



1401 17th Street, Suite 370
Denver, CO 80202
(720) 446-5620
www.jostenergylaw.com

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 4, 2017 letter regarding Crestone’s communications with landowners within the Comprehensive Drilling Plan area (“CDP Area”) and Crestone’s use of drones as a non-invasive technique to survey certain surface parcels within the CDP area for purposes of its potential future oil and gas operations.

First, Crestone maintains that the September 14, 2017 notice letter sent to landowners within the CDP area made it clear that the two public meetings required in the Colorado Oil and Gas Conservation Commission’s (“Commission”) Pre-Hearing Application Process and Timeline (“Timeline”) are Crestone’s responsibility and that it would be providing information via a notification process regarding such meetings to the landowners. *Please see attached September 14, 2017 letter to landowners.* By email dated September 26, 2017, I explained the intent of the letter as well as the intent of the language you object to in your October 4, 2017 letter. *Please see attached September 26, 2017 email correspondence.* We respectfully disagree that the responsive email was “inaccurate” and “misleading.” Crestone has been open, transparent and collaborative with all stakeholders, including Boulder County, throughout this CDP process and will continue to do so.

Second, Crestone addresses your concerns with Crestone’s use of non-invasive drone technology to capture surface images over portions of the CDP area. Crestone engaged Ascent Geomatics Solutions (“Ascent”) to capture these surface images in part to help landowners in the CDP area, including Boulder County, to visualize the temporary impacts of its potential oil and gas operations through the consultative CDP process, utilizing the “Most Effective Performance Techniques and Practices”¹, as defined by the Boulder County Code, Article 12, to survey certain surface parcels within the CDP area. Ascent had several communications with Boulder County Open Space regarding the use of the drone to obtain surface images from the four potential oil

¹ Most Effective Performance Techniques and Practices: The application of proven and emerging techniques, technologies or other Best Management Practices used in conducting oil and gas exploration and development which avoid, neutralize, exclude, eliminate, mitigate or minimize adverse on and offsite impacts to public health and the environment, landowners, and natural resources, and which may reduce conflicts between potentially impacted landowners and the oil and gas industry

and gas locations located on Boulder County Open Space lands. Ascent originally believed that it was required to have permits from Boulder County Open Space in order to fly the four potential oil and gas locations, however, a representative of the Boulder County Open Space informed Ascent that "they have determined no authorization/permit from Parks and Open Space is required to operate a UAS from open space lands" and consented to the drone flights. Further, a representative of Boulder County Open Space noted that Boulder County does not have a review process for conducting UAS operations outside of the county open space lands and recommended that Crestone provide notice to private landowners. Crestone did contact over 260 landowners via courtesy telephone message within the CDP area regarding the use of drones within the CDP area.

In an effort to communicate and coordinate the exchange of information with Boulder County, Crestone requested discussions with Boulder County Open Space for the location of four potential oil and gas locations on its property. Our understanding is that Boulder County Open Space was directed to forego such discussions with Crestone. *Please see attached four surface owner consultation requests sent to and received by Boulder County Open Space, Boulder County's September 20, 2017 letter to Crestone and Crestone's September 22, 2017 letter to Boulder County.* Ascent then conducted the drone flights only over the four potential oil and gas locations located on Boulder County Open Space as well as to two privately owned surface parcels where the owner of such private parcels provided consent to the drone usage. Crestone has leasehold rights under each of the six parcels of land surveyed by the drone (including the mineral estate underlying the four potential oil and gas locations on Boulder County Open Space). Ascent did not survey the entirety of the CDP area and did not "enter private lands" where it did not have consent from the landowner, contrary to your letter.

Finally, Crestone will ensure that you and Kim Sanchez, Boulder County's local government designee, receive written and telephonic communications Crestone distributes to the landowners within the CDP area. However, Crestone will not send such communications to you for review and comment prior to distribution to landowners, as these are our communications and we don't wish to imply or suggest any approval of them by you.

I would be happy to discuss this in person or via conference call at any time. Please let me know if you would like to schedule a call to discuss the contents of your October 4, 2017 letter and this response in greater detail.

Sincerely,

A handwritten signature in blue ink that reads "Jamie L. Jost". The signature is written in a cursive style with a stylized "J" and "S".

Jamie L. Jost
Managing Shareholder

cc: Crestone Peak Resources Operating LLC



September 14, 2017

Re: Notice to Land Owners – Crestone Peak Resources Development Plan – Boulder County

Dear Sir and/or Madam:

We'd like to introduce ourselves. Crestone Peak Resources is a Denver-based company dedicated to responsible production of the energy needed to power our economy. We are the fifth-largest oil and gas producer in Colorado's Front Range, and we're committed to operating safely and responsibly with minimal, temporary impacts on the communities where we work.

As you may know, we've filed an application for a Comprehensive Drilling Plan ("CDP") with the Colorado Oil and Gas Conservation Commission ("COGCC") to produce oil and gas in a specific area in Boulder County. We've chosen to take this voluntary, collaborative path to ensure that all relevant parties – including land owners, state and county regulatory agencies, and public health, environmental and wildlife experts – have an opportunity to participate and provide input on how we operate. We're contacting you because you're listed as a land owner in or near the proposed CDP area, within a half mile of a potential production site.

We're committed to open, transparent communication with you throughout this process. Among other things, this will include in-person and telephone stakeholder meetings; public meetings held by Boulder County and COGCC; and regular updates from us.

The purpose of this letter is to start the communication process. We invite you to 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'd like to hear from us. Please register your information at your earliest convenience. If you would prefer not to visit the site, but still want to receive our communications, please return the enclosed form with your preferences. You can also visit the COGCC's website at <http://cogcc.state.co.us/#/home> to track the status of the CDP application.

If you have questions, please feel free to email us at cdpboulder@crestonepr.com.

Thank you,

Crestone Peak Resources' Boulder County CDP Team



CDP in Boulder County Parcel Owner Contact Preference Form

Parcel Owner(s) Name:
Names of all individuals that live on the property:

Address:

Street Address:		
City:	State:	Zip Code:
Phone Number:	Email:	
Secondary Phone Number:	Secondary Email:	

How would you like to be contacted by Crestone about the CDP in Boulder County?

- Voicemail (at the number listed above):**

- Email (at the email address listed above):**

- USPS Mail (at the mailing address listed above):**

- Opt out of being contacted by Crestone Peak Resources:**

Signature: _____ Date: _____

Please respond by September 29, 2017 via the enclosed prepaid envelope, email or online.

EMAIL TO: CDPBoulder@CrestonePR.com

ONLINE: www.crestonepeakresources.com
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Subject: Re: Crestone - Notice to Land Owners dated Sept 14 2017
Date: Tuesday, September 26, 2017 at 12:33:36 PM Mountain Daylight Time
From: Jamie Jost
To: Burke, Kate A., Jason Oates
CC: Sanchez, Kimberly

Kate and Kim,

Good afternoon. Thank you for reaching out about Crestone Peak's Notice to Land Owners dated September 14, 2017. Crestone Peak fully understands that the public meeting outlined in the CDP Plan Elements required by the COGCC are Crestone Peak's responsibility and the intent of the letter to the landowners was to provide the citizens within ½ mile of the proposed well pads an opportunity to join a notification process for all future meetings, regardless of whether they are held by Crestone Peak, or by Boulder County or the COGCC as part of the permitting and CDP review process.

In our view, the language you reference is not inaccurate. In fact, it is clear that anyone who receives this notice and/or registers on the Crestone website will receive notice to participate in in-person and telephone stakeholder meetings held by Crestone, as well as receive notice and have the opportunity to participate in public meetings held by Boulder County for the Boulder permitting process and the COGCC public meetings (i.e. hearings) for the CDP process. There is nothing inaccurate about the statement you reference.

Please let me know if you have any questions. Thanks!

Jamie

Jamie L. Jost
Jost Energy Law, P.C.
Managing Shareholder
jjost@jostenergylaw.com

From: Kate Burke <kaburke@bouldercounty.org>
Date: Tuesday, September 26, 2017 at 9:29 AM
To: Jamie Jost <jjost@jostenergylaw.com>, Jason Oates <jason.oates@CRESTONEPR.COM>
Cc: "Sanchez, Kimberly" <ksanchez@bouldercounty.org>
Subject: FW: Crestone - Notice to Land Owners dated Sept 14 2017

Jamie and Jason—please respond to the below. Your landowner notice says the CDP process will include “public meetings held by Boulder County,” which is not true and is misleading to the public. Please let me know your plans to correct this publicly immediately or we will have to determine how to correct your inaccurate statement ourselves.

From: Burke, Kate A.
Sent: Friday, September 22, 2017 11:27 AM
To: Jamie Jost; Jason Oates
Cc: Sanchez, Kimberly; Pearlman, Ben
Subject: Fwd: Crestone - Notice to Land Owners dated Sept 14 2017

Jamie and Jason--this landowner letter says public meetings will be "held by Boulder County and the COGCC,"

which is not correct for public CDP meetings. The CDP public meetings are Crestone's responsibility. This information will need to be corrected ASAP.

Sent from my iPhone

Begin forwarded message:

From: "Carson Hatcher, Mindy" <mcarsonhatcher@bouldercounty.org>
Date: September 22, 2017 at 11:02:55 AM MDT
To: "Burke, Kate A." <kaburke@bouldercounty.org>, "Burghardt, Kristina" <kburghardt@bouldercounty.org>
Cc: "Lattes, Conrad" <clattes@bouldercounty.org>, "Sanchez, Kimberly" <ksanchez@bouldercounty.org>
Subject: Crestone - Notice to Land Owners dated Sept 14 2017

Hello –

Please see the attached notices received via certified mail yesterday (2 total). Please let me know if you need me to do anything on these.

Thanks!

Mindy



Certified Mail Article #: 7007 1490 0005 0442 8353

September 7, 2017

County of Boulder
5201 St Vrain Rd. Bldg 1
Longmont, CO 80503

Re: Notice To Surface Owners – Crestone Peak Resources Development Plan – Boulder County
Township 1 North, Range 69 West
Section 03: NE/4
Boulder County, Colorado

Dear Sir and/or Madam:

As you may be aware, in February 2017, Crestone Peak Resources filed an application for a Rule 216 Comprehensive Drilling Plan (“CDP”) with the Colorado Oil and Gas Conservation Commission (“COGCC”) to develop minerals in Boulder County. This plan is a voluntary process for surfacing regulatory requirements, sharing information and perspectives, and exploring options with state and county regulatory agencies, public health, environmental and wildlife experts, and surface owners.

Over the last several months, Crestone has been working with various stakeholders to identify potential surface locations within the CDP where oil and gas development could occur while having the least amount of impacts on the surrounding communities. During this time, we’ve conducted wildlife impact studies and surveyed the CDP area; we considered potential locations and their proximity to surrounding homes and structures, existing oil and gas operations on or nearby, accessibility, and current use of the lands. One of the locations that we have determined would be a viable drilling and facility location for our operations is on your lands, as identified above.

Enclosed are an aerial plat of a proposed operational area on your lands; the required COGCC notification, consultation and reclamation rules regarding oil and gas operations; and an owner response form that we ask you to fill out and indicate your preference with regard to the consultation requirement, and return in the enclosed self-addressed stamped envelope.

I would appreciate the opportunity to meet with you in person, to discuss this matter. Please contact me directly to schedule a time convenient for you.



COGCC regulations provide that the surface owner may designate a representative for surface consultation. If this is something you choose to do, please include that information on the enclosed form as well. As the surface owner, it is your responsibility to notify any affected tenant farmer, lessee or other party that may own or have an interest in any crops or surface improvements that could be affected by this proposed location and our drilling operations.

Respectfully,

A handwritten signature in blue ink, appearing to read "Bob Bresnahan". The signature is fluid and cursive, written over a light blue horizontal line.

Bob Bresnahan
Land Negotiator – RPL
Crestone Peak Resources



OWNER RESPONSE LETTER
(COGCC Rule 306 Consultation Requirement)

Re: **Notice To Surface Owners – Crestone Peak Resources Development Plan – Boulder County**
Township 1 North, Range 69 West
Section 03: NE/4
Boulder County, Colorado

To be completed by the Surface Owner:

The surface owner and/or assigned representative, desires an on-site consultation with a Crestone Peak Resources representative with respect to the proposed surface location of oil and gas operations.

Yes No

Signed: _____

Print Name: _____

Phone: _____

Signed and dated this _____ day of _____, 2017

Designated Representative or Agent (optional)

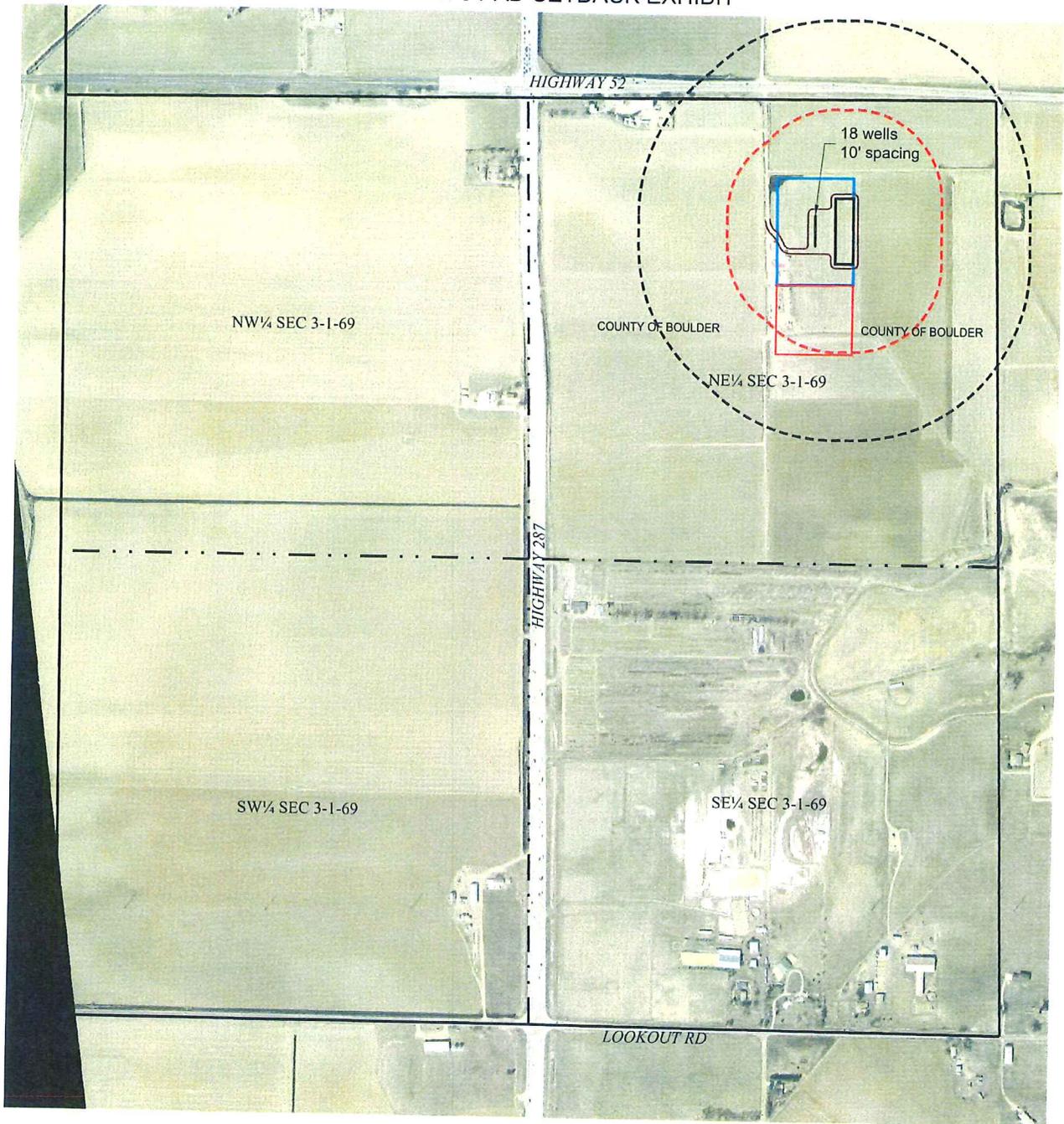
Name: _____

Address: _____

Phone: _____

Relationship to Surface Owner: _____

SECTION 3 PAD SETBACK EXHIBIT



500' SETBACK FROM WELLS/FACILITIES

1000' SETBACK FROM WELLS/FACILITIES



CRESTONE PEAK
RESOURCES

TOWNSHIP 1 NORTH, RANGE 69 WEST

2 mile laterals south - 18 wells total

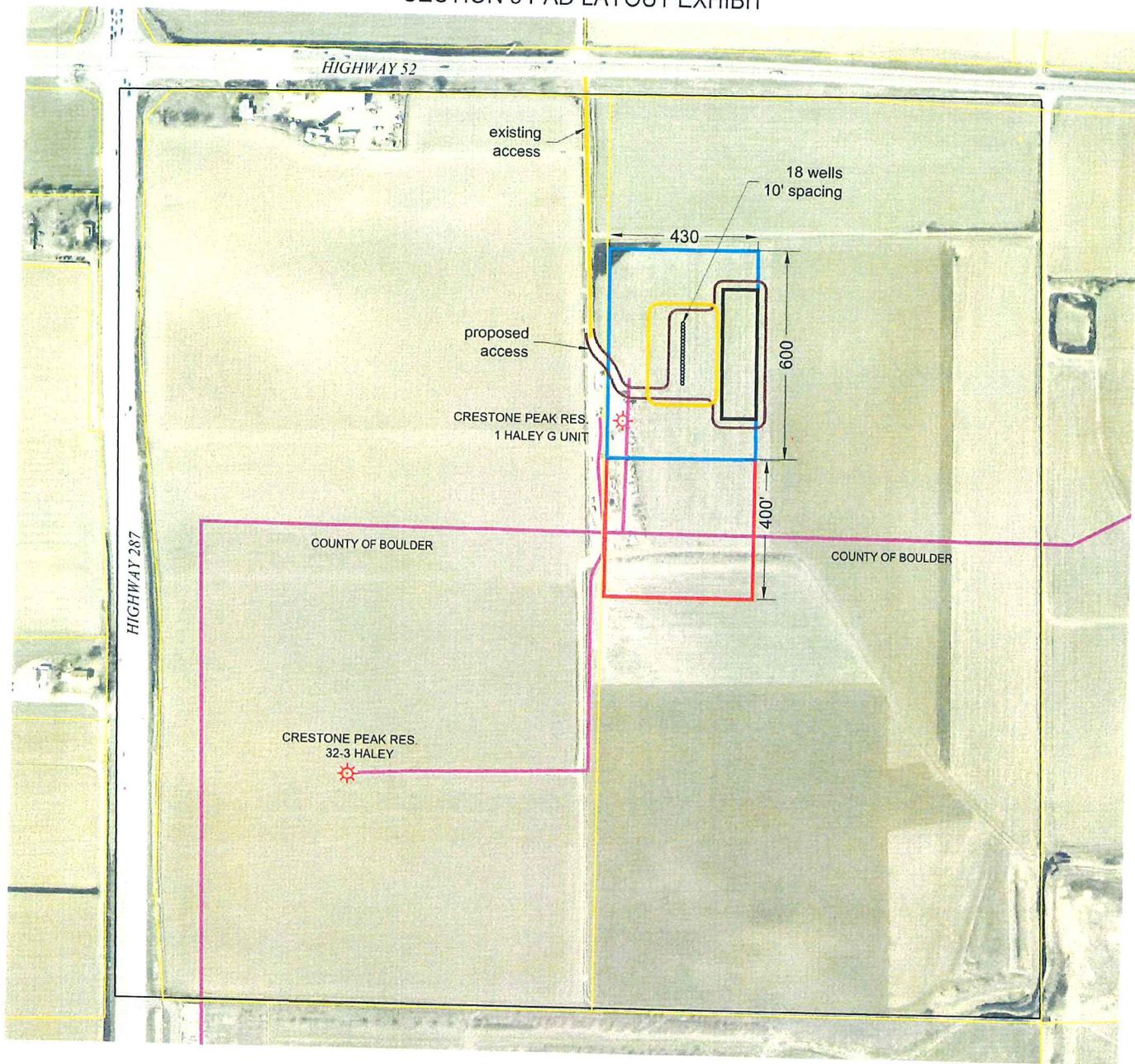
SECTION: 3 E/2 & 10 E/2

BOULDER COUNTY, COLORADO

SCALE: 1" = 800'

AUGUST 10, 2017

SECTION 3 PAD LAYOUT EXHIBIT



Temp. Disturbance: 15 ac.
 Perm. Disturbance: 4.0 ac.

-  Access Roads
-  Parcels
-  Existing Pipeline
-  Wellsite
-  Completion Area
-  Workover Area
-  Facilities Area



CRESTONE PEAK
RESOURCES

TOWNSHIP 1 NORTH, RANGE 69 WEST
 SECTION 3: NE¼
 BOULDER COUNTY, COLORADO

SCALE: 1" = 400' AUGUST 10, 2017



INFORMATION FOR SURFACE OWNERS

This document summarizes Colorado regulations pertaining to surface owner notification and consultation. It also covers the reclamation of land disturbed by oil and gas activity.

These regulations are administered by the Colorado Oil and Gas Conservation Commission (COGCC) as part of its mission to protect public health, safety, and welfare, including the environment and wildlife resources.

Surface Owner Rights in Colorado

1. Oil and gas companies (operators) must provide surface owners with details of the oil and gas activities proposed for their property.
2. Surface owner notification is mandated; communication and consultation are encouraged. Surface owners may waive these requirements.
3. Surface Use Agreements (SUA) are private contracts that address the operator's oil and gas activities on the surface owner's property. The COGCC has no jurisdiction or authority over terms of an SUA.
4. Surface owners may request an extension of the public comment period for applications.
5. Interim and final reclamation are required by the COGCC. Timing may be flexible to integrate agricultural operations. Future land use may be considered through a waiver and variance process.
6. Surface owners may request a hearing before the Commission to protest staff decisions on permit approval, complaint resolution, or variance requests based on alleged non-compliance with COGCC rules or mission.

Consultation

The operator is required to consult in good faith with the surface owner and provide details about the location of roads, production facilities, and well sites, or other oil and gas operations during planning stages. Consultation in good faith is also required to prepare for reclamation and abandonment (Rule 306).

COGCC's Onsite Policy provides an opportunity in certain circumstances for the surface owner to request that the COGCC and Local Government Designee conduct an onsite visit if consultation between the operator and surface owner does not resolve issues related to planned oil and gas activities. This opportunity is limited to activity on lands where the surface owner did not execute a mineral lease and is not party to a surface use agreement. Consultation is limited to items under COGCC jurisdiction; financial and other concerns cannot be addressed.

This process may result in conditions of approval attached to the permit to minimize the potential loss of crops or damage to land or to address potential health, safety, welfare or environmental impacts.

Informational signs must be placed at the intersection of lease and public roads at the time of the Statutory Notice. Permanent signs providing operator and emergency contact information must be in place at all wells and tank batteries during the life of the facility (Rules 210.b and 305.g).

Notification

Operators are required to inform the surface owner about when and where oil and gas operations will occur. These notifications promote communication between owners and operators so that a surface owner can coordinate their activities with permitted oil and gas operations.

In certain circumstances, operators must send a Pre-Application Notice to surface owners 30 days before submitting an application to the COGCC. This notice should include a general description of the project, an opportunity to meet with the operator and appropriate contact information (Rule 305.a).

An Oil and Gas Location Assessment (OGLA) Notice is sent by the operator to the surface owner when the application has been posted on the COGCC website for public comment. This notice provides additional details about planned operations and an opportunity for consultation (Rule 305.c).

The Statutory Notice to Surface Owners must be provided to the surface owner at least 30 days notice before commencing operations with heavy equipment. A proposed schedule, detailed site drawing and opportunity for consultation with the operator will be included (Rule 305.f).

After a well has been drilled, a Notice of Subsequent Well Operations for certain activities with heavy equipment is required at least seven days in advance (Rule 305.f.4).

Surface Tenant Notification is the responsibility of the surface owner. If the surface owner has designated an agent (such as a tenant), that party will receive all notices (Rules 305.c.3 and 305.c.4).



Certified Mail Article #: 7007 1490 0005 0442 8353

September 7, 2017

County of Boulder
5201 St Vrain Rd. Bldg 1
Longmont, CO 80503

**Re: Notice To Surface Owners – Crestone Peak Resources Development Plan – Boulder County
Township 1 North, Range 69 West
Section 11: SE/4
Boulder County, Colorado**

Dear Sir and/or Madam:

As you may be aware, in February 2017, Crestone Peak Resources filed an application for a Rule 216 Comprehensive Drilling Plan (“CDP”) with the Colorado Oil and Gas Conservation Commission (“COGCC”) to develop minerals in Boulder County. This plan is a voluntary process for surfacing regulatory requirements, sharing information and perspectives, and exploring options with state and county regulatory agencies, public health, environmental and wildlife experts, and surface owners.

Over the last several months, Crestone has been working with various stakeholders to identify potential surface locations within the CDP where oil and gas development could occur while having the least amount of impacts on the surrounding communities. During this time, we’ve conducted wildlife impact studies and surveyed the CDP area; we considered potential locations and their proximity to surrounding homes and structures, existing oil and gas operations on or nearby, accessibility, and current use of the lands. One of the locations that we have determined would be a viable drilling and facility location for our operations is on your lands, as identified above.

Enclosed are an aerial plat of a proposed operational area on your lands; the required COGCC notification, consultation and reclamation rules regarding oil and gas operations; and an owner response form that we ask you to fill out and indicate your preference with regard to the consultation requirement, and return in the enclosed self-addressed stamped envelope.

I would appreciate the opportunity to meet with you in person, to discuss this matter. Please contact me directly to schedule a time convenient for you.



COGCC regulations provide that the surface owner may designate a representative for surface consultation. If this is something you choose to do, please include that information on the enclosed form as well. As the surface owner, it is your responsibility to notify any affected tenant farmer, lessee or other party that may own or have an interest in any crops or surface improvements that could be affected by this proposed location and our drilling operations.

Respectfully,

A handwritten signature in blue ink, appearing to read "Bob Bresnahan", with a long horizontal flourish extending to the right.

Bob Bresnahan
Land Negotiator – RPL
Crestone Peak Resources



OWNER RESPONSE LETTER
(COGCC Rule 306 Consultation Requirement)

Re: Notice To Surface Owners – Crestone Peak Resources Development Plan – Boulder County
Township 1 North, Range 69 West
Section 11: SE/4
Boulder County, Colorado

To be completed by the Surface Owner:

The surface owner and/or assigned representative, desires an on-site consultation with a Crestone Peak Resources representative with respect to the proposed surface location of oil and gas operations.

Yes No

Signed: _____

Print Name: _____

Phone: _____

Signed and dated this _____ day of _____, 2017

Designated Representative or Agent (optional)

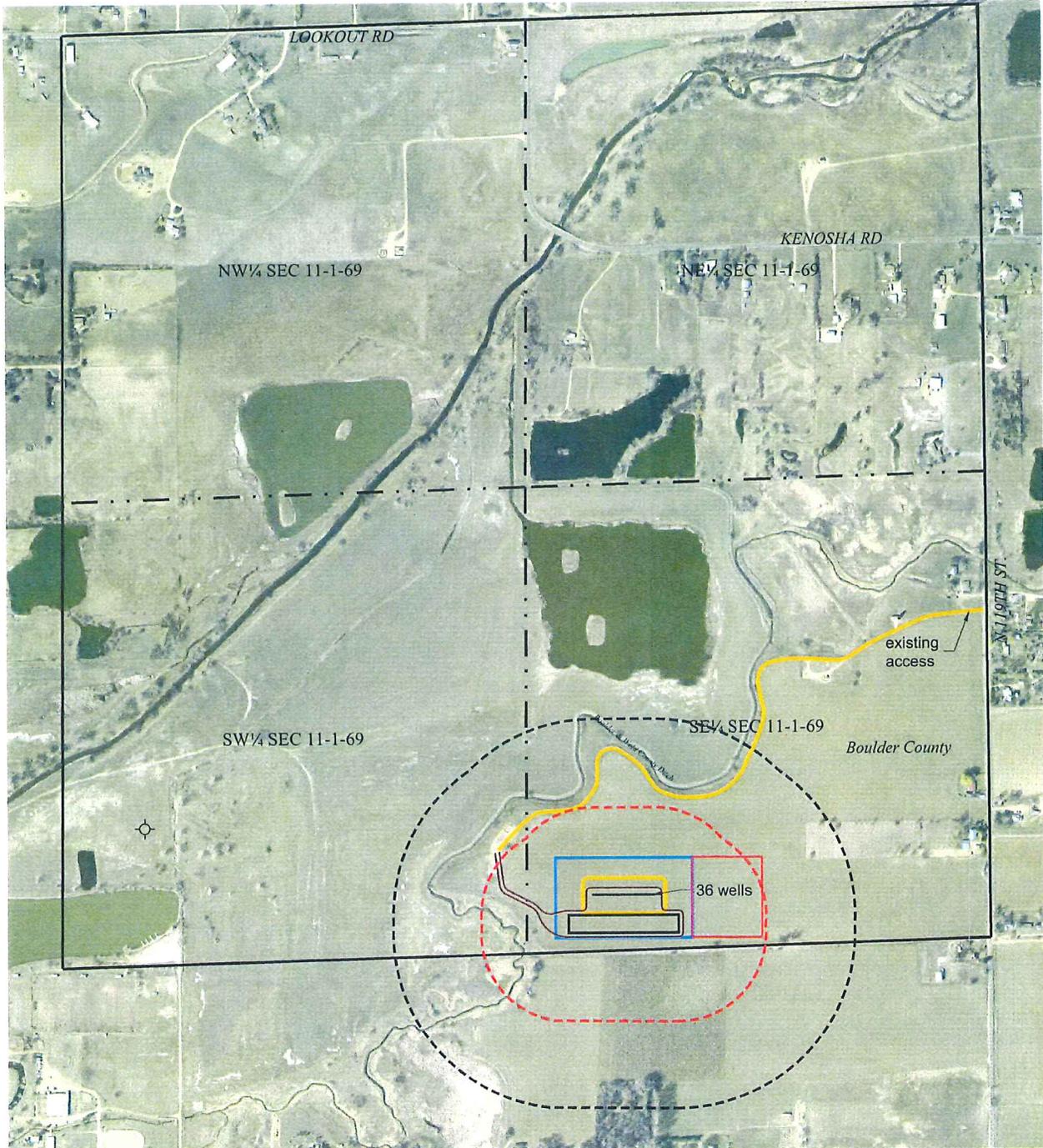
Name: _____

Address: _____

Phone: _____

Relationship to Surface Owner: _____

SECTION 11 PAD SETBACK EXHIBIT



-  500' SETBACK FROM WELLS/FACILITIES
-  1000' SETBACK FROM WELLS/FACILITIES

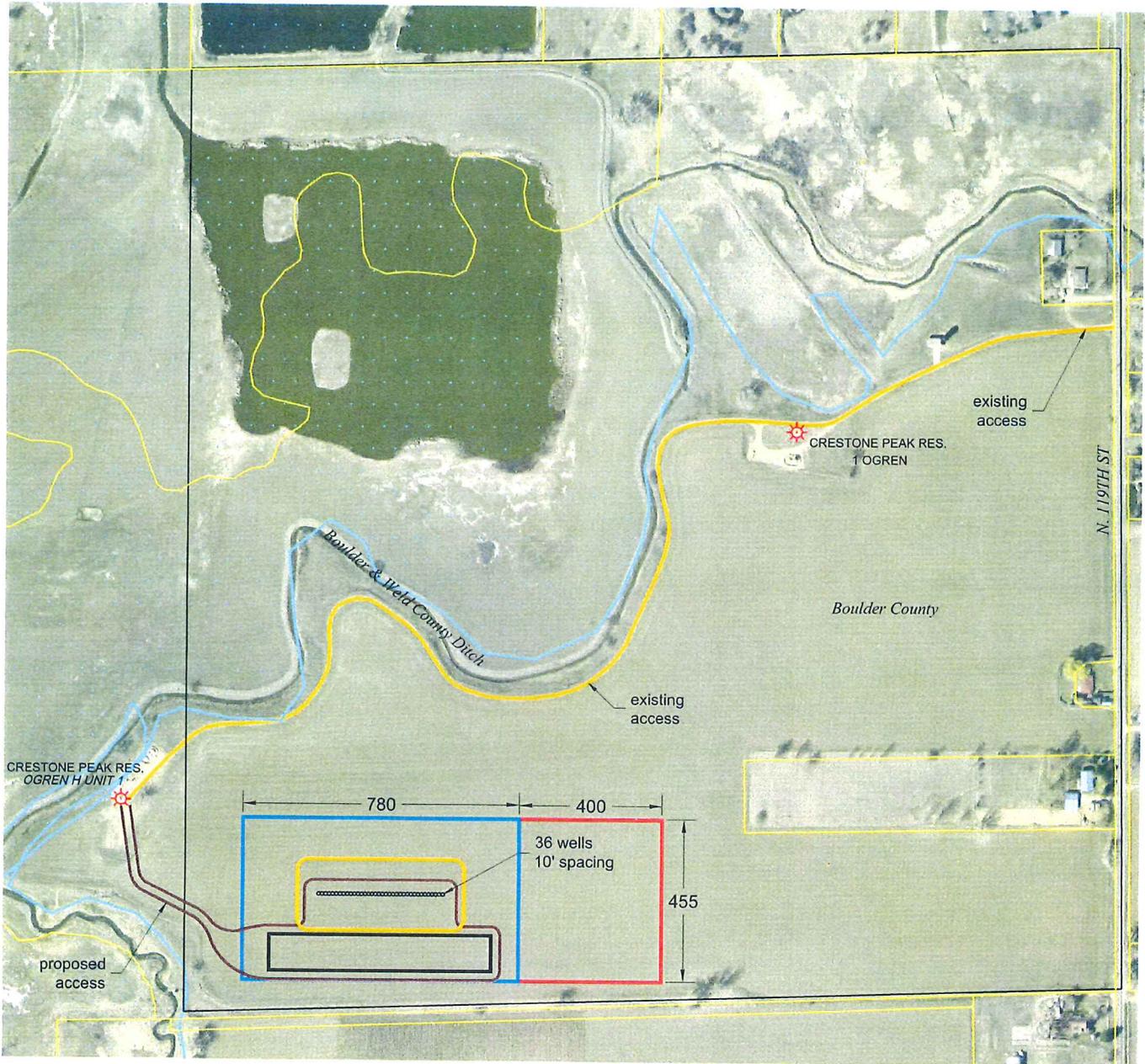


CRESTONE PEAK
RESOURCES

TOWNSHIP 1 NORTH, RANGE 69 WEST
2 mile laterals north - 36 wells total
SECTION: 11 & 2
BOULDER COUNTY, COLORADO

SCALE: 1" = 800' AUGUST 9, 2017

SECTION 11 PAD LAYOUT EXHIBIT



Temp. Disturbance: 18 ac.
 Perm. Disturbance: 5.0 ac.

-  Access Roads
-  Parcels
-  Existing Pipeline
-  Wellsite
-  Completion Area
-  Workover Area
-  Facilities Area



CRESTONE PEAK
RESOURCES

TOWNSHIP 1 NORTH, RANGE 69 WEST
 SECTION 11: SE¼
 BOULDER COUNTY, COLORADO

SCALE: 1" = 400'
AUGUST 9, 2017



INFORMATION FOR SURFACE OWNERS

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5. Interim and final reclamation are required by the COGCC. Timing may be flexible to integrate agricultural operations. Future land use may be considered through a waiver and variance process.
6. Surface owners may request a hearing before the Commission to protest staff decisions on permit approval, complaint resolution, or variance requests based on alleged non-compliance with COGCC rules or mission.

Consultation

The operator is required to consult in good faith with the surface owner and provide details about the location of roads, production facilities, and well sites, or other oil and gas operations during planning stages. Consultation in good faith is also required to prepare for reclamation and abandonment (Rule 306).

COGCC's Onsite Policy provides an opportunity in certain circumstances for the surface owner to request that the COGCC and Local Government Designee conduct an onsite visit if consultation between the operator and surface owner does not resolve issues related to planned oil and gas activities. This opportunity is limited to activity on lands where the surface owner did not execute a mineral lease and is not party to a surface use agreement. Consultation is limited to items under COGCC jurisdiction; financial and other concerns cannot be addressed.

This process may result in conditions of approval attached to the permit to minimize the potential loss of crops or damage to land or to address potential health, safety, welfare or environmental impacts.

Informational signs must be placed at the intersection of lease and public roads at the time of the Statutory Notice. Permanent signs providing operator and emergency contact information must be in place at all wells and tank batteries during the life of the facility (Rules 210.b and 305.g).

Notification

Operators are required to inform the surface owner about when and where oil and gas operations will occur. These notifications promote communication between owners and operators so that a surface owner can coordinate their activities with permitted oil and gas operations.

In certain circumstances, operators must send a Pre-Application Notice to surface owners 30 days before submitting an application to the COGCC. This notice should include a general description of the project, an opportunity to meet with the operator and appropriate contact information (Rule 305.a).

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Certified Mail Article #: 7007 1490 0005 0442 8353

7007 1490 0005 0442 8353

September 7, 2017

County of Boulder
5201 St Vrain Rd. Bldg 1
Longmont, CO 80503

**Re: Notice To Surface Owners – Crestone Peak Resources Development Plan – Boulder County
Township 2 North, Range 69 West
Section 26: NW4
Boulder County, Colorado**

Dear Sir and/or Madam:

As you may be aware, in February 2017, Crestone Peak Resources filed an application for a Rule 216 Comprehensive Drilling Plan (“CDP”) with the Colorado Oil and Gas Conservation Commission (“COGCC”) to develop minerals in Boulder County. This plan is a voluntary process for surfacing regulatory requirements, sharing information and perspectives, and exploring options with state and county regulatory agencies, public health, environmental and wildlife experts, and surface owners.

Over the last several months, Crestone has been working with various stakeholders to identify potential surface locations within the CDP where oil and gas development could occur while having the least amount of impacts on the surrounding communities. During this time, we’ve conducted wildlife impact studies and surveyed the CDP area; we considered potential locations and their proximity to surrounding homes and structures, existing oil and gas operations on or nearby, accessibility, and current use of the lands. One of the locations that we have determined would be a viable drilling and facility location for our operations is on your lands, as identified above.

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Respectfully,

Bob Bresnahan
Land Negotiator – RPL
Crestone Peak Resources



OWNER RESPONSE LETTER
(COGCC Rule 306 Consultation Requirement)

Re: **Notice To Surface Owners – Crestone Peak Resources Development Plan – Boulder County**
Township 2 North, Range 69 West
Section 26: NW/4
Boulder County, Colorado

To be completed by the Surface Owner:

The surface owner and/or assigned representative, desires an on-site consultation with a Crestone Peak Resources representative with respect to the proposed surface location of oil and gas operations.

Yes No

Signed: _____

Print Name: _____

Phone: _____

Signed and dated this _____ day of _____, 2017

Designated Representative or Agent (optional)

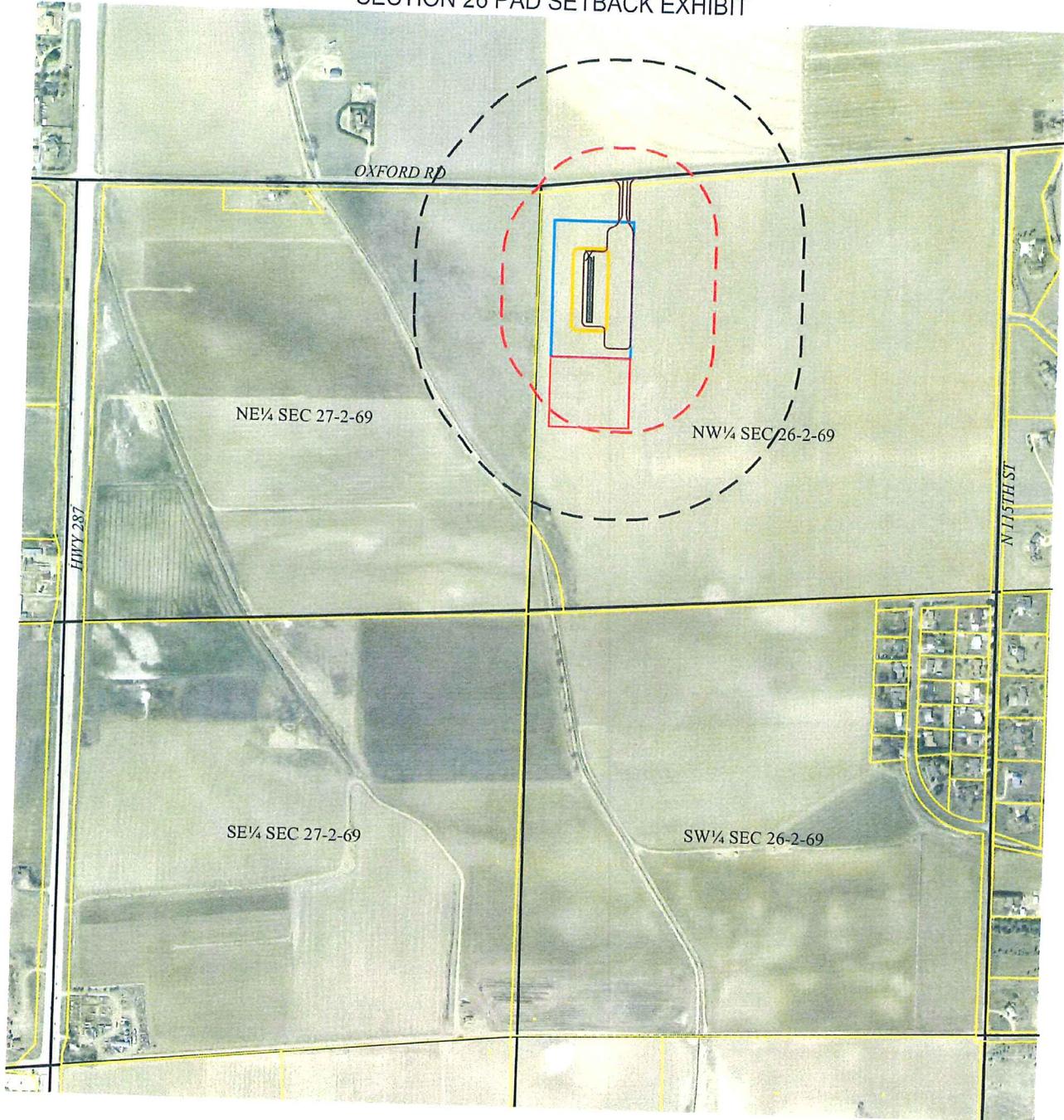
Name: _____

Address: _____

Phone: _____

Relationship to Surface Owner: _____

SECTION 26 PAD SETBACK EXHIBIT



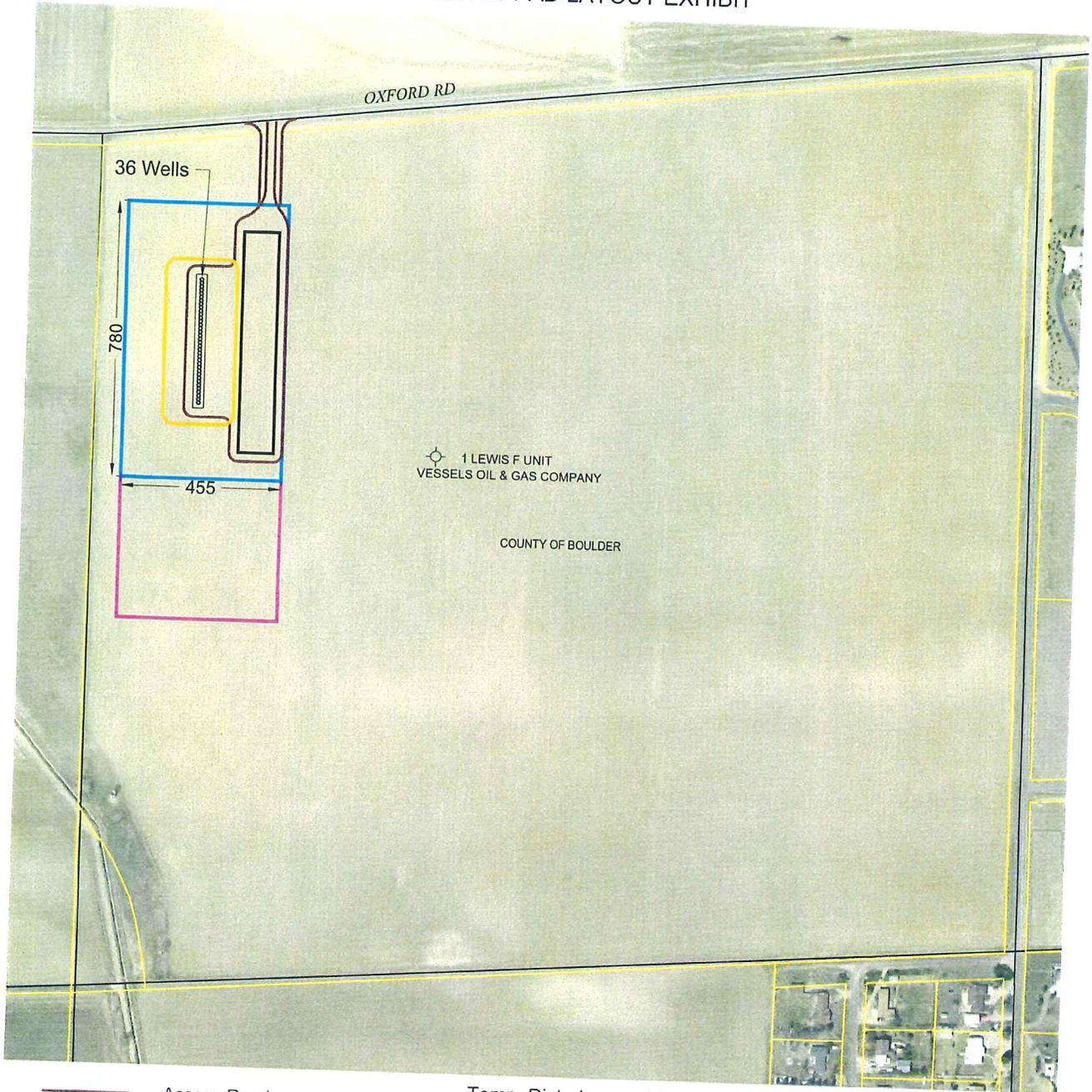
-  500' SETBACK FROM WELLS/FACILITIES
-  1000' SETBACK FROM WELLS/FACILITIES

 **CRESTONE PEAK**
RESOURCES

TOWNSHIP 2 NORTH, RANGE 69 WEST
2 mile laterals south- 36 wells total
SECTION: 27/34 E 1/2 & 26/35 W 1/2

BOULDER COUNTY, COLORADO
SCALE: 1" = 800'
AUGUST 2, 2017

SECTION 26 PAD LAYOUT EXHIBIT



— Access Roads
— Parcels

Wellsite

Completion Area

Workover Area

Facilities Area

Temp. Disturbance: 17 ac.
Perm. Disturbance: 4.5 ac.



CRESTONE PEAK
RESOURCES

TOWNSHIP 2 NORTH, RANGE 69 WEST

SECTION 26: NW $\frac{1}{4}$

BOULDER COUNTY, COLORADO

SCALE: 1" = 400'

AUGUST 2, 2017



INFORMATION FOR SURFACE OWNERS

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Certified Mail Article #: 7007 1490 0005 0442 8391

September 11, 2017

County of Boulder
5201 St Vrain Rd. Bldg 1
Longmont, CO 80503

Re: Notice To Surface Owners – Crestone Peak Resources Development Plan – Boulder County
Township 1 North, Range 69 West
Section 01: NE/4
Boulder County, Colorado

Dear Sir and/or Madam:

As you may be aware, in February 2017, Crestone Peak Resources filed an application for a Rule 216 Comprehensive Drilling Plan (“CDP”) with the Colorado Oil and Gas Conservation Commission (“COGCC”) to develop minerals in Boulder County. This plan is a voluntary process for surfacing regulatory requirements, sharing information and perspectives, and exploring options with state and county regulatory agencies, public health, environmental and wildlife experts, and surface owners.

Over the last several months, Crestone has been working with various stakeholders to identify potential surface locations within the CDP where oil and gas development could occur while having the least amount of impacts on the surrounding communities. During this time, we’ve conducted wildlife impact studies and surveyed the CDP area; we considered potential locations and their proximity to surrounding homes and structures, existing oil and gas operations on or nearby, accessibility, and current use of the lands. One of the locations that we have determined would be a viable drilling and facility location for our operations is on your lands, as identified above.

Enclosed are an aerial plat of a proposed operational area on your lands; the required COGCC notification, consultation and reclamation rules regarding oil and gas operations; and an owner response form that we ask you to fill out and indicate your preference with regard to the consultation requirement, and return in the enclosed self-addressed stamped envelope.

I would appreciate the opportunity to meet with you in person, to discuss this matter. Please contact me directly to schedule a time convenient for you.



COGCC regulations provide that the surface owner may designate a representative for surface consultation. If this is something you choose to do, please include that information on the enclosed form as well. As the surface owner, it is your responsibility to notify any affected tenant farmer, lessee or other party that may own or have an interest in any crops or surface improvements that could be affected by this proposed location and our drilling operations.

Respectfully,

A handwritten signature in blue ink, appearing to read "Bob Bresnahan", with a long horizontal line extending to the right.

Bob Bresnahan
Land Negotiator – RPL
Crestone Peak Resources



OWNER RESPONSE LETTER
(COGCC Rule 306 Consultation Requirement)

Re: Notice To Surface Owners – Crestone Peak Resources Development Plan – Boulder County
Township 1 North, Range 69 West
Section 01: NE/4
Boulder County, Colorado

To be completed by the Surface Owner:

The surface owner and/or assigned representative, desires an on-site consultation with a Crestone Peak Resources representative with respect to the proposed surface location of oil and gas operations.

Yes No

Signed: _____

Print Name: _____

Phone: _____

Signed and dated this _____ day of _____, 2017

Designated Representative or Agent (optional)

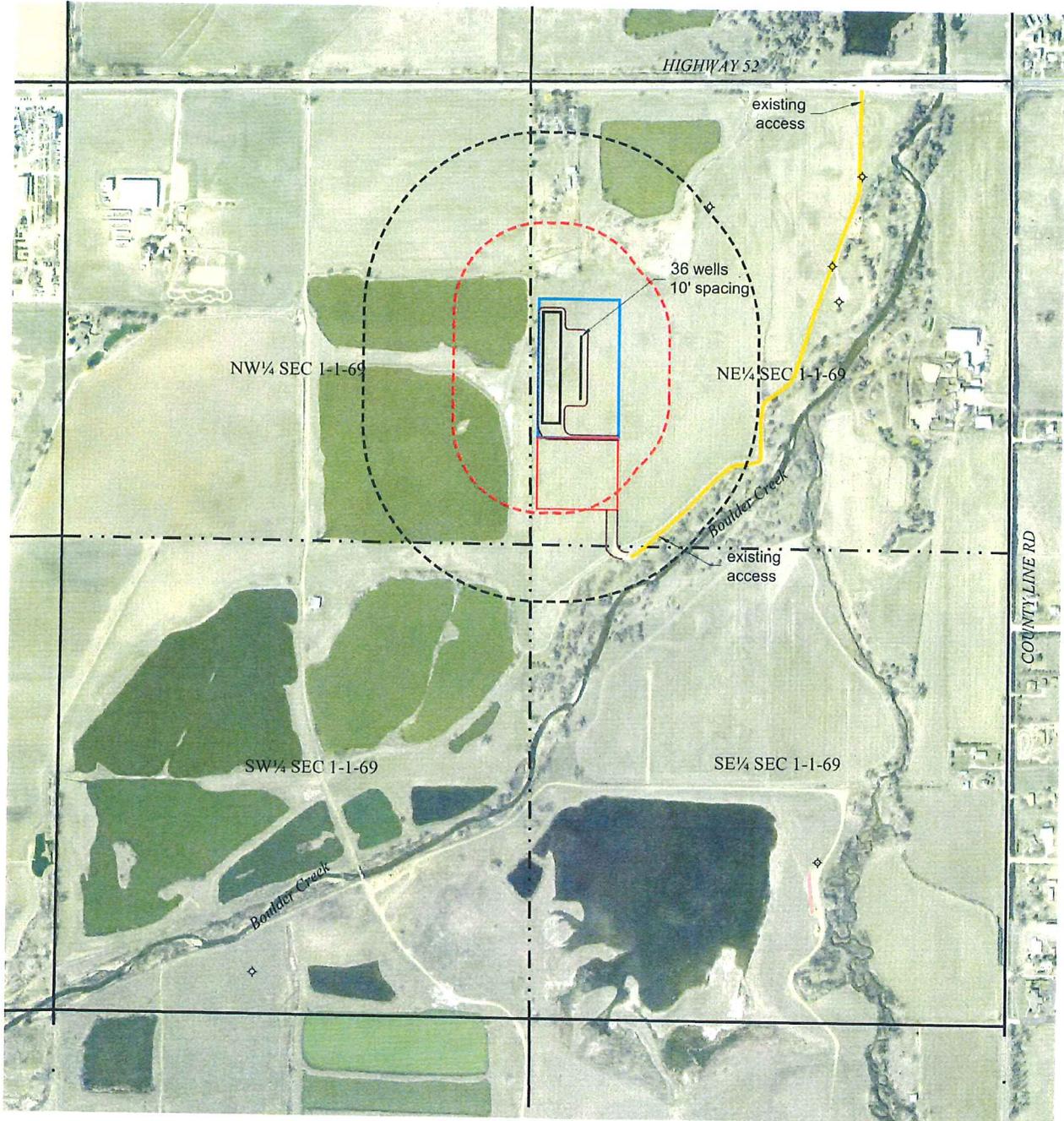
Name: _____

Address: _____

Phone: _____

Relationship to Surface Owner: _____

SECTION 1 PAD SETBACK EXHIBIT



-  500' SETBACK FROM WELLS/FACILITIES
-  1000' SETBACK FROM WELLS/FACILITIES

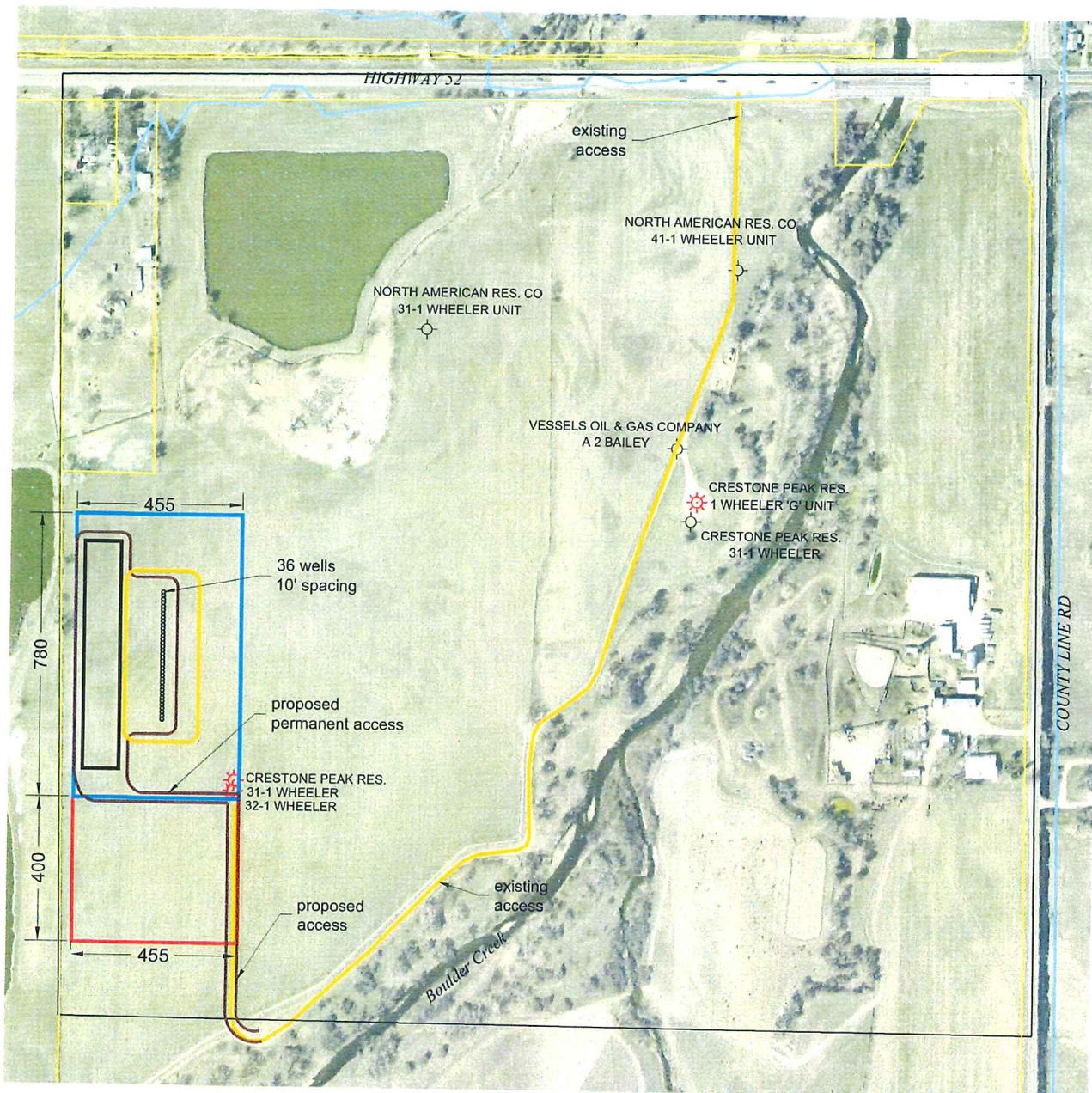


CRESTONE PEAK
RESOURCES

TOWNSHIP 1 NORTH, RANGE 69 WEST
2 mile laterals south - 36 total wells
SECTION: 1 & 12
BOULDER COUNTY, COLORADO

SCALE: 1" = 800' AUGUST 7, 2017

SECTION 1 PAD LAYOUT EXHIBIT



-  Access Roads
-  Parcels
-  Existing Pipeline
-  Wellsite
-  Completion Area
-  Workover Area
-  Facilities Area

Temp. Disturbance: 18 ac.
Perm. Disturbance: 5.0 ac.



CRESTONE PEAK
RESOURCES

TOWNSHIP 1 NORTH, RANGE 69 WEST
SECTION 1: NE¼
BOULDER COUNTY, COLORADO

SCALE: 1" = 400' AUGUST 7, 2017



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Office of the County Attorney

Ben Pearlman, County Attorney • Tel: 303.441.3190 • Fax: 303.441.4794 • ca@bouldercounty.org
Mailing Address: P.O. Box 471 • Boulder, Colorado 80306-0471 • www.bouldercounty.org

Sept. 20, 2017

Bob Bresnahan
Crestone Peak Resources, LLC
10188 E. I-25 Frontage Road
Firestone, CO 80504
bob.bresnahan@crestonepr.com

VIA EMAIL ONLY

Re: Your letters regarding surface owner consultation

Dear Mr. Bresnahan:

This office is in receipt of four letters you sent to Boulder County on September 7 and 11, 2017, regarding proposed surface use of four county-owned parcels in Crestone Peak's Comprehensive Drilling Plan area. At this time, without waiving any statutory or regulatory rights, Boulder County declines to discuss Crestone's proposed uses of the referenced properties because those discussions are premature in the absence of county Special Use Review of proposed sites under its Land Use Code. Moreover, the Board of County Commissioners cannot approve any site in the county for development outside of the Special Use Review process. Please be clear that the county reserves its landowner's statutory right to be consulted and request an on-site meeting regarding Crestone's use of any county property, and to enter into contracts for any such use, but will exercise those rights if those uses have been approved through the county's regulatory process.

Sincerely,

Kate A. Burke
Assistant County Attorney

cc: Eric Lane
Janis Whisman
Dale Case
Kim Sanchez
Jamie Jost



September 22, 2017

VIA EMAIL ONLY

Boulder County
Office of the County Attorney
ATTN: Kate A. Burke
P.O. Box 471
Boulder, Colorado 80306-0471

RE: Response to Boulder County's September 20, 2017 Letter

Ms. Burke,

Thank you for your prompt response to Crestone Peak Resources, LLC's ("Crestone") four letters dated September 7, 2017 and September 11, 2017. Crestone respects Boulder County's position on the applicability and timing of its permitting processes under the Land Use Code, however, respectfully disagrees that Crestone must engage in the local permitting process prior to initiating discussions relating to potential surface use as part of the Colorado Oil and Gas Conservation Commission permitting process. It is unfortunate that Boulder County will not engage in discussions with Crestone in order to further the collaborative nature of the Comprehensive Drilling Plan. As a result of Boulder County's denial to engage in the surface consultation process, Crestone will be reviewing alternative methods of accessing and utilizing the Boulder County Open Space parcels pursuant to the current Commission Rules. Notwithstanding Boulder County's position, Crestone will continue to attempt to communicate and collaborate with Boulder County as the Comprehensive Drilling Plan continues to develop.

Sincerely,

Bob Bresnahan

cc: Jamie Jost
Cathy Peterson