

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:

400430778

Date Received:

07/12/2013

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:

Expiration Date:

☒ 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: 10431

Name: CHAMA OIL & MINERALS LLC

Address: PO BOX 50203

City: MIDLAND State: TX Zip: 79710

3. Contact Information

Name: Roy Merrill

Phone: (719) 429-2225

Fax: (432) 683-8250

email: roy.merrill@me.com

4. Location Identification:

Name: NICOLARSEN 20-15-48 Number: 1-H

County: CHEYENNE

QuarterQuarter: NWNW Section: 20 Township: 15S Range: 48W Meridian: 6 Ground Elevation: 4282

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: 600 feet FNL, from North or South section line, and 660 feet FWL, from East or West section line.

Latitude: 38.733381 Longitude: -102.810962 PDOP Reading: 2.5 Date of Measurement: 05/03/2013

Instrument Operator's Name: C VAN MATRE

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="2"/>	Separators: <input type="text" value="1"/>	Electric Motors: <input type="text" value="1"/>	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" value="1"/>	Oil Pipeline: <input type="text" value="1"/>	Water Pipeline: <input type="text" value="1"/>	Flare: <input type="text" value="1"/>
Gas Compressors: <input type="text"/>	VOC Combustor: <input type="text"/>	Oil Tanks: <input type="text" value="3"/>	Fuel Tanks: <input type="text" value="1"/>	

Other: _____

6. Construction:

Date planned to commence construction: 07/15/2013 Size of disturbed area during construction in acres: 4.00
Estimated date that interim reclamation will begin: 04/15/2014 Size of location after interim reclamation in acres: 1.50
Estimated post-construction ground elevation: 4281 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: SEE COMMENTS

7. Surface Owner:

Name: D. SCOTT NICOLARSEN Phone: _____
Address: 7983 S. FRANKLIN COURT Fax: _____
Address: _____ Email: _____
City: CENTENNIAL State: CO Zip: 80122 Date of Rule 306 surface owner consultation: 06/14/2013
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: 20120073 ☐ 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: 1500, public road: 600, above ground utilit: 600
, railroad: 10000, property line: 600

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: SUNDANCE LOAMY SAND, 0 TO 3 PER CENT 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: SEE ATTACHED NRCS RANGELAND PRODUCTIVITY AND COMPOSITION LISTING

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: 1600, water well: 1700, depth to ground water: 62

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:

NO CONDUCTOR WILL BE USED. NICOLARSEN 20-15-48 #1-P (PILOT HOLE) AND NICOLARSEN 20-15-48 #1-H (HORIZONTAL HOLE) ARE BEING PERMITTED FOR THIS LOCATION; ONLY ONE WELL BORE WILL BE ON LOCATION. THE LOCATION DOES NOT REQUIRE A VARIANCE FROM ANY OF THE RULES LISTED IN RULE 306.D. (1).(A).(II). THE LOCATION IS NOT IN A RESTRICTED SURFACE OCCUPANCY AREA. THE LOCATION IS NOT IN A SENSITIVE WILDLIFE HABITAT AREA. THERE ARE NO VISIBLE IMPROVEMENTS WITHIN 400' OF LOCATION. REFERENCE AREA IS IMMEDIATELY ADJACENT TO LOCATION TO THE EAST. LOCATION WILL BE BERMED TO PREVENT RUNOFF. PLAN IS TO USE CLOSED LOOP DRILLING FLUID SYSTEM. MUD DISPOSAL WILL BE ON SITE: MUD WILL BE PLACED IN CUTTINGS PIT AT END OF WELL ALLOWING LIQUID AND SOLIDS TO SEPARATE, FREE LIQUID WILL BE SENT TO COMMERCIAL DISPOSAL, SOLIDS AND CUTTINGS WILL BE STABILIZED AND CONTENTS SAMPLED AND ANALYZED TO ENSURE COMPLIANCE WITH TABLE 910-1 PRIOR TO CLOSING PIT.

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

Signed: _____ Date: 07/12/2013 Email: BILL.HEARD@CHAMAOIL.COM

Print Name: WILLIAM HEARD Title: PROJECT DRILLING
ENGINEER

Surface Owner Information

Owner Name	Address	Phone	Fax	Email
D. SCOTT NICOLARSEN	7983 S. FRANKLIN COURT CENTENNIAL, CO 80122			
DONALD D. NICOLARSEN	7983 S. FRANKLIN COURT CENTENNIAL, CO 80122			
DOUGLAS W. NICOLARSEN	7983 S. FRANKLIN COURT CENTENNIAL, CO 80122			
GAYLA SUE CONNELLEY	PO BOX 116 KIT CARSON, CO 80825			
PENNY JO MCPHERSON	PO BOX 44 KIT CARSON, CO 80825			

5 Surface Owner(s)

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: _____

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.

COA Type Description

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Attachment Check List

<u>Att Doc Num</u>	<u>Name</u>
400430778	FORM 2A SUBMITTED
400430779	LOCATION PICTURES
400430780	HYDROLOGY MAP B, AERIAL
400430781	ACCESS ROAD MAP
400430782	REFERENCE AREA MAP
400430783	REFERENCE AREA PICTURES
400430784	CONST. LAYOUT DRAWINGS
400430787	NRCS MAP UNIT DESC
400430788	OTHER
400464506	LOCATION DRAWING

Total Attach: 10 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Returned to draft for the following: missing Location Drawing. Date of planned construction must be past submittal. Surface owner is Mineral owner is checked and Committed to O&G lease, but not is executer. Surface bond is checked but missing bond #.	7/15/2013 11:07:02 AM

Total: 1 comment(s)

Best Management Practices

<u>No</u>	<u>BMP/COA Type</u>	<u>Description</u>