



# Lowry Ranch

## Drilling Project Information

### Lowry Ranch Drilling Project

Lowry Ranch is a proposed oil and gas project in Unincorporated Arapahoe County. To begin this process, Civitas Resources submitted a Comprehensive Area Plan to the Colorado Oil and Gas Conservation Commission in late October 2022. The COGCC is the state body that regulates oil and gas drilling and fracking in Colorado. This guide shares information and resources for property owners and neighbors wanting to understand the application process. Please complete [this form](#) if you would like to receive updates and notifications about this proposed project.

### What is the Lowry Ranch Drilling Project?

Civitas Resources has proposed up to 174 wells on 12 new and existing well pads, located on Colorado State Land Board lands within unincorporated Arapahoe County, east of Monaghan Road. All the proposed new pads must meet the County's 2,000-foot setback from occupied structures such as homes, unless homeowners agree in writing to a lesser setback. The Comprehensive Area Plan (CAP) application with the COGCC is in the initial stages and formal well pad applications have not been submitted to Arapahoe County. Both the state and Arapahoe County will eventually review the well pad applications. The long review process is outlined below.

#### Project information and regulatory requirements

You can find information about the project here:

[Civitas Lowry Ranch CAP](#)

[Colorado Oil & Gas Conservation Commission](#). Note: once the COGCC determines that the Civitas application is complete, the state will post associated documents on this page, including options for [submitting public comments](#).

#### Comprehensive Area Plan documents already submitted to the State:

[Colorado Oil & Gas Conservation Commission](#): Select "DNRCOG Search for Docket Related Documents" from the drop-down menu, enter Docket Number 221000282, then hit enter.

#### Oil and Gas Rules

[COGCC Rules for Oil and Gas](#). Select the 300 Series Rules. Section 314 describes the requirements and process for the Comprehensive Area Plan.

[Arapahoe County Oil and Gas Regulations](#). Note: Arapahoe County will post any Lowry Ranch pad site applications on this [page](#). We will also post links to the COGCC's Pending CAP page once the public comment period opens.

#### Which company is proposing this oil and gas development?

Civitas Resources is the parent company, and its subsidiaries include Axis Exploration, which is conducting mineral leasing, and Crestone Peak Resources, which is leading the permitting aspects. This FAQ will refer generally to Civitas and include all its involved subsidiaries.

#### What is the regulatory/permitting process for oil and gas wells and well pads?

There are two regulatory/permitting processes for oil and gas well pads: the Colorado Oil and Gas Conservation Commission's (COGCC) and the County's. These review processes overlap. See the illustrative flow chart at the end of this document.

## Colorado Oil & Gas Conservation Commission's multi-step process

As of Dec. 31, 2022:

- Civitas is currently contacting mineral owners with offers to lease minerals.
- The next step, also underway, is for Civitas to file and obtain approval from the COGCC for the Lowry Ranch Comprehensive Area Plan, known as the CAP. The COGCC is the state agency that regulates oil and gas operations and authorizes permits for both oil and gas wells and oil and gas well pads. Once COGCC deems the CAP application complete, they will [post it to their website](#) and open a 60-day public comment period to anyone who wishes to comment.
- Civitas' third step with the COGCC, if the CAP is approved, is to apply for drilling and spacing units with the COGCC.
- Finally, if the County approves an individual well pad application as described below, Civitas will apply with COGCC for that site and its wells. This will offer another opportunity for public comment on the proposal.

## Arapahoe County application process

- After obtaining drilling and spacing units, Civitas will apply for approval of well pads with the County. Arapahoe County's Land Development Code establishes a primarily administrative process for oil and gas facility siting approval. In 2021, the County adopted [comprehensive oil and gas regulations](#) to address the surface impacts of drilling and fracking (including setbacks, notification, traffic, lighting, odors, and noise). It is important to note that the COGCC regulates wells and all downhole/underground aspects of the drilling process. Each well pad application must demonstrate full compliance with each of the County's approval criteria in order for a site location to be approved and a permit issued for the oil and gas facility. If an application meets the County's criteria, the County has no lawful choice but to approve the well pad application or approve the well pad with conditions. Mineral rights are property rights protected by State law.
- When well pad applications are submitted, the Public Works and Development Department will notify residents who have contacted the County and will post a link to the application materials on the County [website](#), which will include a public comment portal available for 30 days.
- Arapahoe County's well pad application process includes a robust review by multiple County departments and divisions, and include appropriate fire districts. In addition, applications are also shared with outside agencies for review and comment, including the Colorado Geologic Survey, Colorado Parks and Wildlife, the Environmental Protection Agency, Colorado Department of Public Health and Environment, Colorado Division of Water Resources, U.S Army Corps of Engineers and adjacent jurisdictions, including the City of Aurora and Aurora Water.

## **Common Questions & Answers**

### **Will there be a public meeting/hearing?**

Arapahoe County [requires the operator to schedule and conduct neighborhood meetings](#) as part of the well pad application process. COGCC will also hold public hearings for each well pad application.

### **If approved, when would development occur?**

According to Civitas' preliminary projected schedule, the wells will be drilled from Quarter Two of 2024 to Quarter Two of 2029.

### **Can drilling and fracking beneath my property affect my home?**

The horizontal well bores are proposed more than 7,000 feet below the surface. Based on similar, numerous wells drilled in Arapahoe County, staff does not expect any impacts to buildings located above the horizontal well bores.

### **Is the water supply protected from fracking?**

Aurora Water advised Arapahoe County that the Aurora water supply is sourced from the mountains, not from underground aquifers. Nevertheless, COGCC rules require aquifer protection: the portion of the drill hole through the aquifers is sealed off from the rest of the drill hole with steel casing and cement. This [YouTube video produced by Marathon Oil Corp.](#) explains the typical drilling, wellbore casing, and fracking/completion processes.

Additionally, there is several thousand feet of impermeable shale between the oil-producing Niobrara Shale and aquifers. This shale further isolates aquifers from the oil and gas producing zones. The induced formation fractures do not extend to other formations; the typical fracture length is several hundred feet and the typical width is 0.1 to 0.3 inches.

### **Is Aurora Reservoir protected from fracking?**

It's important to note again that several thousand feet of dense rock separates the Aurora Reservoir from the oil and gas producing zones. The City of Aurora is not concerned about this at this time, based on the available information, including the vertical distance between the reservoir and the wells (more than 7,000 feet) and the geology specific to that area. The City of Aurora employs geologists and hydrologists who will evaluate the proposed project once official applications have been made.

### **How long will drilling and fracking take?**

According to Civitas, each well will be drilled in approximately 10 days. After drilling all the wells on a pad, fracking each horizontal well would take approximately one week.

### **Will the drilling and fracking create noise, lighting or traffic issues?**

Based on similarly situated wells in Arapahoe County, noise from drilling and fracking is expected to be minimal. County regulations set noise limits and require mitigation if noise modeling demonstrates that the site would exceed those limits. The bright nighttime lights required for safety at the pad surface must be directed downward and inward; these requirements, combined with the 2,000-foot setback from homes, will limit light spillage. While specific haul routes to the pads have not been determined, based on past experience with pads in the area, heavy truck traffic would likely proceed south along Watkins Road from Interstate-70 and then west along either Yale or Quincy avenues.

### **What is the deadline for signing the lease agreement?**

Civitas has agreed to accept signed lease offers beyond the 60- or 90-day periods mentioned in the lease offer letters. Civitas will send out another mineral owner notice when the CAP is approved and again when the spacing units are determined. If you have questions about the deadline or want additional information, you can contact Civitas by scrolling to the bottom of their [project webpage](#).

### **Should I sign a lease offer from the land company?**

The County cannot provide legal advice nor advise you on lease offers. Because leases establish legal rights and obligations, the County urges you to consult with an attorney who specializes in oil and gas leases.

### **What if I don't sign a lease agreement?**

Similarly, Arapahoe County cannot provide legal advice on the implications of refusing to accept a lease offer. Consult with an attorney regarding any offer and the consequences of refusing an offer. Under Colorado law, an oil and gas operator who has obtained 45% of the mineral interests in a drilling unit through lease or ownership, may apply to have non-consenting interests "force pooled." [Learn more about forced pooling here](#).

### **Can Arapahoe County stop this drilling project?**

The County cannot stop the project. The owner or lessee of mineral rights has a right to develop their minerals, and that right is protected by State law. The land use is allowed by County and State regulations. Arapahoe County adopted comprehensive oil and gas regulations to address surface impacts of drilling (setbacks, notifications, traffic, lighting, and noise) and the State of Colorado regulates air quality and all underground aspects of mineral production, including drilling and fracking.

## **Additional Resources**

### **Who to contact with questions, concerns or more information?**

- Direct questions to Civitas Resources, the parent company of Crestone Peak Resources and Axis Exploration via email at [LowryRanchCAP@civiresources.com](mailto:LowryRanchCAP@civiresources.com) or to COGCC at 303-894-2100.
- The [County's website](#).
- For further details, email Arapahoe County Energy Specialist [Diane Kocis](#).

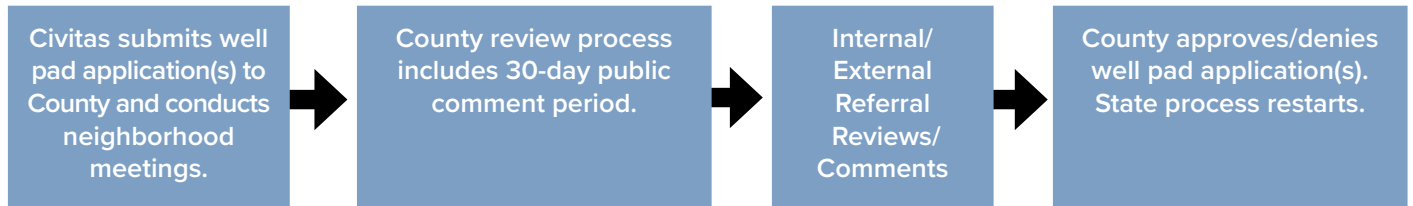
The State of Colorado and Arapahoe County require applications and approvals for oil and gas operations. The state and County application/approval processes take time. Oil and gas companies secure mineral rights, typically through leasing offer letters to property owners.

Applications to the Colorado Oil and Gas Conservation Commission (COGCC) and the County intertwine. The following is a brief outline for the Civitas proposed project.

### COGCC (Comprehensive Area Plan Application)



### Arapahoe County (Well Pad Application(s))



### COGCC (Well and Well Pad Application(s))

