

CHNP

West Mamm Creek Phase 2 Plan of Development Summary August 2022

TEP Rocky Mountain LLC (“TEP”) is proposing to drill, complete, and operate sixty-two (62) directionally drilled natural gas wells from three (3) oil and gas locations located on private surface owned by Johnson, R M Revocable Trust. The following summary of each proposed oil and gas location planned as part of the West Mamm Creek Phase 2 Project.

Johnson 05-05 Pad

TEP is proposing to reconstruct and slightly expand the existing Johnson 05-05 oil and gas location (currently supporting three (3) existing wells) to develop fourteen (14) new directional natural gas wells. The oil and gas location is located on Johnson property overlying fee minerals. All fourteen (14) proposed natural gas wells would be directionally drilled into Federal minerals underlying National Forest property. All fourteen (14) proposed well would produce from COC-067150. The following outlines preliminary project parameters:

- Preliminary Development Timing:
 - Construction Start: July 1, 2024
 - Drilling Start: October 20, 2024
 - Completions Start: February 1, 2025
- Pad Construction: Reconstruct and expand existing oil and gas location to a ±5.91ac footprint.
- Production Facilities:
 - Separators: Four (4) – Quads; One (1) – Single; One (1) – Low Pressure;
 - Tank Battery: Four (4) – Condensate Tanks (500bbl); One (1) – Blowdown Tank (500bbl); One (1) – Vent Tank (500bbl)
 - Emissions Control: One (1) – Emission Control Device (“ECD”); One (1) – Drip Pot
 - Air Package: One (1) – Air Compressor with natural gas generator
- Pipelines:
 - Gas Pipeline: TEP would install one (1) new natural gas pipeline from the Oil and Gas Location (“OGL”) to the McClung 29-10 Pad
 - Water Pipeline: TEP would install one (1) new produced water pipeline from OGL to the proposed tank battery on the McClung 29-10 Pad.
- Drill Cuttings Management: Drill cuttings will be managed within a cuttings trench along the west side of the oil and gas location. Trench is sized to store 100% of the estimated drill cuttings volume.
- Completions: Simultaneous Operations (“SIMOPS”) would not occur for this location based on the well count. Well completion operations would occur remotely from a new proposed frac pad to be constructed at the north end of Johnson property
 - Frac Lines: Five (5) – Four and one half inch (4.5”) steel temporary surface frac pipelines will be installed following the existing access road from the proposed frac pad to the OGL.

- Water Supply Lines: Two (2) – Ten Inch (10") temporary surface water pipelines would be installed following the existing access road from the McClung 29-10 pad to the proposed frac pad to provide water to the frac crew.
- Minion Tank (6 – 10,000bbls) will be used on the proposed frac pad for storage of produced water during completion operations.
- Production Operations: Gas produced will be transported via pipeline to the Summit gathering system located north of the McClung 29-10 pad. Produced water generated during production operations will be transported via pipeline from the oil and gas location to the proposed tank battery on the McClung 29-10 pad for temporary storage. Water will then be pumped through a proposed water pipeline into TEP's existing water management system located on Flatiron Mesa. Condensate production will be stored in tanks on the OGL and will be hauled off location via truck.
- High Priority Habitat: Elk Production, Aquatic Sportfish Management Waters
- Building Units: There is one (1) Residential Building Unit ("RBU") within two thousand feet (2000') of the oil and gas location. The RBU is owned by the surface owner. The surface owner is expected to provide informed consent.
- Required Agreements:
 - Oil and Gas Location: Existing Surface Use Agreement; May need to be amended for increase pad size.
 - Proposed Permanent Pipelines (Gas & Water): New Right-of-Way ("ROW") required from Johnson and National Forest Service ("NFS")
 - Temporary Surface Pipelines (Frac & Water Supply): New ROW required from Johnson and NFS

Johnson 05-07 Pad

TEP is proposing to reconstruct and slightly expand the existing Johnson 05-07 oil and gas location (currently supporting three (3) existing wells) to develop fourteen (14) new directional natural gas wells. The oil and gas location is located on Johnson property overlying fee minerals. All fourteen (14) proposed natural gas wells would be directionally drilled into Federal minerals underlying National Forest property. All fourteen (14) proposed natural gas wells would produce from COC-067150. The following outlines preliminary project parameters:

- Preliminary Development Timing:
 - Construction Start: July 1, 2024
 - Drilling Start: January 15, 2025
 - Completions Start: May 1, 2025
- Pad Construction: Reconstruct and expand existing oil and gas location to a ±6.28ac footprint.
- Production Facilities:
 - Separators: Four (4) – Quads; One (1) – Single; One (1) – Low Pressure;
 - Tank Battery: Four (4) – Condensate Tanks (500bbl); One (1) – Blowdown Tank (500bbl); One (1) – Vent Tank (500bbl)
 - Emissions Control: One (1) – ECD; One (1) – Drip Pot
 - Air Package: One (1) – Air Compressor with natural gas generator

- Pipelines:
 - Gas Pipeline: TEP would install one (1) new natural gas pipeline from the OGL to the proposed line for the Johnson 05-05 pad.
 - Water Pipeline: TEP would install one (1) new produced water pipeline from OGL to the proposed line for the Johnson 05-05 pad.
- Drill Cuttings Management: Drill cuttings will be managed within a cuttings trench along the west side of the oil and gas location. Trench is sized to store 100% of the estimated drill cuttings volume.
- Completions: SIMOPS would not occur for this location based on the well count. Well completion operations would occur remotely from a new proposed frac pad to be constructed at the north end of Johnson property
 - Frac Lines: Five (5) – Four and one half inch (4.5") steel temporary surface frac pipelines will be installed following the existing access road from the proposed frac pad to the OGL.
 - Water Supply Lines: Two (2) – Ten Inch (10") temporary surface water pipelines would be installed following the existing access road from the McClung 29-10 pad to the proposed frac pad to provide water to the frac crew.
 - Minion Tank (6 – 10,000 bbls) will be used on the proposed frac pad for storage of produced water during completion operations.
- Production Operations: Gas produced will be transported via pipeline to the Summit gathering system located north of the McClung 29-10 pad. Produced water generated during production operations will be transported via pipeline from the oil and gas location to the proposed tank battery on the McClung 29-10 pad for temporary storage. Water will then be pumped through a proposed water pipeline into TEP's existing water management system located on Flatiron Mesa. Condensate production will be stored in tanks on the OGL and will be haul off location via truck.
- High Priority Habitat: Elk Production
- Building Units: There is one (1) RBU within two thousand feet (2000') of the oil and gas location. The RBU is owned by the surface owner. The surface owner is expected to provide informed consent.
- Required Agreements:
 - Oil and Gas Location: Existing SUA; May need to be amended for increase pad size.
 - Proposed Permanent Pipelines (Gas & Water): New ROW required from Johnson
 - Temporary Surface Pipelines (Frac & Water Supply): New ROW required from Johnson and NFS

Johnson WMC 24-29 Pad

The WMC 24-29 pad is being proposed as an alternative to the McClung 29-10 pad to minimize potential impacts to nearby building unit owners. This OGL is located outside of the two thousand foot (2000') setback from all RBUs in the area. TEP would develop thirty-four (34) proposed natural gas wells from this oil and gas location. Seventeen (17) proposed natural gas wells would be located within COC-079149, ten (10) proposed natural gas wells would be

located within COC-075070, and seven (7) proposed natural gas wells would be located within the underlying Fee lease. The following outlines preliminary project parameters:

- Preliminary Development Timing:
 - Construction Start: September 2023
 - Drilling Start: July 2024
 - Completions Start: September 2024
- Pad Construction: Construction of a new oil and gas location
- Production Facilities:
 - Separators: Eight (8) – Quads; Two (2) – Double; Three (3) – Low Pressure;
 - Tank Battery: Eight (8) – Condensate Tanks (500bbl); One (1) – Blowdown Tank (500bbl); One (1) – Vent Tank (500bbl)
 - Emissions Control: Three (3) – ECD; One (1) – Drip Pot
 - Air Package: One (1) – Air Compressor with natural gas generator
- Pipelines:
 - Gas Pipeline: TEP would install one (1) new natural gas pipeline from the OGL to the Summit meter located north of the McClung 29-10 pad.
 - Water Pipeline: TEP would install one (1) new produced water pipeline from OGL to the proposed tank battery on the McClung 29-10 pad.
- Drill Cuttings Management: Drill cuttings will be managed within a cuttings trench along the south side of the oil and gas location. Trench is sized to store 100% of the estimated drill cuttings volume.
- Completions: SIMOPS would occur on this location based. Well completion operations would occur remotely from the adjacent frac pad.
 - Frac Lines: Five (5) – Four and one half inch (4.5") steel temporary surface frac pipelines will be installed between the frac pad and the well pad crossing the existing road.
 - Water Supply Lines: Two (2) – Ten Inch (10") temporary surface water pipelines would be installed following the existing access road from the McClung 29-10 pad to the proposed frac pad to provide water to the frac crew.
 - Minion Tank (6 – 10,000bbls) will be used on the proposed frac pad for storage of produced water during completion operations.
- Production Operations: Gas produced will be transported via pipeline to the Summit gathering system located north of the McClung 29-10 pad. Produced water generated during production operations will be transported via pipeline from the oil and gas location to the proposed tank battery on the McClung 29-10 pad for temporary storage. Water will then be pumped through a proposed water pipeline into TEP's existing water management system located on Flatiron Mesa. Condensate production will be stored in tanks on the OGL and will be haul off location via truck.
- High Priority Habitat: Elk Production, Aquatic Sportfish Management Waters.
 - Will need to delineate OHWM. Need CPW to provide waiver to located the OGL within 300' of the OHWM of the perennial stream. BMPs will be implemented to mitigate sediment discharge into stream and eliminating impacts to potential downstream sprot fish.

- Building Units: No RBU's within two thousand feet (2000') of OGL
- Required Agreements:
 - Oil and Gas Location: Existing SUA; May need to be amended for increase pad size.
 - Proposed Permanent Pipelines (Gas & Water): New ROW required from Johnson and NFS
 - Temporary Surface Pipelines (Frac & Water Supply): New ROW required from Johnson and NFS

Johnson WMC 24-29 Frac Pad

The WMC 24-29 frac pad is being proposed as a remote support location for well completion operations associated with the WMC 21-29 Pad (West Mamm Creek Phase 1), WMC 24-29 pad, Johnson 05-05 Pad, and Johnson 05-07 pad. The WMC 24-29 frac pad is located adjacent to the WMC 24-29 drill pad. TEP will install six (6) ten-thousand barrel (10,000bbl) minion tanks on the WMC 24-29 frac pad to support water storage during well completion operations. The minion tanks will be located within a secondary containment structure consisting of 4' high muscle walls and a 30mil poly liner system.