

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:

400315904

Date Received:

08/31/2012

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:

430669

Expiration Date:

10/29/2015

☒ 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: Cheryl Light

Phone: (720) 929-6461

Fax: (720) 929-7461

email: cheryl.light@anadarko.com

4. Location Identification:

Name: SPARBOE Number: 1N-26HZ

County: WELD

QuarterQuarter: SESE Section: 35 Township: 2N Range: 65W Meridian: 6 Ground Elevation: 4946

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: 399 feet FSL, from North or South section line, and 889 feet FEL, from East or West section line.

Latitude: 40.088609 Longitude: -104.624654 PDOP Reading: 2.3 Date of Measurement: 05/08/2012

Instrument Operator's Name: SHAUN LEE

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="2"/>	Production Pits: <input type="checkbox"/>	Dehydrator Units: <input type="checkbox"/>
Condensate Tanks: <input type="checkbox"/>	Water Tanks: <input type="checkbox"/>	Separators: <input type="checkbox"/>	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="checkbox"/>	Pump Jacks: <input type="text" value="2"/>	Pigging Station: <input type="checkbox"/>
Electric Generators: <input type="checkbox"/>	Gas Pipeline: <input type="checkbox"/>	Oil Pipeline: <input type="checkbox"/>	Water Pipeline: <input type="checkbox"/>	Flare: <input type="checkbox"/>
Gas Compressors: <input type="checkbox"/>	VOC Combustor: <input type="checkbox"/>	Oil Tanks: <input type="checkbox"/>	Fuel Tanks: <input type="checkbox"/>	

Other: Drilling pits will be used by pre-spud rig. Wells will flow into the Sparboe 27C-26HZ facility

6. Construction:

Date planned to commence construction: 12/15/2012 Size of disturbed area during construction in acres: 10.00
 Estimated date that interim reclamation will begin: 02/01/2013 Size of location after interim reclamation in acres: 0.01
 Estimated post-construction ground elevation: 4946 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: 06/18/2012
 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: 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: 610, public road: 455, above ground utilit: 629
 , railroad: 51911, property line: 358

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: 49 Osgood sand, 0 to 3 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: 06/29/2012

List individual species: Switchgrass-Panicum Virgatum, Narrowleaf goosefoot-Chenopodium leptophyllum, Larkspur-Delphinium nelsonii, Winterfat-Krascheninnikovia lanata

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): Switchgrass mixed forb and grass 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: 3634, water well: 786, depth to ground water: 32

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:

Closest Water well permit #: 11133-R-R. /The surface location of this well is an exception to Rule 318A.a and to Rule 318A.c. This well is not within the GWA surface location window and does not meet the twinning requirement due to the number of wells planned for this area and at the request of the surface owner. An exception location request letter and signed waivers are attached to the Form 2 and Form 2A.

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

Signed: _____ Date: 08/31/2012 Email: DJRegulatory@anadarko.com

Print Name: Cheryl Light Title: Sr. Regulatory Analyst

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: 10/30/2012

**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
2086145	LOCATION DRAWING
2086147	ACCESS ROAD MAP
2086149	CORRESPONDENCE
400315904	FORM 2A SUBMITTED
400315906	MULTI-WELL PLAN
400315907	30 DAY NOTICE LETTER
400315910	LOCATION PICTURES
400315911	REFERENCE AREA PICTURES
400315913	NRCS MAP UNIT DESC
400315914	WELL LOCATION PLAT
400315915	TOPO MAP
400315917	SURFACE AGRMT/SURETY
400315918	EXCEPTION LOC REQUEST
400315919	EXCEPTION LOC WAIVERS
400315920	WASTE MANAGEMENT PLAN
400323690	HYDROLOGY MAP

Total Attach: 16 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Final Review Completed. LGD comment addressed (see BMP's on form 2A); no public comment received.	10/29/2012 8:38:28 AM
Permit	Changed: Question "Will salt or oil based muds be used" from NO to YES. Changed Question "Mud Disposal" from Landspread to Disposal Facility per operator. ok to pass.	10/29/2012 8:32:17 AM
OGLA	Uploaded new Access Road Map and associated correspondence from the Operator, changed status from HOLD to IN PROCESS.	10/26/2012 3:32:26 PM
OGLA	COGCC phone call with Operator. Discussed access & road concerns expressed by Town of Hudson. Operator has submitted proposed Best Management Practices to address traffic and road impacts. Operator is considering alternate routing for truck traffic, and will provide a revised access road map. Pending receipt and review, this Form 2A is ready to pass.	10/25/2012 3:47:52 PM
OGLA	Uploaded new Locaton Drawing as provided by the Operator.	10/23/2012 10:46:03 AM
OGLA	Added BMPs as provided by the Operator.	10/9/2012 4:43:17 PM
OGLA	Placed ON HOLD pending discussions with operator relating to traffic concerns identified by Town of Hudson.	9/21/2012 12:30:16 PM

LGD	<p>The wells represented in this application are part of what Anadarko/Kerr McGee has represented to the Town as a cluster of a proposed 28 wells, all of which are on land just outside of the municipal boundaries of the Town of Hudson, and all of which are proposed to be accessed through the town. The Town's primary concerns are related to traffic and the impact of the traffic on road surfaces.</p> <p>At this time there is no definitive information regarding the number of vehicles, the timing of trips to serve the drilling and completion operation of the proposed wells, nor the weights of the rigs, water trucks and other associated traffic. There should be a traffic study that examines this information and forecasts the impact on traffic level of service on roads within and near the town, especially at the Highway 52/I-76 interchange. Without such information and study the Town is unable to negotiate with the company regarding mitigation of the impacts.</p> <p>It is unclear whether any traffic accessing the well sites will be using town streets. However, at this time the Town of Hudson has an overweight vehicle ordinance that restricts use of town streets by vehicles in excess of 20,000 pounds GVW that do not have business in town. Heavy trucks serving these wells would violate that ordinance if they use town streets. Again, without good information related to the traffic and its anticipated impacts, the Town is unable to negotiate permits or other solutions to the regulatory problem. Regardless of whether town streets are used, or</p> <p>if access is only on CDOT roads, traffic is an issue for the town and its citizens. Access will be via a frontage road that connects to Highway 52 at the I-76 interchange, an already congested location. And since the wells themselves are</p> <p>outside of Hudson, the town is unable to apply its Use by Special Review permitting process through which such issues are resolved.</p> <p>There are also errors in the application. The town boundaries of Hudson are not delineated on the location maps. And references to County Road 47 are erroneous. CR47 on the maps is in fact the Town's Oak Street.</p> <p>We request that the COGCC require a competent traffic study of the drilling, completion and operating phases of these wells prior to approving permits. And, the person or firm who is to prepare the study should consult with the Town regarding the scope of the study. Anadarko should be required to negotiate an agreement with the Town that addresses traffic and road condition impacts.</p>	9/18/2012 4:40:08 PM
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. OK to pass.	9/7/2012 9:32:51 AM
Permit	Operator attached viewable map.	9/5/2012 1:08:54 PM
Permit	Return to Draft: Hydrology map will not open.	9/5/2012 11:28:06 AM
Permit	Return to Draft: Hydrology map will not open correctly.	9/4/2012 3:26:39 PM

Total: 12 comment(s)

BMP

<u>Type</u>	<u>Comment</u>
Planning	Anadarko will provide the Town of Hudson an emergency response plan prior to commencing operations
Site Specific	In conjunction with the Town of Hudson, Anadarko will develop a site specific traffic management plan that will address the following: (1) expected traffic and timing of such traffic, (2) how traffic in busy or sensitive intersections will be managed and mitigated, and (3) what truck traffic restrictions will be put in place, if any
Planning	Anadarko will take appropriate steps to adequately protect valve boxes and manholes located along any of our access roads
Drilling/Completion Operations	Anadarko will perform a road impact study for all roads belonging to the Town of Hudson prior to operations and then a second road impact study subsequent to drilling and completion operations. Anadarko will pay for all required fixes to ensure any damaged roads are brought back to their condition prior to our operations

Total: 4 comment(s)