

FORM
2A

Rev
08/13

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:

400449562

Date Received:

11/11/2013

Oil and Gas Location Assessment

New Location Refile Amend Existing Location Location#: _____

Submit signed original form. This Oil and Gas Location Assessment is to be submitted to the COGCC for approval prior to any ground disturbance activity associated with oil and gas operations. Approval of this Oil and Gas Location 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. Please see the COGCC website at <http://cogcc.state.co.us/> for all accompanying information pertinent this Oil and Gas Location Assessment.

Location ID:

436005

Expiration Date:

02/01/2017

This location assessment is included as part of a permit application.

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.

Operator

Operator Number: 46685

Name: KINDER MORGAN CO2 CO LP

Address: 17801 HWY 491

City: CORTEZ State: CO Zip: 81321

Contact Information

Name: Carolyn Dunmire

Phone: (970) 564-9100

Fax: (970) 565-8874

email: dunmire@ecosphere-services.com

RECLAMATION FINANCIAL ASSURANCE

Plugging and Abandonment Bond Surety ID: _____

Gas Facility Surety ID: 20080052

Waste Management Surety ID: _____

LOCATION IDENTIFICATION

Name: Doe Canyon Compressor Station Number: _____

County: DOLORIS

Quarter: 15 Section: 19 Township: 40N Range: 17W Meridian: N Ground Elevation: 7070

Define a single point as a location reference for the facility location. When the location is to be used as a well site then the point shall be a well location.

Footage at surface: 1359 feet FSL from North or South section line

1456 feet FWL from East or West section line

Latitude: 37.708555 Longitude: -108.774250

PDOP Reading: 5.8 Date of Measurement: 08/01/2007

Instrument Operator's Name: Rita J. Caffey

RELATED REMOTE LOCATIONS

(Enter as many Related Locations as necessary. Enter the Form 2A document # only if there is no established COGCC Location ID#)

This proposed Oil and Gas Location is:	<u>LOCATION ID #</u>	<u>FORM 2A DOC #</u>
Production Facilities Location serves Well(s)	_____	400227393
	_____	400226971
	_____	400388652
	_____	400227153
	_____	400395188

FACILITIES

Indicate the number of each type of oil and gas facility planned on location

Wells _____	Oil Tanks <u>2</u>	Condensate Tanks _____	Water Tanks <u>3</u>	Buried Produced Water Vaults _____
Drilling Pits _____	Production Pits _____	Special Purpose Pits _____	Multi-Well Pits _____	Temporary Large Volume Above Ground Tanks _____
Pump Jacks _____	Separators <u>4</u>	Injection Pumps _____	Cavity Pumps <u>17</u>	
Gas or Diesel Motors _____	Electric Motors <u>16</u>	Electric Generators _____	Fuel Tanks _____	Gas Compressors <u>4</u>
Dehydrator Units <u>1</u>	Vapor Recovery Unit _____	VOC Combustor _____	Flare _____	LACT Unit _____
				Pigging Station _____

OTHER FACILITIES

<u>Other Facility Type</u>	<u>Number</u>
----------------------------	---------------

Exchangers	3
Coolers	30
Power Distribution Centers	5
Transformers	8

Per Rule 303.b.(3)C, description of all oil, gas, and/or water pipelines:

The facility includes an 8" test line, 4" water line, 2, 16" production lines, a 10" test line, 10" sales lines, 24" booster inlet, and a 16" booster outlet. Please see the Facility Layout Drawing for pipeline locations and underground/above ground designations.

CONSTRUCTION

Date planned to commence construction: 06/04/2012 Size of disturbed area during construction in acres: 11.60
 Estimated date that interim reclamation will begin: 02/12/2014 Size of location after interim reclamation in acres: 8.06
 Estimated post-construction ground elevation: 7071

DRILLING PROGRAM

Will a closed loop system be used for drilling fluids: No
 Is H₂S anticipated? No
 Will salt sections be encountered during drilling: No
 Will salt based mud (>15,000 ppm Cl) be used? No
 Will oil based drilling fluids be used? No

DRILLING WASTE MANAGEMENT PROGRAM

Drilling Fluids Disposal: _____ Drilling Fluids Disposal Method: _____

Cutting Disposal: _____ Cuttings Disposal Method: _____

Other Disposal Description:

Beneficial reuse or land application plan submitted? _____

Reuse Facility ID: _____ or Document Number: _____

Centralized E&P Waste Management Facility ID, if applicable: _____

SURFACE & MINERALS & RIGHT TO CONSTRUCT

Name: Shell Western E&P Inc.

Phone: _____

Address: C/O Kinder Morgan, 500 Dallas
Street, Suite 1000

Fax: _____

Address: _____

Email: _____

City: Dallas State: TX Zip: 77002-
0000

Surface Owner: Fee State Federal Indian

Check all that apply. The Surface Owner: is the mineral owner

is committed to an oil and Gas Lease

has signed the Oil and Gas Lease

is the applicant

The Mineral Owner beneath this Oil and Gas Location is: Fee State Federal Indian

The Minerals beneath this Oil and Gas Location will be developed from or produced to this Oil and Gas Location: No

The right to construct this Oil and Gas Location is granted by: applicant is owner

Surface damage assurance if no agreement is in place: _____ Surface Surety ID: _____

Date of Rule 306 surface owner consultation _____

CURRENT AND FUTURE LAND USE

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

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

CULTURAL DISTANCE INFORMATION

Distance to nearest:

Building: 434 Feet
Building Unit: 434 Feet
High Occupancy Building Unit: 5280 Feet
Designated Outside Activity Area: 5280 Feet
Public Road: 94 Feet
Above Ground Utility: 143 Feet
Railroad: 5280 Feet
Property Line: 31 Feet

INSTRUCTIONS:

- All measurements shall be provided from center of nearest Well or edge of nearest Production Facility to nearest of each cultural feature as described in Rule 303.b.(3)A.
- Enter 5280 for distance greater than 1 mile.
- Building - nearest building of any type. If nearest Building is a Building Unit, enter same distance for both.
- Building Unit, High Occupancy Building Unit, and Designated Outside Activity Area - as defined in 100-Series Rules.

DESIGNATED SETBACK LOCATION INFORMATION

Check all that apply. This location is within a: Buffer Zone
 Exception Zone
 Urban Mitigation Area

- Buffer Zone - as described in Rule 604.a.(2), within 1,000' of a Building Unit.
- Exception Zone - as described in Rule 604.a.(1), within 500' of a Building Unit.
- Urban Mitigation Area - as defined in 100-Series Rules.

Pre-application Notifications (required if location is within 1,000 feet of a building unit):

Date of Rule 305.a.(1) Urban Mitigation Area Notification to Local Government: _____
Date of Rule 305.a.(2) Buffer Zone Notification to Building Unit Owners: 02/15/2012

SOIL

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.org/> 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: Map Unit 143: Wetherill loam, 1 to 3 percent slopes
NRCS Map Unit Name: Map Unit 21: Cahona-Sharps-Wetherill complex, 2 to 6 percent slopes
NRCS Map Unit Name: _____

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: 03/28/2013
List individual species: Crested Wheatgrass (Agropyron cristatum), Intermediate wheatgrass (Thinopyrum intermedium), Western wheatgrass (Pascopyrum smithii), Smooth Brome (Bromus inermis), Cheatgrass (Bromus tectorum), Broom snakeweed (Gutierrezia sarothrae), Scarlet globemallow

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): _____

WATER RESOURCES

Is this a sensitive area: No Yes

Distance to nearest

downgradient surface water feature: 631 Feet

water well: 6369 Feet

Estimated depth to ground water at Oil and Gas Location 250 Feet

Basis for depth to groundwater and sensitive area determination:

Depth to groundwater is derived from well permit applications on file with the Colorado Division of Water Resources.

Sensitive Area Determination:

There is no surface water within 1,000 ft. of the Doe Canyon Compressor Station. The Compressor Station is not within a local wellhead protection area, greater than 1/8 mile from a domestic water well, or greater than 1/4 mile from a public water supply well, ground water basin, or surface water supply area.

Is the location in a riparian area: No Yes

Was an Army Corps of Engineers Section 404 permit filed No Yes If yes attach permit.

Is the location within a Rule 317B Surface Water Supply Area buffer No 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

GROUNDWATER BASELINE SAMPLING AND MONITORING AND WATER WELL SAMPLING

Water well sampling required per Rule N/A

DESIGNATED SETBACK LOCATION EXCEPTIONS

Check all that apply:

- Rule 604.a.(1)A. Exception Zone (within 500' of Building Unit)
- Rule 604.b.(1)A. Exception Location (existing or approved Oil & Gas Location now within a Designated Setback as a result of Rule 604.a.)
- Rule 604.b.(1)B. Exception Location (existing or approved Oil & Gas Location is within a Designated Setback due to Building Unit construction after Location approval)
- Rule 604.b.(2) Exception Location (SUA or site-specific development plan executed on or before August 1, 2013)
- Rule 604.b.(3) Exception Location (Building Units constructed after August 1, 2013 within setback per an SUA or site-specific development plan)

RULE 502.b VARIANCE REQUEST

Rule 502.b. Variance Request from COGCC Rule or Spacing Order Number 305.a(2)

ALL exceptions and variances require attached Request Letter(s). Refer to applicable rule for additional required attachments (e.g. waivers, certifications, SUAs).

OPERATOR COMMENTS AND SUBMITTAL

Comments A Form 12 was submitted for the Doe Canyon Unit and received by the COGCC on September 30, 2012. Doc # 0662412
Facility ID: 419643.

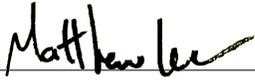
The Doe Canyon Compressor Station was permitted under the Dolores County permitting process, which required a series of landowner notifications. As a result, a variance to the COGCC Rule 305.a(2) has been requested. Please see the attachment for further information.

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

Signed: _____ Date: 11/11/2013 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:  Director of COGCC Date: 2/2/2014

Conditions Of Approval

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

Notify the COGCC 48 hours prior to start of compressor station pad reconstruction/regarding, equipment updates, and restart of operations (if necessary) using Form 42 (the appropriate COGCC individuals will automatically be email notified).

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.

Operator must ensure secondary containment for any volume of fluids contained at compressor site during 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 compressor pad location will be stabilized, inspected at regular intervals (at least every 14 days), and maintained in good condition.

Berms or other containment devices shall be constructed to be sufficiently impervious (preferably corrugated steel with poly liner) to contain any spilled or released material around crude oil, condensate, and produced water storage tanks.

All tanks and aboveground vessels containing fluids or chemicals used in the compression and transportation processes and operations must have secondary containment structures (which includes but is not limited to double-walled tanks). All secondary containment structures/areas must be lined. Operator must ensure 110 percent secondary containment for the largest structure containing fluids within each bermed area the facility during operations. The construction and lining of the secondary containment structures/areas shall be supervised by a professional engineer or their agent.

Operator shall implement reasonable noise reduction equipment on compressors and other production equipment or add sound barriers to limit noise levels at property boundaries. Operator shall comply with the applicable noise levels presented in Rule 802. Noise Abatement.

Best Management Practices

No	BMP/COA Type	Description
1	Planning	A Kinder Morgan Fire Mitigation Plan is currently on file with Dolores County.
2	Traffic control	<p>A Road Use Plan, which addresses traffic concerns specific to the Doe Canyon Compressor Station, is currently on file with Dolores County. The traffic plan was produced after consulting with the county Road and Bridge Supervisor.</p> <p>All access roads are fully compliant with local county road standards. Access roads are composed of compacted gravel.</p>
3	General Housekeeping	<p>The location is adequately fenced to restrict access by unauthorized persons.</p> <p>On-site trash dumpsters are emptied regularly by the local waste management company.</p> <p>All lighting will be downcast and turned off at night. Nighttime lighting will only be used in the event of an emergency.</p>
4	Wildlife	The Doe Canyon Compressor Station is currently located within an Elk Winter Concentration Area. A wildlife consultation has been scheduled with Colorado Parks and Wildlife for November 21st. Wildlife BMPs will be developed through this COGCC Rule 306.c. consultation process.
5	Storm Water/Erosion Control	<p>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.</p> <p>Culvert protection will be placed at the culvert outlet along the existing county road.</p> <p>A concrete washout facility will be located at the southern end of the project area.</p> <p>A silt fence will be placed around disturbed areas and stock piled soils.</p> <p>Soil roughening will be used in all disturbed areas.</p>
6	Material Handling and Spill Prevention	<p>The Doe Canyon facility will provide 150% berm containment around all blow down, flop, glycol, slop, oil, water, and gun barrel tanks.</p> <p>All loadlines are capped.</p> <p>Tanks are designed to meet all API 650 guidelines.</p> <p>A Spill Prevention, Control, and Countermeasure (SPCC) Plan is currently in place for the Doe Canyon Compressor Station.</p>
7	Dust control	All surfaces will be graveled to minimize dust.
8	Construction	<p>All equipment will be contained within the Right-of-Way (ROW) area of disturbance.</p> <p>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.</p>
9	Noise mitigation	<p>During normal operations, the compressor station will remain within COGCC regulations for noise. The COGCC noise levels may be exceeded on a short-term basis during construction. The building exterior consist of two layers at 6.0 PCF, including sound attenuating wool. Sound walls would be placed around all cooling units. Quieter cooling technology has been implemented at the expanded compressor station.</p> <p>In cooperation with Dolores County, a third party was hired to conduct sound testing around the Doe Canyon Compressor Station. The results of the study are still pending.</p> <p>The use of Jake brakes by semi-trucks on county roads will be limited to the hours of 7 am to 7 pm.</p>
10	Emissions mitigation	All C02 Compressor Stations are equipped with electronic controls which monitor C02 leaks. These monitors are directly linked to the Supervisory Control and Data Acquisition (SCADA). All personnel are equipped with H2S monitoring devices.

11	Interim Reclamation	Disturbed areas not necessary for operation and maintenance will be re-contoured and roughened to blend into the surrounding terrain. In addition, a landowner approved seed mix will be applied at the appropriate time using seeding and mulching methods outlined in the Regional Stormwater Plan (RSWMP). Weed control will be employed to help facilitate vegetation reestablishment.
12	Final Reclamation	All disturbed areas that are not necessary for operational procedures will be restored to at least 70 percent of pre-disturbance vegetative cover.

Total: 12 comment(s)

Attachment Check List

Att Doc Num	Name
2106830	CORRESPONDENCE
2106831	PUBLIC COMMENT
2106858	PUBLIC COMMENT TRANSMITTAL
2106859	KINDER MORGAN RESPONSE TO PUBLIC COMMENT
2518754	FACILITY LAYOUT DIAGRAM
400449562	FORM 2A SUBMITTED
400462401	NRCS MAP UNIT DESC
400470257	ACCESS ROAD MAP
400470261	REFERENCE AREA MAP
400470406	OTHER
400503865	LOCATION DRAWING
400503867	HYDROLOGY MAP
400508040	SENSITIVE AREA MAP
400508155	VARIANCE REQUEST

Total Attach: 14 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Final review completed.	1/31/2014 6:36:31 AM
OGLA	Initiated/Completed OGLA Form 2A review on 12-18-13 by Dave Kubeczko; sent acknowledgement of notification, fluid containment, spill/release BMPs, pipeline, chemical containment, and noise mitigation COAs to operator on 12-18-13; passed by CPW on 12-18-13 with habitat mitigation acceptable; COGCC received a public comment from the surface owners (via Kinder Morgan) on 12-02-13; Kinder Morgan provided responses to each of 10 comments on 01-13-14, which are attached to this Form 2A permit; passed Form 2A review on 01-30-14 by Dave Kubeczko; notification, fluid containment, spill/release BMPs, pipeline, chemical containment, and noise mitigation COAs.	12/18/2013 12:26:17 PM
DOW	<p>CPW conducted a tour of the compressor facility and adjacent property on November 21, 2013. The new facility was nearly complete and the time of the tour. Since the facility is nearly complete, CPW suggestions to avoid and minimize impacts to wildlife have little utility at this time. Therefore, CPW and the operator focused the conversations and efforts on ways to mitigate habitat loss and a long term impacts to wildlife.</p> <p>Kinder Morgan will replant up to 41 acres with a seed mix (attached) in areas historically cultivated for farming. This re-vegetation and replanting program will restore native vegetation and once established will benefit wildlife. Additionally, the operator will commit that the remainder of the 40 acre parcel (see land designated as "Manage for Wildlife Habitat" on the attached map), not necessary for the current operation of the compressor station site, will remain in its native, undeveloped state until such time as it is needed for development and/or operation of the Doe Canyon Facility. The Operator shall control noxious weeds on the parcel in accordance to County and State weed management laws. The parcel shall not be grazed by livestock without prior coordination with CPW and development of a grazing management plan.</p>	12/18/2013 11:58:08 AM
OGLA	Public Comment received at COGCC via Fax.	12/2/2013 10:13:14 AM
Permit	This form has passed completeness.	11/12/2013 10:13:37 AM

Total: 5 comment(s)