

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



Document Number:

400255793

Date Received:

03/12/2012

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 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:

428528

Expiration Date:

04/10/2015

☒ 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: 95245

Name: WELLSTAR CORPORATION

Address: 11990 GRANT ST STE 550

City: NORTHGLENN State: CO Zip: 80233

3. Contact Information

Name: Terry Hoffman

Phone: (720) 542-8287

Fax: (720) 542-9213

email: terry@rockymountainpermitting.com

4. Location Identification:

Name: Three Rivers Unit Number: 41-27H

County: JACKSON

QuarterQuarter: NENE Section: 27 Township: 8N Range: 78W Meridian: 6 Ground Elevation: 8391

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: 170 feet FNL, from North or South section line, and 625 feet FEL, from East or West section line.

Latitude: 40.641456 Longitude: -106.124394 PDOP Reading: 1.5 Date of Measurement: 10/20/2011

Instrument Operator's Name: Paul Hawkes

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" value="1"/> | 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" value="1"/> | Separators: <input type="text" value="1"/> | 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" value="1"/> | 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" value="1"/> |
| Gas Compressors: <input type="text"/> | VOC Combustor: <input type="text"/> | Oil Tanks: <input type="text" value="2"/> | Fuel Tanks: <input type="text"/> | |

Other: _____

6. Construction:

Date planned to commence construction: 05/01/2012 Size of disturbed area during construction in acres: 5.00
Estimated date that interim reclamation will begin: 07/15/2013 Size of location after interim reclamation in acres: 2.00
Estimated post-construction ground elevation: 8391 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: 03/09/2012
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: 20100004 ☐ 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: 1611, public road: 3154, above ground utilit: 349
, railroad: 5280, property line: 646

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: Gn - Girardot silty clay loam

NRCS Map Unit Name: Do - Dobrow loam

NRCS Map Unit Name: Ra - Randman sandy loam

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: 10/20/2011

List individual species: Alfalfa & Hay Grasses

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): Alfalfa & Hay Grasses

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: 600, water well: 1942, depth to ground water: 15

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:

Footages listed as 5280' are more than 1 mile. Closest water well is Permit #9601084.

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

Signed: _____ Date: 03/12/2012 Email: terry@rockymountainpermitting.com

Print Name: Terry L. Hoffman Title: Permit Agent

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:  Director of COGCC Date: 4/11/2012

**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.

SITE SPECIFIC COAs:

Operator must ensure 110 percent secondary containment for any volume of fluids (excluding freshwater) contained at well site during drilling and completion operations; including, but not limited to, construction of a berm or diversion dike, diversion/collection trenches within and/or outside of berms/dikes, site grading, or other comparable measures (i.e., best management practices (BMPs) associated with stormwater management) sufficiently protective of nearby surface water. Any berm constructed at the well pad location will be stabilized, inspected at regular intervals (at least every 14 days), and maintained in good condition.

Operator must implement best management practices to contain any unintentional release of fluids, including any fluids conveyed via temporary surface or buried pipelines.

Location is in a sensitive area due to very shallow groundwater; therefore, either a closed loop system must be used, or the drilling pit must be lined and constructed above the top of groundwater.

If the wells are to be hydraulically stimulated, flowback and stimulation fluids must be sent to tanks, separators, or other containment/filtering equipment before the fluids can be placed into any pipeline or pit located on the well pad or into tanker trucks for offsite disposal. The flowback and stimulation fluid tanks, separators, or other containment/filtering equipment must be placed on the well pad in an area with additional downgradient perimeter berming. The area where flowback fluids will be stored/reused must be constructed to be sufficiently impervious to contain any spilled or released material.

The moisture content of any drill cuttings in a cuttings pit, trench, or pile shall be as low as practicable to prevent accumulation of liquids greater than de minimis amounts. At the time of closure, the drill cuttings must also meet the applicable standards of table 910-1.

No portion of any pit that will be used to hold liquids shall be constructed on fill material, unless the pit and fill slope are designed and certified by a professional engineer, subject to review and approval by the director prior to construction of the pit. The construction and lining of the pit shall be supervised by a professional engineer or their agent. The entire base of the pit must be in cut.

Attachment Check List

| Att Doc Num | Name |
|-------------|-------------------------|
| 2034303 | CORRESPONDENCE |
| 400255793 | FORM 2A SUBMITTED |
| 400258988 | LOCATION DRAWING |
| 400258989 | REFERENCE AREA PICTURES |
| 400258993 | REFERENCE AREA MAP |
| 400258994 | LOCATION PICTURES |
| 400258995 | HYDROLOGY MAP |
| 400259000 | NRCS MAP UNIT DESC |
| 400259004 | PROPOSED BMPs |
| 400260458 | OTHER |
| 400260462 | ACCESS ROAD MAP |
| 400262169 | LEGAL/LEASE DESCRIPTION |

Total Attach: 12 Files

General Comments

| <u>User Group</u> | <u>Comment</u> | <u>Comment Date</u> |
|-------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------|
| Permit | Final Review Completed. No LGD or public comment received. | 4/9/2012 2:11:35 PM |
| OGLA | Initiated/Completed OGLA Form 2A review on 04-04-12 by Dave Kubeczko; requested acknowledgement of fluid containment, spill/release BMPs, moisture content cuttings, lined pit/closed loop, no pit in fill, and flowback to tanks COAs from operator on 04-04-12; received acknowledgement of COAs from operator on 04-09-12; changed to sensitive area due to close SW and shallow GW; no CPW; passed OGLA Form 2A review on 04-09-12 by Dave Kubeczko; fluid containment, spill/release BMPs, moisture content cuttings, lined pit/closed loop, no pit in fill, and flowback to tanks COAs. | 4/4/2012 8:21:51 AM |
| Permit | Operator corrected plugging bond, surface and minerals information, and BMP's. This form has passed completeness. | 3/16/2012 10:45:27 AM |
| Permit | Returned to draft. Typo on plugging bond. Missing surface and minerals information. BMP's not entered in BMP tab. | 3/13/2012 7:00:13 AM |

Total: 4 comment(s)

BMP

| <u>Type</u> | <u>Comment</u> |
|-----------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Storm Water/Erosion Control | <p>Wellstar Corporation Three Rivers Unit #41-27H NENE Section 27-T8N-R78W Jackson Co., Colorado</p> <p>Best Management Practices Summary</p> <p>Stormwater Management Plans (SWMP) will be in place to address construction, drilling and operations associated with Oil & Gas development throughout the state of Colorado in accordance with Colorado Department of Public Health and Environment (CDPHE). BMP's will be constructed around the perimeter of the site prior to, or at the beginning of construction. The BMP's used will vary according to the location, and will remain in place until the pad reaches final reclamation.</p> <p>Spill Prevention Control and Counter measures (SPCC) plans will be in place to address any possible spills associated with Oil & Gas operations throughout the state of Colorado in accordance with CFR12.</p> <p>Housekeeping will consist of neat and orderly storage of materials and fluids. Wastes will be temporarily stored in sealed containers and regularly collected and disposed of at offsite, suitable facilities. If spills occur prompt cleanup will be required to minimize any commingling of waste materials with stormwater runoff. Routine maintenance will be limited to fueling and lubrication of equipment. Drip pans will be used during routine fueling and maintenance to contain spills or leaks. Any waste product from maintenance will be containerized and transported offsite for disposal or recycling. There will be no major equipment overhauls conducted onsite. Equipment will be transported offsite for major overhauls. Cleanup will consist of patrolling the roadways, access areas, and other work areas to pick up trash, scrap debris, other discarded materials, and any contaminated soil. These materials will be disposed of properly.</p> <p>The above BMP's will be provided to all Wellstar Corporation, contractors and will be posted in the company trailer located on location during drilling, completion and production operations.</p> |

Total: 1 comment(s)