



Planning Department

211 Rock Point Drive
Durango, CO 81301
(970)382-6263

October 9, 2017

Maralex Resources Inc.
Jordan Reid
775 Goddard Avenue
Ignacio, CO 81137

**RE: Minor Oil and Gas Facility Application Permit # 2017-0221
Maralex Resources Inc. – Backyard Pipeline Loop**

Dear Mr. Reid,

The La Plata County Planning Department (Department) has determined that your application for the Backyard Pipeline Loop minor facility permit is complete. After reviewing the subject application, the Department is granting administrative approval of the facility in accordance with Section 90-74 of the Oil and Gas Regulations of the La Plata County Land Use Code (LPLUC), subject to the attached conditions of approval (COAs). Any conditions that may require additional submittals with other County Departments have been emphasized with italics. Please feel free to contact me at 970-382-6390 if you have any questions or concerns regarding this permit approval or COAs.

Sincerely,

Brenna Kampf, Planner II
La Plata County Planning Department

Cc: Thomas McNamara, La Plata County Office of Emergency Management (via e-mail)

La Plata County Minor Oil and Gas Pipeline Permit Application



Planning Department
 1060 E. 2nd Ave.
 Durango, CO 81301
<http://co.laplata.co.us>



- APPLICATION MUST BE SUBMITTED IN PERSON OR VIA U.S. MAIL
- DO NOT STAPLE MATERIALS
- VERIFY FEES PRIOR TO SUBMITTING
- PLEASE REFER TO CHAPTER 90 OF LA PLATA COUNTY LAND USE CODE

Application Fees Submitted: \$ 1300[✓]
 Proposed Facility Name: Backyard Pipeline Loop
 12 digit Parcel #(s) (attach list if necessary): attached
 Sec., Twp, Rng.: attached
 BOL Latitude (decimal degrees) 37.136776 BOL Longitude (decimal degrees) -107.599915
 EOL Latitude (decimal degrees) 37.13779 EOL Longitude (decimal degrees) -107.581802
 Applicant: Maralex Resources, Inc. Contact Person: Jordan Reid
 Address: 775 Goddard Ave, PO BOX 338, Ignacio, CO 81137 Phone: (970) 563-4000
 Designated Agent? Yes No (if Yes, please provide proof of designation)
 Agent: _____ Contact Person: _____
 Address: _____ Phone: _____
 Emergency Contact: _____ Phone: _____

Surface Owner: attached Surface Owner: _____
 Address: _____ Address: _____
 Phone: _____ Phone: _____

Additional Surface Owners may be attached in a list to the permit

APPLICANT'S/AGENT'S CERTIFICATION OF COMPLIANCE:

I, Jordan Reid, designated agent for Maralex Resources, Inc. (Applicant), hereby certify that the information provided to La Plata County within and related/attached to this application complies with all La Plata County and State of Colorado regulations and is true and accurate. The Applicant will be held legally responsible for all acts, errors, and omissions arising from the development specified herein, and which is undertaken by the Applicant, Applicant's Employees, and any independent contactors and subcontractors pursuant to the approval of the application by La Plata County. By signing this application in accordance with all of the regulations of the La Plata Land Use Code, I hereby authorize La Plata County Employees to inspect the site for the Proposed Facility at any time before approval or denial of this application and upon reasonable notice after approval of this application.

Signature: [Signature] Date: 8/29/2017

County Use Only Beneath This Line

Based on the information provided herein, this Minor Oil and Gas Facility Permit Application complies with Chapter 90 of the LPLUC and is hereby approved and permitted.

Name: Bryana Kampit Title: Planner II
 Signature: [Signature] Date: 10-9-17
 Permit/Project #: PL 2017-0221 Land Use Planning District: South East

Conditions of Approval: See Attached

Section I: Facility Description/Environmental Quality

1. Certify that the County has on file a valid and current form of the following:

Emergency Preparedness Plan provided to Office of Emergency Management (90-51)? Yes No

Revision date of the Emergency Preparedness Plan on file July 2017

Performance Security

Is performance security for this facility covered under a blanket bond (90-49)? Yes No

a. If Yes, please provide the following information. Additionally please submit one copy (one time) of the bond for the County's records:

i. Financial Institution Fidelity & Deposit Co. of Maryland

ii. Dollar Amount of Bond \$50,000

iii. Bond # 8792517

b. If No, a bond will be required. Please submit a copy of the bond and provide the following information:

i. Financial Institution Fidelity, Deposit Co. of Maryland

ii. Dollar Amount of Bond \$7500

iii. Bond # LPM9260190

2. Proposed Pipeline and Surface equipment description (line size(s), pressure rating, material [steel, poly, fiberglass], number of lines, intended pipeline product [gas, water], pig launcher/receiver, drip station, etc.):

Line size: 8"
Line type: X-52 fusion bond coded pipe
Pressure rating: 1700 psi
Material: steel
Number of lines: 1
Max operating pressure: 500 psi
Intended product: gas

3. Have easements been obtained from all landowners whose lands are being crossed? Yes No

4. Does the Proposed Pipeline require the applicant to apply for a license to work in the County right-of-way? (If Yes, please provide permit number, if applicable)

Yes No Permit number: ~~In progress~~ 17-069-U

5. Site Best Management Practices Plan

a. Please provide a written narrative and site plan explaining interim reclamation, weed control, drainage BMP's, and visual mitigation per Section II (Required attachments) item 3 (on page 5).

6. Setback Issues

a. Are the following setback requirements met?

i. Pipeline setbacks of 50' from occupied structures:

Yes No

b. If No, answer questions below:

i. Was a waiver requested by the applicant?

Yes No

ii. Was a waiver granted by the surface owner?

Yes No

iii. If Yes, please attach the written waiver.

iv. Other, please attach narrative to permit.

7. Provide Driving directions to the Beginning of Line from Durango, using bearings, tenths of miles and visible landmarks. Driving Directions may also be attached as a separate document, if preferred.

Head east on US-160 for 5 miles to the intersection of US-160 and CO-172 (Elmore's Coner) and turn right onto CO-172 South for 15 miles towards Ignacio, CO. Turn left onto Ute Road and travel 0.4 miles. Turn right onto Indian Rte 107 and travel 0.4 miles. Turn right onto county road 521 (Buck Hwy) for 0.5 miles and make a sharp (almost a U-turn) onto county road 334. Travel on county road 334 for 2.6 miles and the gate for the beginning of the line is on the right hand side (south side) on the county road 334. A large radio tower will be in view just SW of the gate. See attached directions map.

La Plata County Land Use Code Conditions of Approval

1. Approval granted for the facility shall expire or be considered revoked if commencement of pipeline construction has not started within two years from the date of this approval, or three years with a valid permit extension (LPLUC Sec. 90-44.I).
2. If the applicant desires to modify the subject facility by changes to the permanent equipment, site layout, or operating plan approved in this permit, the addition of new permanent equipment, or new grading activities, an amendment to the original application is required (LPLUC Sec. 90-44.II).
3. *A current Emergency Response Plan shall be kept on file with the La Plata County Office of Emergency Management (LPLUC Sec. 90-51).*
4. Open-ended discharge valves on all storage tanks, pipelines and other containers shall be secured (LPLUC Sec. 90-122.V.C).
5. All land within 25 feet of all above ground structures containing flammable or combustible materials shall be kept free of dry weeds, grass, or rubbish (LPLUC Sec. 90-122.V.D).
6. At all times best management practices shall be used to prevent stormwater discharges from impacting surface water quality (LPLUC Sec. 90-123.III.H).
7. During pipeline construction for trenches that are left open for more than five days and are greater than five feet in width, install wildlife crossovers and escape ramps where the trench crosses well-defined game trails and at a minimum of one-quarter mile intervals where the trench parallels well-defined game trails (LPLUC Sec. 90-123.IV.A.4.c).
8. Do not place equipment staging, storage, and/or refueling areas within riparian and/or wetland areas (LPLUC Sec. 90-123.IV.A.4.e).
9. With the exception of the Ute Creek Lateral, boring technology should be used when crossing streams, rivers, or irrigation ditches with a pipeline so that little of the channel, bank, and riparian vegetation are negatively affected (LPLUC Sec. 90-123.IV.A.4.g). The Southern Ute Bureau of Indian Affairs has issued a permit for the Ute Creek Lateral crossing that allows for the pipeline trench to be dug.
10. Maralex Resources, Inc. is responsible for ongoing weed control of the right-of-way until final reclamation is complete (LPLUC Sec. 90-124.V).
11. All segregated soil horizons shall be replaced to their original relative positions and contour as near as practicable to achieve erosion control and long-term stability, and shall

be tilled adequately in order to establish a proper seedbed. Reseeding of disturbed areas shall occur within 30 days after completion of grading (LPLUC Sec. 90-124.VI).

12. Applicant shall be required to adhere to all other applicable regulations for the construction and operation of the facility, as indicated in Chapter 90 of the LPLUC.
13. *Submit an AutoCAD or equivalent GIS digital file of the proposed pipeline to the Office of Emergency Management at pipeline@co.laplata.co.us once the pipeline has been constructed (this information will be kept confidential).*
14. *Submit a map of the as built pipeline alignment with the pipeline material and diameter information to Renae Durand at the Assessor's Office at renae.durand@co.laplata.co.us once the pipeline has been constructed (this information will be kept confidential).*