

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:
400447565

Date Received:
07/26/2013

Oil and Gas Location Assessment

New Location Amend Existing Location Location#: 332837

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:
332837
Expiration Date:
11/21/2016

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: 57667
 Name: MINERAL RESOURCES, INC.
 Address: PO BOX 328
 City: GREELEY State: CO Zip: 80632

3. Contact Information

Name: Collin Richardson
 Phone: (970) 352-9446
 Fax: (970) 339-8321
 email: collin@mineralresourcesinc.com

4. Location Identification:

Name: Greeley Directional Number: _____
 County: WELD
 Quarter: NENE Section: 20 Township: 5N Range: 65W Meridian: 6 Ground Elevation: 4691

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: 381 feet FNL, from North or South section line, and 1281 feet FEL, from East or West section line.
 Latitude: 40.390820 Longitude: -104.682470 PDOP Reading: 2.9 Date of Measurement: 02/26/2008
 Instrument Operator's Name: M. Robert

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="checkbox"/> | Wells: <input type="checkbox"/> <u>58</u> | Production Pits: <input type="checkbox"/> | Dehydrator Units: <input type="checkbox"/> |
| Condensate Tanks: <input type="checkbox"/> | Water Tanks: <input type="checkbox"/> <u>8</u> | Separators: <input type="checkbox"/> <u>52</u> | Electric Motors: <input type="checkbox"/> | Multi-Well Pits: <input type="checkbox"/> |
| Gas or Diesel Motors: <input type="checkbox"/> <u>4</u> | Cavity Pumps: <input type="checkbox"/> | LACT Unit: <input type="checkbox"/> | Pump Jacks: <input type="checkbox"/> | 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"/> <u>11</u> |
| Gas Compressors: <input type="checkbox"/> <u>4</u> | VOC Combustor: <input type="checkbox"/> | Oil Tanks: <input type="checkbox"/> <u>42</u> | Fuel Tanks: <input type="checkbox"/> | |

Other: Gas Compressors and motors are part of the VRU.

6. Construction:

Date planned to commence construction: 06/01/2014 Size of disturbed area during construction in acres: 8.00
 Estimated date that interim reclamation will begin: 08/01/2014 Size of location after interim reclamation in acres: 4.00
 Estimated post-construction ground elevation: 4691 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: _____
 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: 20090133 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: 767, public road: 360, above ground utility: 392,
 railroad: 351, property line: 150

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: 50 Otero sandy loam 0 to 1 percent slope

NRCS Map Unit Name: 75 Vona sandy loam 0 to 1 percent slope

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: _____

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: 1400, water well: 695, depth to ground water: 20

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:

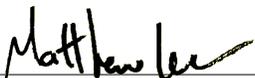
1. Mineral Resources is expanding their current oil and gas location. Equipment listed in the facilities section of this permit represents the total, including both existing and proposed equipment. Refer to the location drawing for a table of existing and proposed equipment. 2. Both properties utilized by this amended location are owned by Richmark Real Estate Partners which is a sister company to Mineral Resources, the operator of the proposed well pad. 3. As owners of both properties, Richmark Real Estate Partners, LLC is waiving Rule 603.a.(2). Please refer to attached waiver. 4. Distances provided in the Cultural and Water Resources Sections of this permit are from the Well Reference Point as defined on the location drawing. 5. Depth to groundwater determined from nearby water well, permit number 70254- -A. 6. Mineral Resources is requesting an exception location request to Rule 318A.a. Exception Location request attached. 7. Mineral Resources is requesting a variance to Rule 303.d.5. Variance letter is attached. 8. The surface owner, Richmark Real Estate Partners and the mineral owner, Richmark Mineral Partners, are all under the same ownership. All are sister companies to Mineral Resources, which is the operator of the existing and proposed well pad.

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

Signed: _____ Date: 07/26/2013 Email: erin.mathews@LRA-INC.com

Print Name: Erin Mathews 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:  Director of COGCC Date: 11/22/2013

**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.

Description

| |
|--|
| |
|--|

Attachment Check List

| Att Doc Num | Name |
|--------------------|-----------------------|
| 1667831 | LOCATION DRAWING |
| 1667939 | CORRESPONDENCE |
| 2114321 | VARIANCE REQUEST |
| 400447565 | FORM 2A SUBMITTED |
| 400457963 | ACCESS ROAD MAP |
| 400457964 | HYDROLOGY MAP |
| 400457965 | MULTI-WELL PLAN |
| 400457966 | LOCATION PICTURES |
| 400457968 | NRCS MAP UNIT DESC |
| 400457969 | WASTE MANAGEMENT PLAN |
| 400457971 | EXCEPTION LOC WAIVERS |
| 400457972 | SURFACE AGRMT/SURETY |
| 400457974 | EXCEPTION LOC REQUEST |

Total Attach: 13 Files

General Comments

| User Group | Comment | Comment Date |
|-------------------|---|--------------------------|
| OGLA | IN PROCESS - OGLA review complete and task passed. | 11/19/2013 8:13:04 AM |
| Permit | Made correction to 58 wells on pad. Attached new location drawing and Variance Request letter reflecting 58 wells. Ready to pass. | 10/8/2013 12:41:47 PM |
| OGLA | ON HOLD - Waiting on updated Location Drawing from operator | 9/18/2013 8:00:06 AM |
| Permit | 36 existing wells on this pad; only 30 were cited in the variance letter. Discussing with operator. | 9/16/2013 1:28:30 PM |
| Permit | 318A. Waiver in item 11 of SUA. | 9/16/2013 11:27:29 AM |
| Permit | Operator corrected surface and minerals information. This form has passed completeness. | 7/31/2013 6:23:57 AM |
| Permit | Returned to draft. Requested surface and minerals information. | 7/29/2013 2:17:50 PM |

Total: 7 comment(s)

Best Management Practices

| No | BMP/COA Type | Description |
|----|--|---|
| 1 | Planning | Operator will make best efforts to reduce truck traffic related to water hauling by using an on-site water source, if available in sufficient supply from the City of Greeley, to supply drilling and completion water. |
| 2 | Planning | The operator will obtain a Use by Special Review permit for the location through the City of Greeley. The USR will address site specific conditions related to traffic, drainage, and erosion control. |
| 3 | Community Outreach and Notification | <p>Public Notice</p> <ul style="list-style-type: none"> • A sign with Mineral Resources' contact information and a 24-hour contact number will be placed at or near the access road entrance. • For this project, per City of Greeley Use by Special Review process, public notice will be provided by the city staff. • Mineral Resources will conduct a neighborhood meeting, upon request by the City of Greeley, prior to City of Greeley planning commission hearing. If such meeting should occur, the City of Greeley will help organize the meeting through the Use by Special Review process. |
| 4 | General Housekeeping | <p>Solid Waste</p> <ul style="list-style-type: none"> • The site will be cleaned of all trash and waste as soon as practical. • All waste will be stored in sealed containers until it can be disposed of appropriately. • Solid waste will be removed from the site and disposed of per state regulations for solid waste. |
| 5 | Storm Water/Erosion Control | <p>Stormwater</p> <ul style="list-style-type: none"> • Mineral Resources maintains a Field Wide Stormwater Management Permit, Certification No. COR03H509. This site falls under this permit. • Stormwater best management practices will be completed per the site specific stormwater management plan. • Permanent seeding will be installed once all drilling and completion activities are finalized. • All stormwater best management practices will remain in place until final stabilization is achieved. |
| 6 | Material Handling and Spill Prevention | A Waste Management Plan for the land application or other beneficial reuse of drill cuttings will be submitted to COGCC for review and approval prior to moving drill cuttings from the location. |
| 7 | Material Handling and Spill Prevention | Land-farming of E&P waste will not be conducted on the location. This shall not preclude on-site disposal of E&P waste in accordance with COGCC Rules and permit conditions. |
| 8 | Material Handling and Spill Prevention | <p>Spill Prevention</p> <ul style="list-style-type: none"> • All materials, waste, and fluids kept on-site will be stored in an appropriate manner to prevent contamination of the environment. • If a spill occurs, it will be cleaned up using absorbent material and by removing the contaminated soil. • Any contaminated soil will be disposed of appropriately. • All efforts will be made to prevent the spill from migrating off-site or coming into contact with stormwater runoff. • The Spill Control and Countermeasures plan will address and control all spill procedures. |
| 9 | Material Handling and Spill Prevention | The tank battery will be constructed using a steel containment ring and either a geomembrane or spray on liner. |
| 10 | Drilling/Completion Operations | Reduced emissions completions: Operator will employ completion practices that will ensure compliance with COGCC Rule 805.b.(3). |
| 11 | Drilling/Completion Operations | Emissions from condensate, crude oil, and produced water tanks and from glycol dehydrators shall be controlled with devices capable of achieving 95% efficiency destruction of volatile organic compounds. Operator shall comply with applicable Colorado Department of Public Health and Environment, Air Pollution Control Division permitting requirements. |

Total: 11 comment(s)