host a telephone town hall meeting for those interested in joining the discussion by phone. You will be able to share your feedback and ask your questions live during this meeting as well.

Registration is required for this meeting.

Please RSVP by emailing us at cdpboulder@crestonepr.com and providing the phone number that you would like to be called at for the meeting – our meeting provider will reverse dial meeting participants shortly before the meeting.

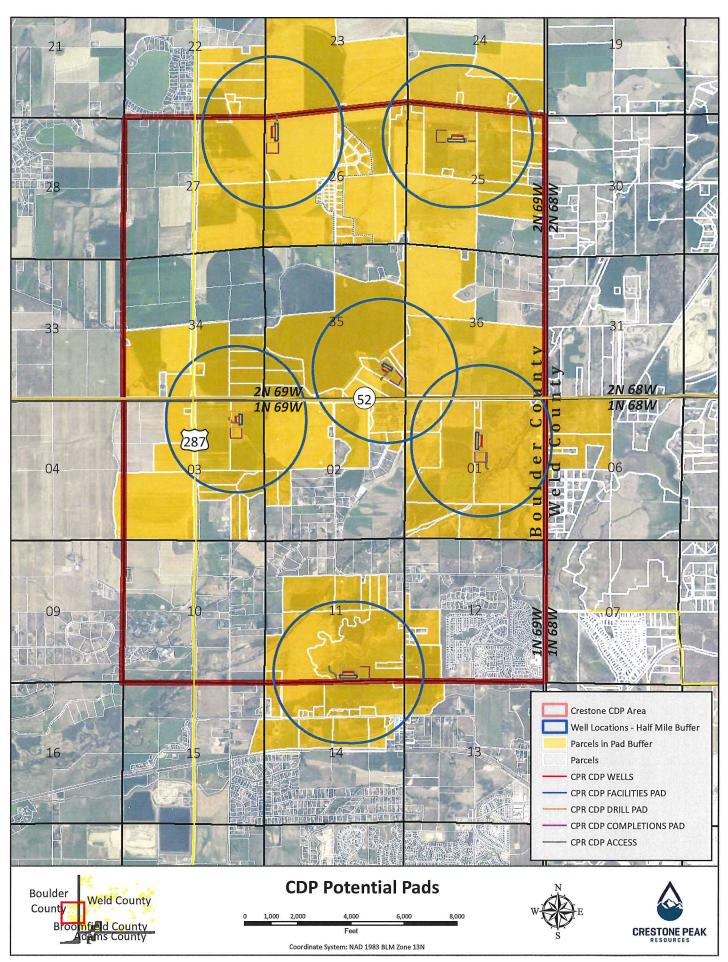
Please RSVP for the telephone town hall by noon on October 19.



If you have not already done so, please visit our website – www.crestonepeakresources.com and click on the 'Boulder County CDP' tab – to provide additional contact information and select preferences for how you would like to hear from us. If you have already filled out the contact preference form and mailed or emailed it back to us, you do not need to do anything more.

Crestone is committed to operating safely, responsibly and with minimal impacts on the communities where we work. We believe collaboration with our neighbors is an important piece of this, and that's why we have elected to proceed with a COGCC Rule 216 CDP specific to our potential development in Boulder County. We hope that you will consider attending one of the upcoming stakeholder meetings to share your feedback and learn more about our potential development. You can also visit the COGCC home page at http://cogcc.state.co.us for additional information related to the CDP. The draft plan will be available on the COGCC's website on October 13, if you would like to review it prior to the stakeholder meetings.

As always, please feel free to email us at cdpboulder@crestonepr.com with questions or for more information about the meetings. We look forward to meeting you, either in person or by phone.



PS Form 3811, August 2001 Domestic Return Receipt 102595-01-M-2509	2. Article Number 2510 0009 4547 6032	COUNTY OF BOULDER 5201 ST VRAIN RD BLDC 1 LONGMONT CO 80503			Article Addressed to:	SENDER: COMPLETE THIS SECTION Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. Print your name and address on the reverse so that we can return the card to you. Attach this card to the back of the mailpiece, or on the front if space permits.
		4. Restricted Delivery? (Extra Fee) ☐ Yes	3. Serfice Type Certified Mail		D. Is delivery address different from item 1?	A: Signature A: Signature A: Signature A: Signature A: Signature A: Signature C: Date of Delivery

