

State of Colorado
Oil and Gas Conservation Commission

1120 Lincoln Street, Suite 801, Denver, Colorado 80205 Phone: (303) 894-2100 Fax: (303) 894-2109



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Document Number:

400070310

Oil and Gas Location Assessment

☒ New Location ☐ Amend Existing Location Location#: _____

Submit original plus one copy. This form is to be submitted to the COGCC prior to any ground disturbance activity associated with oil and gas development operations. This Assessment may be approved as a stand alone application or submitted as an informational report accompanying an Application for Permit-To-Drill, Form 2. Approval of this Assessment will allow for the construction of the below specified location; however, it does not supersede any land use rules applied by the local land use authority. This form may serve as notice to land owners and other interested parties, please see the COGCC web site at <http://colorado.gov/cogcc/> for all accompanying information pertinent to this Oil and Gas Location Assessment.

Location ID:

418714

Expiration Date:

08/12/2013
☒ This location assessment is included as part of a permit application.

1. CONSULTATION

- ☐ This location is included in a Comprehensive Drilling Plan. CDP # _____
- ☐ This location is in a sensitive wildlife habitat area.
- ☐ This location is in a wildlife restricted surface occupancy area.
- ☐ This location includes a Rule 306.d.(1)A.ii. variance request.

2. Operator

Operator Number: 10051

Name: APOLLO OPERATING LLC

Address: 1538 WAZEE ST STE 200

City: DENVER State: CO Zip: 80202

3. Contact Information

Name: Virginia Lopez

Phone: (303) 928-7128

Fax: (303) 423-8765

email: virginia@petro-fs.com

4. Location Identification:

Name: Martin Number: 43-12County: WELDQuarter: NESE Section: 12 Township: 3N Range: 68W Meridian: 6 Ground Elevation: 4876

Define a single point as a location reference for the facility location. This point should be used as the point of measurement in the drawings to be submitted with this application. When the location is to be used as a well site then the point shall be a well location.

Footage at surface: 1798 feet, from North or South section line: FSL and 755 feet, from East or West section line: FELLatitude: 40.238619 Longitude: -104.944452 PDOP Reading: 6.0 Date of Measurement: 05/11/2010Instrument Operator's Name: Travis Kraich

5. Facilities (Indicate the number of each type of oil and gas facility planned on location):

Special Purpose Pits: <input type="text"/>	Drilling Pits: <input type="text"/>	Wells: <input type="text" value="1"/>	Production Pits: <input type="text"/>	Dehydrator Units: <input type="text"/>
Condensate Tanks: <input type="text"/>	Water Tanks: <input type="text"/>	Separators: <input type="text"/>	Electric Motors: <input type="text"/>	Multi-Well Pits: <input type="text"/>
Gas or Diesel Motors: <input type="text"/>	Cavity Pumps: <input type="text"/>	LACT Unit: <input type="text"/>	Pump Jacks: <input type="text"/>	Pigging Station: <input type="text"/>
Electric Generators: <input type="text"/>	Gas Pipeline: <input type="text"/>	Oil Pipeline: <input type="text"/>	Water Pipeline: <input type="text"/>	Flare: <input type="text"/>
Gas Compressors: <input type="text"/>	VOC Combustor: <input type="text"/>	Oil Tanks: <input type="text"/>	Fuel Tanks: <input type="text"/>	

Other: Flowline: The 2 inch diameter fusion bond flowline will run 687 feet directly East from well to facilities

6. Construction:

Date planned to commence construction: 10/01/2010 Size of disturbed area during construction in acres: 0.50
Estimated date that interim reclamation will begin: 01/01/2011 Size of location after interim reclamation in acres: 0.10
Estimated post-construction ground elevation: 4876 Will a closed loop system be used for drilling fluids: Yes ☒
Will salt sections be encountered during drilling: Yes ☐ No ☒ Is H2S anticipated? Yes ☐ No ☒
Will salt (>15,000 ppm TDS Cl) or oil based muds be used: Yes ☐ No ☒
Mud disposal: Offsite ☒ Onsite ☐ Method: Land Farming ☐ Land Spreading ☒ Disposal Facility ☐
Other: _____

7. Surface Owner:

Name: _____ Phone: _____
Address: _____ Fax: _____
Address: _____ Email: _____
City: _____ State: _____ Zip: _____ Date of Rule 306 surface owner consultation: _____
Surface Owner: ☒ Fee ☐ State ☐ Federal ☐ Indian
Mineral Owner: ☒ Fee ☐ State ☐ Federal ☐ Indian
The surface owner is: ☒ the mineral owner ☒ committed to an oil and gas lease
☒ is the executer of the oil and gas lease ☐ the applicant
The right to construct the location is granted by: ☐ oil and gas lease ☐ Surface Use Agreement ☐ Right of Way
☐ applicant is owner
Surface damage assurance if no agreement is in place: ☐ \$2000 ☐ \$5000 ☒ Blanket Surety ID 20080044

8. Reclamation Financial Assurance:

☒ Well Surety ID: 20060105 ☐ Gas Facility Surety ID: _____ ☐ Waste Mgnt. Surety ID: _____

9. Cultural:

Is the location in a high density area (Rule 603.b.): Yes ☐ No ☒
Distance, in feet, to nearest building: 280, public road: 747, above ground utilit: 260
, railroad: 6336, property line: 189

10. Current Land Use (Check all that apply):

Crop Land: ☐ Irrigated ☐ Dry land ☐ Improved Pasture ☐ Hay Meadow ☐ CRP
Non-Crop Land: ☒ Rangeland ☐ Timber ☐ Recreational ☐ Other (describe): _____
Subdivided: ☐ Industrial ☐ Commercial ☐ Residential

11. Future Land Use (Check all that apply):

Crop Land: ☐ Irrigated ☐ Dry land ☐ Improved Pasture ☐ Hay Meadow ☐ CRP
Non-Crop Land: ☒ Rangeland ☐ Timber ☐ Recreational ☐ Other (describe): _____
Subdivided: ☐ Industrial ☐ Commercial ☐ Residential

12. Soils:

List all soil map units that occur within the proposed location. Attach the National Resource Conservation Service (NRCS) report showing the "Map Unit Description" report listing the soil typical vertical profile. This data is to be used when segregating topsoil.

The required information can be obtained from the NRCS web site at <http://soildatamart.nrcs.usda.gov/> or from the COGCC web site GIS Online map page found at <http://colorado.gov/cogcc>. Instructions are provided within the COGCC web site help section.

NRCS Map Unit Name: Kim Loam, 5 to 9 percent slopes

NRCS Map Unit Name: 4 - Aquolls & Aquepts, flooded

NRCS Map Unit Name: _____

13. Plant Community:

Complete this section only if any portion of the disturbed area of the location's current land use is on non-crop land.

Are noxious weeds present: Yes ☐ No ☒

Plant species from: ☒ NRCS or, ☐ field observation Date of observation: _____

List individual species: Switchgrass, Western Wheatgrass, Sideoats grama, & Needleandthread

Check all plant communities that exist in the disturbed area.

- ☐ Disturbed Grassland (Cactus, Yucca, Cheatgrass, Rye)
☒ Native Grassland (Bluestern, Grama, Wheatgrass, Buffalograss, Fescue, Oatgrass, Brome)
☐ Shrub Land (Mahogany, Oak, Sage, Serviceberry, Chokecherry)
☐ Plains Riparian (Cottonwood, Willow, Aspen, Maple, Poplar, Russian Olive, Tamarisk)
☐ Mountain Riparian (Cottonwood, Willow, Blue Spruce)
☐ Forest Land (Spruce, Fir, Ponderosa Pine, Lodgepole Pine, Juniper, Pinyon, Aspen)
☐ Wetlands Aquatic (Bullrush, Sedge, Cattail, Arrowhead)
☐ Alpine (above timberline)
☐ Other (describe): _____

14. Water Resources:

Rule 901.e. may require a sensitive area determination be performed. If this determination is performed the data is to be submitted with the Form 2A.

Is this a sensitive area: ☐ No ☒ Yes Was a Rule 901.e. Sensitive Areas Determination performed: ☒ No ☐ Yes

Distance (in feet) to nearest surface water: 390, water well: 3137, depth to ground water: 17

Is the location in a riparian area: ☒ No ☐ Yes Was an Army Corps of Engineers Section 404 permit filed ☒ No ☐ Yes

Is the location within a Rule 317B Surface Water Supply Area buffer zone:

☒ No ☐ 0-300 ft. zone ☐ 301-500 ft. zone ☐ 501-2640 ft. zone

If the location is within a Rule 317B Surface Water Supply Area buffer have all public water supply systems within 15 miles been notified: ☐ No ☐ Yes

15. Comments:

The nearest water well, permit # 17336-MH- is 3,137 feet away and has a static water level of 17 feet. Surface owner has requested that their name and address be withheld from Public information. Reference Area is adjacent to the proposed oil and gas location on undisturbed land to the East of the proposed oil and gas location on the West facing Location Picture.

I hereby certify that the statements made in this form are, to the best of my knowledge, true, correct and complete.

Signed: _____ Date: 07/14/2010 Email: virginia@petro-fs.com

Print Name: Virginia Lopez Title: Regulatory Technician

Based on the information provided herein, this Application for Permit-to-Drill complies with COGCC Rules and applicable orders and is hereby approved.

David S. Neslin

COGCC Approved: _____ Director of COGCC Date: 8/13/2010

CONDITIONS OF APPROVAL, IF ANY:

All representations, stipulations and conditions of approval stated in this Form 2A for this location shall constitute representations, stipulations and conditions of approval for any and all subsequent operations on the location unless this Form 2A is modified by Sundry Notice, Form 4 or an Amended Form 2A.

Operator must implement best management practices to contain any unintentional release of fluids.

Location is in a sensitive area because of close proximity to surface water, therefore, operator must ensure 110 percent secondary containment for any volume of fluids contained at well site during drilling and completion operations.

Location is in a sensitive area because of shallow groundwater; therefore, either a lined drilling pit or closed loop system is required.

Attachment Check List

Att Doc Num	Name	Doc Description
1641863	CORRESPONDENCE	LF@2517059 1641863
1641864	NRCS MAP UNIT DESC	LF@2517058 1641864
400070310	FORM 2A SUBMITTED	LF@2507500 400070310
400070340	NRCS MAP UNIT DESC	LF@2507501 400070340
400072379	ACCESS ROAD MAP	LF@2507502 400072379
400072438	LOCATION PICTURES	LF@2507503 400072438
400076566	PROPOSED BMPs	LF@2507504 400076566
400076577	LOCATION DRAWING	LF@2507505 400076577
400076578	HYDROLOGY MAP	LF@2507507 400076578

Total Attach: 9 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	PERMITTING PASSED. Per Virginia Lopez, check surface owner is "committed to O&G lease" and check surface owner is "executer of O&G lease".	8/5/2010 3:08:34 PM

OGLA	<p data-bbox="264 65 870 92">From: Virginia Lopez [mailto:virginia@petro-fs.com]</p> <p data-bbox="264 128 805 155">Sent: Wednesday, August 04, 2010 11:02 AM</p> <p data-bbox="264 191 493 218">To: Andrews, Doug</p> <p data-bbox="264 254 1230 310">Subject: RE: Doc. 400070310 - COGCC Location Assessment Form 2A review for Apollo Operating's MARTIN 43-12</p> <p data-bbox="264 346 367 373">Hi Doug,</p> <p data-bbox="264 409 1235 556">1.Please change the current and future land use to Rangeland from Improved Pasture on the above designated form 2A. Please add the following comment regarding the reference area: " The reference area is adjacent to the proposed oil and gas location on undisturbed land to the East of the porposed oil & gas location on the West facing Location picture."</p> <p data-bbox="264 592 1167 648">2.Please add the Aquolls & Aquepts, flooded to the Soils list on the Form 2A. Attached is the Map Unit Desc.</p> <p data-bbox="264 684 1258 770">3.Plant Community: No Noxious weeds will be present. Plant species from: NRCS; Please check Native Grassland: Switchgrass, Western Wheatgrass, Sideoats grama and Needleandthread. (Both Kim and Aquolls& Aquepts were evaluated)</p> <p data-bbox="264 806 1252 1010">4.Water Resources-A review of the nearest water well permit (#37854) indicates the permit expired and the well was never installed. In follow-up conversations you had with David Simon of PFS last week about this water well, it appears this well could not be physically located during well site visits by PFS. Therefore it appears to nearest water well is actually water well Permit #17336-MH which is approximately 3,137 feet northeast of the proposed oil and gas location. I approve you changing the distance on the Form 2A from 173 feet to 3,137 feet.</p> <p data-bbox="264 1045 1248 1131">5.Comments - Because water well Permit #37854 appears to not have been installed, I approve you removing the statement that indicates it is the nearest water well from the Comments on the Form 2A.</p> <p data-bbox="264 1167 1248 1438">6.Conditions of Approval – Due to the proximity of surface water (390 feet) and because depth to ground water is shallow (17 feet) in the area of the oil and gas well location, I approve you adding the following three COAs to the Form 2A: (1)"Location is in a sensitive area because of shallow groundwater; therefore, either a lined drilling pit or closed loop system is required.", (2)" Location is in a sensitive area because of close proximity to surface water, therefore, operator must ensure 110 percent secondary containment for any volume of fluids contained at well site during drilling and completion operations.", and (3)" Operator must implement best management practices to contain any unintentional release of fluids."</p> <p data-bbox="264 1474 914 1501">Please let me know if you need and further information.</p> <p data-bbox="264 1537 464 1564">Virginia L. Lopez</p> <p data-bbox="264 1600 574 1627">Regulatory Tech., PFS, llc</p> <p data-bbox="264 1663 954 1690">From: Andrews, Doug [mailto:Doug.Andrews@state.co.us]</p> <p data-bbox="264 1726 760 1753">Sent: Monday, August 02, 2010 10:30 AM</p> <p data-bbox="264 1789 480 1816">To: Virginia Lopez</p> <p data-bbox="264 1852 1179 1908">Subject: Doc. 400070310 - COGCC Location Assessment Form 2A review for Apollo Operating's MARTIN 43-12</p> <p data-bbox="264 1944 362 1971">Virginia,</p>	8/5/2010 8:05:05 AM
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I've recently reviewed the above referenced Oil & Gas Location Assessment Form 2A and have several changes I'd like to get your input on.

8/5/2010 8:05:05
AM

1.Current & Future Land Use – The Form 2A indicates land use to be Improved Pasture which is a type of Crop Land. However, a review of aerial photos and the Location Pictures submitted with the Form 2A does not appear to indicate that any crop is being grown, cultivated or harvested at the oil and gas location. If that is the case, I believe the correct land use designation for the Form 2A would be Rangeland, not Improved Pasture and I would like your approval to change the Current and Future Land Use to Rangeland on the Form 2A.

2.Soils – A review of the Location Drawing which depicts the size and extent of the disturbed area appears to indicate it will overlap onto the 4-Aquolls & Aquepts, flooded NRCS soil unit. Therefore, please approve me adding the 4-Aquolls & Aquepts, flooded to the list of Soils on the Form 2A.

3.Plant Community – Based on my Comment #1 above, because the land use appears to be Rangeland (Non-Crop Land), please provide me with the info to complete the Plant Community section of the Form 2A.

4.Water Resources – A review of the nearest water well permit (#37854) indicates the permit expired and the well was never installed. In follow-up conversations I had with David Simon of PFS last week about this water well, it appears this well could not be physically located during well site visits by PFS. Therefore it appears to nearest water well is actually water well Permit #17336-MH which is approximately 3,137 feet northeast of the proposed oil and gas location. Please approve me changing the distance on the Form 2A from 173 feet to 3,137 feet.

5.Comments - Because water well Permit #37854 appears to not have been installed, please approve me removing the statement that indicates it is the nearest water well from the Comments on the Form 2A.

6.Reference Area – Because the land use appears to be Rangeland (Non-Crop Land), please provide me with either a Reference Area Map showing the location of the site and the reference area, and four color photographs of the reference area taken during the growing season and facing each cardinal direction. Or I can add a statement in the Comments that indicates the reference area is adjacent to the proposed well location on undisturbed land in a specified cardinal direction as shown on one of the specified Location Pictures.

7.NRCS Map Unit Description – Based on my Comment #2 above please provide me with the NRCS Map Unit Description for the 4-Aquolls & Aquepts, flooded and I will add it to the Form 2A list of Attachments.

8.Conditions of Approval – Due to the proximity of surface water (390 feet) and because depth to ground water is shallow (17 feet) in the area of the oil and gas well location, please approve me adding the following three COAs to the Form 2A: (1)"Location is in a sensitive area because of shallow groundwater; therefore, either a lined drilling pit or closed loop system is required.", (2)" Location is in a sensitive area because of close proximity to surface water, therefore, operator must ensure 110 percent secondary containment for any volume of fluids contained at well site during drilling and completion operations.", and (3)" Operator must implement best management practices to contain any unintentional release of fluids."

If you have any questions about these changes to the Form 2A, please feel free to contact me.

Respectfully,

R. Douglas Andrews

Oil & Gas Location Assessment Specialist

OGLA	I've recently reviewed the above referenced Oil & Gas Location Assessment Form 2	8/5/2010 8:05:05
OGLA	OGLA task passed.	8/5/2010 8:04:25 AM
OGLA	<p>Alerted Permitter (Phil Glasgow) via phone the pending bonding issue. See email from Martha Ramos below.</p> <p>From: Ramos, Martha</p> <p>Sent: Monday, August 02, 2010 11:42 AM</p> <p>To: OGCC Employees; OGCC Temps</p> <p>Subject: BOND RELEASE</p> <p>Hi Everyone:</p> <p>The Blanket Surface and Plugging bonds for Apollo Operating LLC – Operator #10051 will be released on or about August 9, 2010. All wells have passed final inspection per area field inspector Ed Binkley.</p> <p>Apollo Operating does have one Commercial UIC well that is active and bonded for \$50,000.</p> <p>If you should have any issues regarding this bond release, email me with details. When issues have been resolved, please email me again.</p> <p>Thanks,</p> <p>Martha</p> <p>Martha Ramos</p> <p>Financial Assurance Analyst</p> <p>Colorado Oil & Gas Conservation Commission</p>	8/4/2010 11:32:34 AM

Total: 4 comment(s)

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