



Crestone Peak Resources Operating LLC

if you are crossing
any City ROW,
easement or utility
crossing with layflat
lines, you MUST
apply for a license
agreement.

WATER PLAN

Chico 4-65 26-25 North Pad

Date Finalized: April 8, 2024



Please add: DA-2395-00, Case Number:
2024-6041-00 and Address: 29860 E Jewell Ave

**Crestone Peak Resources, LLC's Water Plan was developed in accordance
with ~~COGCC~~ Rule 304.c.(18)**

Overall Description of Operations

Crestone Peak Resource, LLC's ("CPR") Water Plan pursuant to Rule 304.c.(18) is described herein.

Water for drilling operations for the Chico 4-65 26-25 North Pad will be sourced from a fresh-water hydrant from Rangeview Metropolitan District near the intersection of 6th Avenue and N. Hayesmount Road. Fresh water used for completion operations will be transported by a temporary water line ("Layflat").

Layflat definition: Temporary, above-ground water supply line, typically 10" or 12" in diameter and typically made of synthetic rubber or similar "hose" material. They are used for the transfer of water from an identified water source to support company's hydraulic fracturing operations.

"Facilities" associated with use of Layflat lines include the following:

- In-line pumps
- Light plants with generators
- Spools
- Secondary containment equipment
- Ramps

Equipment used for installation may include pick-up trucks, flatbed trailers, skid steer, and skid steer mounted reel winder.

Layflat lines are laid on the surface, at grade and do not require excavation. They do not require staking to secure them from movement and are placed at least 10' from the edge of the roadway.

Deployment and Retrieval of a Layflat Line

A truck carrying spools of hose follows along-side a skid steer tractor. The skid steer carries and straddles the spool of Layflat line and releases the hose by the reel rolling forward. Victaulic couplings are used to assemble segments of Layflat line. The process of retrieving the Layflat line involves the same equipment and process in reverse (reel rolling backward).

Layflat lines are periodically pressure tested to assess the integrity of the materials as well as determine if there are any leak points. Any line that does not pass the periodic pressure testing is retired and replaced.

Table of Operations and Water Source

Phase of Operation	Source	Lat / Long of Source	Method of Transport	Water Type	Volume
Drilling and Pad Construction	Rangeview Metropolitan District	39.725429, -104.643050	Water Truck Pulling from Fill Station	Ground Water	24,500 bbls
Completions - Source 1	FRICO	39.95392778, -104.74666667	Layflat	Surface Water	1,825,000 – 2,025,000 bbls

Planned Source and Volumes

The Chico 4-65 26-25 North Pad is located within Arapahoe County. The primary source will be Farmers Reservoir and Irrigation Company (FRICO). CPR will use a combination of surface water and ground water for its drilling and completion operations.

Primary source: Farmers Reservoir and Irrigation Company and Crestone Peak Resources Operating LLC have an operating plan for Delivery of Non-Potable Water from Barr Lake. Water from Barr Lake is transferred via layflat to location. All water coming from Farmers Reservoir and Irrigation Company is fresh water. The source point is located in Section 23, T1S, R66W at 39.95392778, -104.74666667.

Crestone estimates the Chico 4-65 26-25 North Pad location will consume approximately 1,825,000 to 2,025,000 bbls of water. Daily consumption will be approximately 110,000 bbls per day.

Please include the word barrels

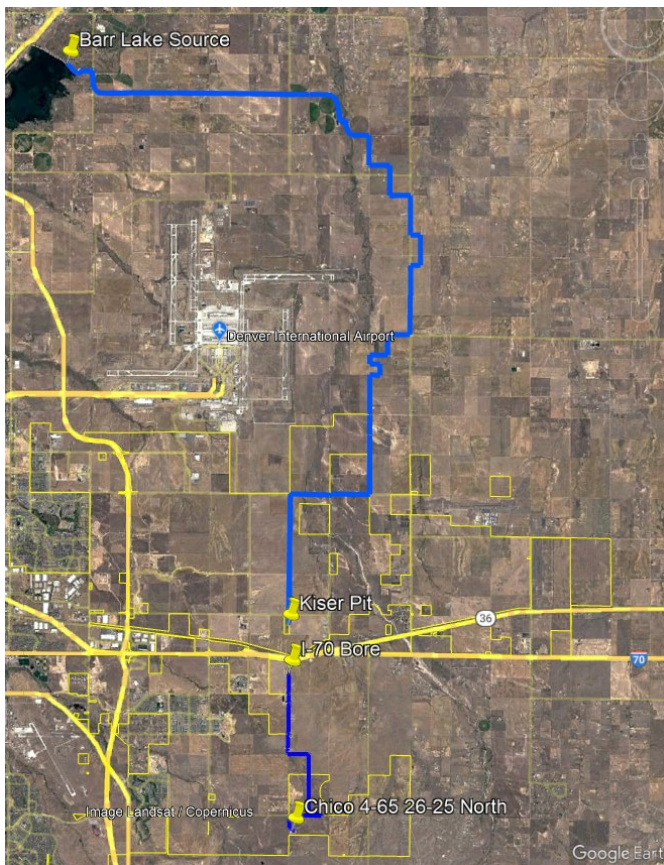
Route Description

Within Adams County, CPR has identified the following take-away point for water:

FRICO – Barr Lake, located in Section 23, T1S, R66W, Adams County, Colorado

The water is transported by Select Water Services from Barr Lake to a fresh water storage pond known as the Kiser Pit. The water is then transported from the Kiser Pit using the route below which uses an existing I-70 Bore. Crestone will work to determine the required public or private right of ways that will be needed to move water via Layflat lines from the Kiser Pit to the Chico 4-65 26-25 North location. CPR owns a water line to transfer water under I-70, Colfax, and Union Pacific Railroad.

Overview of water route: Temporary Layflat from the FRICO Barr Lake Facility (blue line):



Seller Information – Purchased Water

Farmers Reservoir and Irrigation Company
80 South 27th Avenue
Brighton, CO 80601

Reuse and Recycle Plan

Due to the limited amount of produced water from Crestone in this region, Crestone is evaluating the potential environmental, health, and safety risk from loading, unloading, and treating produced water for use in completions activity against the benefit of water recycling.