

**FORM
2A**Rev
04/01**State of Colorado
Oil and Gas Conservation Commission**

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



DE	ET	OE	ES
----	----	----	----

Document Number:

400194878

Oil and Gas Location Assessment☐ New Location ☒ Amend Existing Location Location#: 414108

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 standalone 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:

414108

Expiration Date:

11/05/2014☒ 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: 78110

Name: SWEPI LP

Address: 4582 S ULSTER ST PKWY #1400

City: DENVER State: CO Zip: 80237

3. Contact Information

Name: Michael Bergstrom

Phone: (303) 222-6347

Fax: (303) 222-6258

email: michael.bergstrom@shell.com

4. Location Identification:

Name: Castor Gulch Number: 1-21

County: MOFFAT

QuarterQuarter: LOT 2 Section: 21 Township: 5N Range: 91W Meridian: 6 Ground Elevation: 6425

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: 599 feet FNL, from North or South section line, and 1318 feet FEL, from East or West section line.

Latitude: 40.378550 Longitude: -107.606986 PDOP Reading: 2.3 Date of Measurement: 06/23/2011

Instrument Operator's Name: B. Hunting

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="2"/>	Production Pits:	<input type="text"/>	Dehydrator Units:	<input type="text"/>
Condensate Tanks:	<input type="text" value="1"/>	Water Tanks:	<input type="text" value="3"/>	Separators:	<input type="text" value="2"/>	Electric Motors:	<input type="text"/>	Multi-Well Pits:	<input type="text"/>
Gas or Diesel Motors:	<input type="text" value="1"/>	Cavity Pumps:	<input type="text" value="2"/>	LACT Unit:	<input type="text"/>	Pump Jacks:	<input type="text" value="1"/>	Pigging Station:	<input type="text"/>
Electric Generators:	<input type="text" value="3"/>	Gas Pipeline:	<input type="text"/>	Oil Pipeline:	<input type="text"/>	Water Pipeline:	<input type="text"/>	Flare:	<input type="text" value="1"/>
Gas Compressors:	<input type="text" value="2"/>	VOC Combustor:	<input type="text"/>	Oil Tanks:	<input type="text" value="2"/>	Fuel Tanks:	<input type="text" value="2"/>		

Other: _____

6. Construction:

Date planned to commence construction: 09/12/2011 Size of disturbed area during construction in acres: 1.08
Estimated date that interim reclamation will begin: 10/01/2011 Size of location after interim reclamation in acres: 0.48
Estimated post-construction ground elevation: 6426 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 _____

8. Reclamation Financial Assurance:

☐ Well Surety ID: _____ ☐ Gas Facility Surety ID: _____ ☐ Waste Mgmt. Surety ID: _____

9. Cultural:

Is the location in a high density area (Rule 603.b.): Yes ☐ No ☒
Distance, in feet, to nearest building: 4126, public road: 72, above ground utilit: 1862
, railroad: 21120, property line: 12

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: 73. Foidel Loam 25-65% slopes

NRCS Map Unit Name: _____
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: Gambel Oak, Mountain Brome, Saskatoon serviceberry, Misc. perennial grasses, letterman's
needlegrass, common chokeberry, mountain snowberry, elk sedge, slender wheatgrass, misc.
perennial forbs and shrubs

Check all plant communities that exist in the disturbed area.

- ☐ Disturbed Grassland (Cactus, Yucca, Cheatgrass, Rye)
☒ Native Grassland (Bluestem, 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: 83, water well: 2982, depth to ground water: 38

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 well will be located on federal surface; however, the pad is located on both private and federal surface. Refer to attached Location Drawing. Please see CO Division of Water Resources attachment for closed water well details. Proposed BMPs shown on Construction and Layout drawings. Wildlife BMPs agreed upon by both SWEPI and Colorado Division of Parks & Wildlife are attached. The second page of the Location Drawing indicates that the nearest property line is 599' north. This is incorrect and should be 12' to the east.

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

Signed: _____ Date: 08/17/2011 Email: michael.bergstrom@shell.com

Print Name: Michael Bergstrom Title: Senior Regulatory Advisor

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

COGCC Approved: David S. Nashin Director of COGCC Date: 11/6/2011

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.

The drilling pit must be lined, or a closed loop system must be implemented during drilling. All cuttings generated during drilling with OBM must be kept in the lined drilling pit, or placed either in containers or on a lined/bermed portion of the well pad; prior to offsite disposal. The moisture content of any drill cuttings in a cuttings container or pile shall be as low as practicable to prevent accumulation of liquids greater than de minimis amounts.

Attachment Check List

Att Doc Num	Name
2034004	CORRESPONDENCE
2034021	CORRESPONDENCE
2034022	FED. DRILLING PERMIT
400194878	FORM 2A SUBMITTED
400194917	ACCESS ROAD MAP
400194918	HYDROLOGY MAP
400194920	LOCATION PICTURES
400194921	REFERENCE AREA MAP
400194925	REFERENCE AREA PICTURES
400194926	PROPOSED BMPs
400194927	CONST. LAYOUT DRAWINGS
400196022	OTHER
400196088	LOCATION DRAWING
400196091	NRCS MAP UNIT DESC

Total Attach: 14 Files

General Comments

User Group	Comment	Comment Date
Permit	No public or LGD comments Comprehensive Final Review status -- Passed	11/4/2011 2:06:04 PM
Permit	ON HOLD - well head is less than 150' from Moffat County Road 93. Operator will request a road closure from the county on Oct. 25 and expect reply on Nov.1.	10/21/2011 2:03:54 PM
Permit	Changed distance to property line and added comment to indicate location drawing has the distance incorrect	10/17/2011 3:59:36 PM
Permit	Removed plugging bond, added Surface Owner is committed to and executer of a mineral lease Distance to property line is listed as 599', original filing has this distance as 12'	9/20/2011 11:52:53 AM
OGLA	Initiated/Completed OGLA Form 2A review on 08-29-11 by Dave Kubeczko; lined pit/closed loop and cuttings containment COA from operator on 08-29-11; received acknowledgement of COAs from operator on 08-29-11; passed by CDOW on 08-29-11 with operator agreed to/submitted BMPs and BLM stipulations and COAs acceptable; passed OGLA Form 2A review on 09-13-11 by Dave Kubeczko; lined pit/closed loop and cuttings containment COA.	8/29/2011 11:43:13 AM
DOW	The BMPs and COAs as submitted by the operator are applicable to the site and sepcies effected. In addition to the CPWs recommendations, the CPW affirms that the BMPs and lease stipulations and conditions of approval assigned to this permit by the BLM suffice to address wildlife habitat and mitigation concerns. Monday, August 29, 2011 at 10:50 A.M.	8/29/2011 9:48:19 AM

Total: 6 comment(s)

BMP

<u>Type</u>	<u>Comment</u>
Storm Water/Erosion Control	<p>Stormwater Management Plans (SWMP) are in place to comply with both Colorado Department of Public Health and Environment (CDPHE) and Colorado Oil and Gas Conservation Commission (COGCC) stormwater discharge permits. The construction layout for Castor Gulch 1-21 details Best Management Practices (BMP) to be installed during initial construction. Note that BMPs may be removed, altered, or replaced with changing conditions in the field and the SWMP will be updated accordingly.</p> <p>The BMPs prescribed for the initial construction phase include, but are not limited to</p> <ul style="list-style-type: none"> • Construction diversion ditch • Sediment reservoirs • Check dams • Level spreaders • Stabilized construction entrance • Slash • Sediment trap • Wattle • Terrace • Secondary containment berms • Detention ponds
Material Handling and Spill Prevention	<p>Spill Prevention Control & Countermeasure Plans (SPCC) are in place to address material releases and to prescribe materials handling BMPs for the facility. "Good house-keeping" measures will be taken to ensure proper waste disposal.</p>
Wildlife	<p>See attached email from CDOW.</p> <p>CDOW recommendations and concerns – as agreed to by the operator, BLM, and CDOW.</p> <ol style="list-style-type: none"> 1) Check on status (active/not) of hawk nest site. – CDOW confirmed this and found the nest to be inactive. 2) Shell will make a good faith effort to finish drilling at this location by October 1 before the start of big game rifle hunting season. 3) CDOW will check on where to relocate the SLB-CDOW hunting access sign at the pad site where surface grading will be required. The sign should be replaced where it is highly visible. Shell will relocate the sign per CDOW direction. 4) Schedule post-construction - production well site visitations to between the hours of 10:00 a.m. and 3:00 p.m. and reduce well site visitations between December 1 and April 15 in elk winter range. 5) BLM stipulations from original lease permitting and COAs –timing stipulations for sharp-tailed grouse production should be applied. Per BLM. 6) Shell will contact the SLB regarding surface disturbance. 7) Weed management will be included as part of the interim and final reclamation.

Total: 3 comment(s)