

FORM
2A

Rev
04/01

State of Colorado
Oil and Gas Conservation Commission

1120 Lincoln Street, Suite 801, Denver, Colorado 80203 Phone: (303) 894-2100 Fax: (303) 894-2109



Document Number:

400289800

Date Received:

05/29/2012

Oil and Gas Location Assessment

New Location

Amend Existing Location

Location#: 428629

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:

428629

Expiration Date:

07/21/2015

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: 47120

Name: KERR-MCGEE OIL & GAS ONSHORE LP

Address: P O BOX 173779

City: DENVER State: CO Zip: 80217-3779

3. Contact Information

Name: Rebecca Heim

Phone: (720) 929-6361

Fax: (720) 929-7361

email: rebecca.heim@anadarko.com

4. Location Identification:

Name: PALYO

Number: 35N-W11HZ

County: WELD

Quarter: NWNW Section: 11 Township: 2N Range: 65W Meridian: 6 Ground Elevation: 4856

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: 692 feet FNL, from North or South section line, and 671 feet FWL, from East or West section line.

Latitude: 40.158586 Longitude: -104.638059 PDOP Reading: 1.6 Date of Measurement: 04/23/2012

Instrument Operator's Name: OWEN McKEE

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

Special Purpose Pits: <input type="checkbox"/>	Drilling Pits: <input type="text" value="2"/>	Wells: <input type="text" value="7"/>	Production Pits: <input type="checkbox"/>	Dehydrator Units: <input type="checkbox"/>
Condensate Tanks: <input type="checkbox"/>	Water Tanks: <input type="text" value="4"/>	Separators: <input type="text" value="8"/>	Electric Motors: <input type="checkbox"/>	Multi-Well Pits: <input type="checkbox"/>
Gas or Diesel Motors: <input type="checkbox"/>	Cavity Pumps: <input type="checkbox"/>	LACT Unit: <input type="text" value="1"/>	Pump Jacks: <input type="checkbox"/>	Pigging Station: <input type="checkbox"/>
Electric Generators: <input type="checkbox"/>	Gas Pipeline: <input type="text" value="1"/>	Oil Pipeline: <input type="checkbox"/>	Water Pipeline: <input type="checkbox"/>	Flare: <input type="text" value="10"/>
Gas Compressors: <input type="checkbox"/>	VOC Combustor: <input type="text" value="6"/>	Oil Tanks: <input type="text" value="21"/>	Fuel Tanks: <input type="checkbox"/>	

Other: 7 New wells will be on this location. Drilling pits will be used by pre-spud rig.

6. Construction:

Date planned to commence construction: 09/20/2012 Size of disturbed area during construction in acres: 10.00
Estimated date that interim reclamation will begin: 12/01/2012 Size of location after interim reclamation in acres: 1.50
Estimated post-construction ground elevation: 4856 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: 11/21/2011
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: 20010124 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: 1890, public road: 4980, above ground utilit: 265
, railroad: 48286, property line: 324

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 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: 43 Nunn loamy sand, 0 to 1 percent 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: 03/15/2012
List individual species: Sand sagebrush - Artemisa filifolia, Winterfat - Krascheninnikovia lanata, Russian thistle - Salsola kali, Gray rabbitbrush - Ericameria nauseosa, Saltgrass - Distichlis spicata

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): Sagebrush/Grass/Forb Mix Rangeland

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: 327, water well: 1132, depth to ground water: 198
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 Suppl 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:

Closest water well permit #: 10630-AD Water well with ground water depth permit #: 182975 BMP: Palyo 4-11HZ - Kerr-McGee will create a secondary containment by constructing an earthen berm between the PAD site and East Neres Canal, located approximately 340' W of the PAD site to further protect the surface water.

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

Signed: _____ Date: 05/29/2012 Email: DJRegulatory@anadarko.com
Print Name: Rebecca Heim Title: Regulatory Analyst II

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: 7/22/2012

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.

Attachment Check List

Att Doc Num	Name
2086109	ACCESS ROAD MAP
400289800	FORM 2A SUBMITTED
400289811	30 DAY NOTICE LETTER
400289815	LOCATION DRAWING
400289817	LOCATION PICTURES
400289819	WELL LOCATION PLAT
400289820	TOPO MAP
400289822	SURFACE AGRMT/SURETY
400289823	EXCEPTION LOC REQUEST
400289824	EXCEPTION LOC WAIVERS
400289826	WASTE MANAGEMENT PLAN
400289846	REFERENCE AREA PICTURES
400289974	NRCS MAP UNIT DESC
400290004	HYDROLOGY MAP

Total Attach: 14 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Final Review Completed. No LGD or public comment received.	7/19/2012 10:46:12 AM
OGLA	Uploaded new Access Road Map.	7/19/2012 10:26:31 AM
Permit	Operator requests approval of a Rule 318Aa and Rule 318Ac exception location: Wellhead is to be located outside of a GWA drilling window and will be located more than 50' from an existing well location. Request and waivers attached. Ready to pass pending OGLA approval.	6/19/2012 7:38:02 AM
OGLA	Changed number of wells to 7. The Palyo 4-11 is a separate location.	5/31/2012 1:15:47 PM
Permit	This refile is moving the pad of wells approximately 370 feet south of previously permitted locaiton.	5/31/2012 9:48:08 AM
Permit	Returned tp draft. Multiwell plan is missing four wells.	5/29/2012 2:27:18 PM

Total: 6 comment(s)

BMP

<u>Type</u>	<u>Comment</u>
Material Handling and Spill Prevention	Kerr-McGee will create a secondary containment by constructing an earthen berm between the PAD site and East Neres Canal, located approximately 340' W of the PAD site to further protect the surface water.

Total: 1 comment(s)