



Natural Soda LLC

DRMS Permit Acreage Increase

DRMS D&A Meeting Agenda and Path Forward

February 24, 2017

14:00

101 South 3rd, Suite 301, Grand Junction, CO 81501

Attendees:

Travis Marshall (DRMS)

Jerry Daub (D&A)

Randy Dean (D&A)

1. NS/D&A would like to discuss, with the DRMS, the ramifications of modifying NS' DRMS permit area to equal the current BLM lease area plus an additional ¼ mile surround to extend beyond the current BLM lease area. This modified DRMS permit area would be consistent with the current EPA UIC permit area and include approximately 12,700 acres.
 - A. This modified permit area would include the addition of the recent BLM lease modification (~156 acres, N1/2, N1/2, Sec 35)
 - B. This modified permit area would include the 15-17 pad and historic older pads which were permitted for with all agencies, approved for construction, and located outside of the BLM lease areas.
 1. These pads/wells are: 3A-4H, 3A-5V, 1A-5HR, 1A-4HI, BG-1, DS-2, DS-6, 8H-I&R, 15H-SSMW(4-3H pad), and 15H-I&R
 - C. This modified permit area would include all acreage within ¼ mile surround perimeter.
 - D. The off-lease pads are and have been bonded for with the DRMS.
 - E. Amendment-03 went from 78 to 8,223 acres.
 - F. Currently NS would like the DRMS permit area to increase from 8,233 to approximately 12,700 acres.
2. The affected area projections, out to the year 2025, will be reviewed but should remain unchanged and at approximately 116 ac.

DRMS D&A Meeting and Discussion Re: NS Permit Acreage Increase

3. What types of options are available to NS which will allow for the requested permit acreage increase?

A. _____

B. _____

C. What are filing fees for such actions/submissions:

1. \$ _____

2. \$ _____

4. Permit area increase process and required submission items

A. _____

B. _____

C. _____

D. _____

E. _____

5. Other Items:

A. 2017 Resource Drilling Program (RDP)

1. TR submission will be forthcoming

a) *10 RDP well locations permitted with BLM.*

b) *NS anticipates that only 4 to 6 wells will be drilled and have pads constructed.*

c) *A bonding update discussion in the future may be appropriate.*

B. 2017 Plug and Abandonment (P&A)

1. NS anticipates as many as 10 wells will be P&A'd in 2017.

