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

Oil and Gas Location Assessment

Document Number: 400388025

Date Received: 03/26/2013

☒ 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: **432671**

Expiration Date: **04/26/2016**

☒ 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: 46685

Name: KINDER MORGAN CO2 CO LP

Address: 17801 HWY 491

City: CORTEZ State: CO Zip: 81321

3. Contact Information

Name: Carolyn Dunmire / Ecosphere

Phone: (970) 564-9100

Fax: (970) 565-8874

email: dunmire@ecosphere-services.com

4. Location Identification:

Name: HA Number: 5

County: MONTEZUMA

QuarterQuarter: SENE Section: 29 Township: 38N Range: 18W Meridian: N Ground Elevation: 6742

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: 1610 feet FNL , from North or South section line, and 272 feet FEL , from East or West section line.

Latitude: 37.525450 Longitude: -108.847670 PDOP Reading: 1.9 Date of Measurement: 10/17/2012

Instrument Operator's Name: Gerald G. Huddleston

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

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

Other: CO2 pipeline, temporary blow pit during drilling.

6. Construction:

Date planned to commence construction: 05/01/2013 Size of disturbed area during construction in acres: 5.41

Estimated date that interim reclamation will begin: 08/01/2013 Size of location after interim reclamation in acres: 3.14

Estimated post-construction ground elevation: 6743 Will a closed loop system be used for drilling fluids: Yes [X]

Will salt sections be encountered during drilling: Yes [X] No [ ] Is H2S anticipated? Yes [X] No [ ]

Will salt (>15,000 ppm TDS Cl) or oil based muds be used: Yes [X] No [ ]

Mud disposal: Offsite [X] Onsite [ ] Method: Land Farming [ ] Land Spreading [ ] Disposal Facility [X]

Other: de-watered by closed loop

7. Surface Owner:

Name: Sam Bangs Phone: (970) 562-6512

Address: 21657 County Road 11 Fax:

Address: Email:

City: Pleasant View State: CO Zip: 81331 Date of Rule 306 surface owner consultation: 01/15/2013

Surface Owner: [X] Fee [ ] State [ ] Federal [ ] Indian

Mineral Owner: [X] 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 [X] 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:

[X] Well Surety ID: 20110027 [ ] Gas Facility Surety ID: [ ] Waste Mgnt. Surety ID:

9. Cultural:

Is the location in a high density area (Rule 603.b.): Yes [ ] No [X]

Distance, in feet, to nearest building: 828 , public road: 265 , above ground utility: 253 , railroad: 5280 , property line: 272

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

Crop Land: [ ] Irrigated [ ] Dry land [ ] Improved Pasture [ ] Hay Meadow [X] 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 [X] 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: 144. Wetherill loam, 3 to 6 percent slopes

NRCS Map Unit Name: 145. Wetherill loam, 6 to 12 percent slopes

NRCS Map Unit Name: 143. Wetherill loam, 1 to 3 percent slopes

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: 03/14/2013

List individual species: *One extremely dessicated thistle was found on the south central portion of the pad. This plant could have been either Cirsium arvense (Canada thistle - noxious) or Cirsium vulgare (bull thistle - not noxious). Bromus tectorum (cheatgrass) was also found.

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): The entire location is within a field of CRP planted to various wheatgrass species.

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: 1594 , water well: 4056 , depth to ground water: 316

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:

There are three water wells that appear on the COGCC mapping site that are closer to the proposed well location than the well listed above, but two were never drilled. The third well was drilled to a depth of 1,070 feet, but did not encounter water. SUAs will be attached with form 2.The H2S Contingency and Salt Drilling Procedures will be attached with the Form 2.

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

Signed: _____ Date: 03/26/2013 Email: dunmire@ecosphere-services.com

Print Name: Carolyn Dunmire Title: Project Manager

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: Matthew Lee **Director of COGCC** Date: 4/27/2013

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:

Notify the COGCC 48 hours prior to start of any new pad construction, rig mobilization, spud, and start of hydraulic stimulation operations using Form 42 (the appropriate COGCC individuals will automatically be email notified, including the LGD for hydraulic stimulation operations).

Operator must ensure 110 percent secondary containment for any volume of fluids 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, 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 pipelines or buried permanent pipelines.

If the well is to have hydraulic fracturing treatment, then Flowback and stimulation fluids must be sent to tanks, separators, or other containment/filtering equipment before the fluids can be placed into any pipeline, storage vessel, or lined pit (only if an amended Form 2A has been submitted/approved and a Form 15 Earthen Pit Permit has been submitted/approved) 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.

All cuttings generated during drilling with high chloride mud must be kept in a lined temporary trench, or placed either in containers or on a lined/bermed portion of the well pad; prior to analysis and/or offsite disposal. The moisture content of any drill cuttings in a temporary trench or pile shall be as low as practicable to prevent accumulation of liquids greater than de minimis amounts prior to offsite disposal.

All personnel must be H2S trained and proper air monitoring for H2S must be implemented during drilling, completion, and production operations. Emergency response plan for H2S must be onsite at all times.

Attachment Check List

Att Doc Num	Name
2106570	NRCS MAP UNIT DESC
400388025	FORM 2A SUBMITTED
400391878	NRCS MAP UNIT DESC
400391954	LOCATION PICTURES
400391956	REFERENCE AREA PICTURES
400395418	EQUIPMENT LIST
400395422	ACCESS ROAD MAP
400395425	HYDROLOGY MAP
400395426	LOCATION DRAWING
400395428	REFERENCE AREA MAP
400395430	SENSITIVE AREA MAP
400395445	CONST. LAYOUT DRAWINGS
400395456	SURFACE AGRMT/SURETY
400395810	PROPOSED BMPs

Total Attach: 14 Files

General Comments

User Group	Comment	Comment Date
OGLA	Initiated/Completed OGLA Form 2A review on 04-23-13 by Dave Kubeczko; placed fluid containment, spill/release BMPs, moisture content cuttings, H2S training, and notification COAs; no CPW; passed OGLA Form 2A Permit review on 04-23-13 by Dave Kubeczko; fluid containment, spill/release BMPs, moisture content cuttings, H2S training, and notification COAs.	4/23/2013 8:23:13 AM
Permit	Passed completeness.	3/27/2013 2:44:54 PM

Total: 2 comment(s)

BMP

Type	Comment
Final Reclamation	All distrubed areas that are not necessary for operational procedures will be restored to at least 70 percent of pre-disturbance vegetative cover.
General Housekeeping	Erosion control barries, namely fiber wattles, will be placed at the edge of disturbance where necessary. Care will be taken to avoid disturbance outside of the project area unless it is deemed necessary for equipment stability and fire safety.
Storm Water/Erosion Control	Fiber wattles will encompass the entire periphery of the disturbed area. Tackifier will be added to the stored topsoil piles to prevent erosion. Stockpiled soils will have slopes not greater than 3:1. Stormwater BMPs will be maintained/ammended by Kinder Morgan as site conditions change throughout the construction and reclamation process.
Interim Reclamation	Surface roughening, surface contouring, seeding, and weed control will be employed to facilitate vegetation reestablishment. Tackifier will be added to reclaimed areas.
Construction	All equipment will be stored within the right-of-way (ROW) area of distrubance. Top soil will be removed to create a level pad for drilling and an access road (Length: 325', ROW: 50'). The Drilling Facility Layout Map displays the areas that will be used for storage of building materials, equipment, and soil. Vegetation that does not need to be removed will be avoided during construction and removed vegetation will be cut near ground level, leaving the root system intact except where permanent facilities, roads, or ROWs require the complete removal of vegetation.

Total: 5 comment(s)