

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:

400508494

Date Received:

11/08/2013

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:

436009

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: 10464

Name: CATAMOUNT ENERGY PARTNERS LLC

Address: 1801 BROADWAY #1000

City: DENVER State: CO Zip: 80202

Contact Information

Name: Nolan Redmond

Phone: (720) 484-2344

Fax: (720) 484-2363

email: nredmond@catamountep.com

RECLAMATION FINANCIAL ASSURANCE

☒ Plugging and Abandonment Bond Surety ID: 20130096 ☐ Gas Facility Surety ID: _____

☐ Waste Management Surety ID: _____

LOCATION IDENTIFICATION

Name: Campbell 33-7-4 Number: 1H

County: LA PLATA

QuarterQuarter: SWSW Section: 3 Township: 33N Range: 7W Meridian: N Ground Elevation: 6689

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: 989 feet FSL from North or South section line

1178 feet FWL from East or West section line

Latitude: 37.128360 Longitude: -107.601050

PDOP Reading: 2.2 Date of Measurement: 10/21/2013

Instrument Operator's Name: Scott Wiebe

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:

LOCATION ID # FORM 2A DOC #

FACILITIES

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

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

OTHER FACILITIES

Other Facility Type

Number

<input type="text"/>	<input type="text"/>
----------------------	----------------------

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

Catamount is currently evaluating several pipeline options in the vicinity.

CONSTRUCTION

Date planned to commence construction: 05/01/2014 Size of disturbed area during construction in acres: 2.62
Estimated date that interim reclamation will begin: 10/01/2014 Size of location after interim reclamation in acres: 2.00
Estimated post-construction ground elevation: 6689

DRILLING PROGRAM

Will a closed loop system be used for drilling fluids: Yes

Is H₂S anticipated? No

Will salt sections be encountered during drilling: No

Will salt based mud (>15,000 ppm Cl) be used? Yes

Will oil based drilling fluids be used? No

DRILLING WASTE MANAGEMENT PROGRAM

Drilling Fluids Disposal: OFFSITE Drilling Fluids Disposal Method: Commercial Disposal

Cutting Disposal: OFFSITE Cuttings Disposal Method: Commercial Disposal

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: Ben Nighthorse Campbell Phone:

Address: PO Box 639

Fax: _____

Address: _____

Email: _____

City: Ignacio State: CO Zip: 81137

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: Surface Use Agreement

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

Date of Rule 306 surface owner consultation 10/25/2013

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: 1168 Feet
Building Unit: 1168 Feet
High Occupancy Building Unit: 5280 Feet
Designated Outside Activity Area: 5280 Feet
Public Road: 2376 Feet
Above Ground Utility: 1316 Feet
Railroad: 5280 Feet
Property Line: 151 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: _____

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 be 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: 70: Ustic Torriar Thents - Ustollic Haplargids Complex, 12 to 60 percent slopes.

NRCS Map Unit Name: _____

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: _____

List individual species: Indian ricegrass, perennial forbs, other perennial grasses, blue grama, sideoats grama, big sagebrush, pinyon, juniper

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: 877 Feet

water well: 1116 Feet

Estimated depth to ground water at Oil and Gas Location 50 Feet

Basis for depth to groundwater and sensitive area determination:

Static Water Level in Water Well Located in NWNW S10 T33N R7W

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: _____

GROUNDWATER BASELINE SAMPLING AND MONITORING AND WATER WELL SAMPLING

Water well sampling required per Rule 608

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 _____

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

Two horizontal wells will be drilled from this location, the Campbell 33-7-4 1H and the Campbell 33-7-4 2H, to develop the Fruitland Coal in S4 T33N R7W. Each well will have a pilot hole and two laterals. Reference area photos show where new access road will leave the existing road, and where the access road will enter the new location. There are no improvements within 500'.

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

Signed: _____ Date: 11/08/2013 Email: nredmond@catamountep.com

Print Name: Nolan Redmond Title: Geo. / Eng. Tech

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: 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.

<u>COA Type</u>	<u>Description</u>
	<p>Flowback and stimulation fluids must be sent to tanks, separators, or other containment/filtering equipment on each individual well pad 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 Permitted has been submitted/approved) located on the well pad; or into tanker trucks for offsite disposal. The flowback and stimulation fluid tanks must be placed on the frac pad in an area with additional downgradient perimeter berming and must be constructed to be sufficiently impervious to contain any spilled or released material. The site will be manned 24/7 during completion operations and period visual checks will be conducted to provide overflow monitoring of the tanks during flowback.</p> <p>The moisture content of any freshwater generated drill cuttings in a cuttings pit, trench, or pile shall be as low as practicable to prevent accumulation of liquids greater than de minimis amounts. At the time of closure, if the freshwater generated drill cuttings are to be onsite, they must also meet the applicable standards of table 910-1.</p>
	<p>Notify the COGCC 48 hours prior to start of 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).</p> <p>Operator shall comply with Rule 609. STATEWIDE GROUNDWATER BASELINE SAMPLING AND MONITORING (as indicated on the Form 2A).</p>
	<p>Operator shall pressure test pipelines in accordance with Rule 1101.e.(1) prior to putting into initial service any temporary surface or permanent buried pipelines and following any reconfiguration of the pipeline network. Operator shall notify the COGCC Oil and Gas Location Assessment (OGLA) Specialist for Western Colorado (Dave Kubeczko; email dave.kubeczko@state.co.us) and the COGCC Field Inspection Supervisor for Southwest Colorado (Steve Labowskie; email steve.labowskie@state.co.us) 48 hours prior to testing surface poly/steel or buried poly/steel pipelines.</p> <p>Operator will utilize, to the extent practical, all existing access and other public roads, and/or existing pipeline right-of-ways, when placing/routing the surface pipelines. This will reduce surface disturbance and fragmentation of wildlife habitat in the area.</p>

Operator must implement best management practices to contain any unintentional release of fluids, including any fluids conveyed via temporary surface pipelines or permanent buried pipelines. Additional containment shall be required where temporary or permanent pumps and other necessary equipment or chemicals are located.

Operator must ensure 110 percent secondary containment for any volume of fluids contained at tank battery pad 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 location will be stabilized, inspected at regular intervals (every 14 days at a minimum during the construction phase and at least every 30 days during operations period), and maintained in good condition.

The location is in an area of moderate run-on/run-off potential; therefore standard stormwater BMPs must be implemented at this location to insure compliance with CDPHE and COGCC requirements and to prevent any stormwater run-on and /or stormwater run-off.

The access road will be constructed and maintained as to not allow any sediment to migrate from the access road to nearby surface water or any drainages leading to surface water.

Strategically apply fugitive dust control measures, including enforcing established speed limits on private roads, to reduce fugitive dust and coating of vegetation and deposition in water sources.

Location is in a sensitive area due to shallow groundwater; therefore, either a closed loop system must be used (which operator has indicated on the Fprm 2A), or the drilling pit must be lined.

Best Management Practices

<u>No</u>	<u>BMP/COA Type</u>	<u>Description</u>
1	Wildlife	Assuming Current Rig Availability does not change, Catamount will avoid drilling operations from Dec. 1st- April 15th to minimize disturbance during this critical time period to wildlife.
2	Construction	The following BMPs may be employed during the construction phase: Erosion Control: Seeding, mulching, berms, checks dams, grading techniques Sediment Control: Erosion bales, sediment traps, gravel barriers, sediment basins
3	Drilling/Completion Operations	A closed loop system will be used during drilling operations so a pit will be unnecessary. Multiple wells will be drilled from this pad to mitigate surface impacts.
4	Final Reclamation	Equipment will be painted with dull, none reflective paint darker than the adjacent landscape. Noxious weeds will be controlled onsite by herbicide application based upon recommendations from the La Plata County weed control technical. Spraying will be applied by a professional.

Total: 4 comment(s)

Attachment Check List

<u>Att Doc Num</u>	<u>Name</u>
2106861	CORRESPONDENCE
2518877	SURFACE AGRMT/SURETY
2518879	SURFACE AGRMT/SURETY
400508494	FORM 2A SUBMITTED
400508569	NRCS MAP UNIT DESC
400508572	ACCESS ROAD MAP
400508573	HYDROLOGY MAP
400508574	SURFACE PLAN
400508576	CONST. LAYOUT DRAWINGS
400508578	SURFACE PLAN
400513463	MULTI-WELL PLAN
400513466	EXCEPTION LOC REQUEST
400513471	REFERENCE AREA PICTURES
400514055	LOCATION PICTURES

Total Attach: 14 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Changed distance to property to agree with surface plan pad drawing.	1/31/2014 7:56:45 AM
Permit	Final review completed; no LGD or public comment received.	1/31/2014 6:45:59 AM
Permit	Attached both SUA's with exhibit A showing acreage covered by SUA.	1/15/2014 8:18:53 AM
OGLA	Initiated/Completed OGLA Form 2A review on 01-07-14 by Dave Kubeczko; requested acknowledgement of fluid containment, spill/release BMPs, notification, dust control, sediment control access road, flowback to tank, lined pits/closed loop, and pipeline COAs on permit from operator on 01-07-14; received acknowledgement of COAs from operator on 01-27-14; location was onsite by COGCC, CPW, operator, surface owners, La Plata County on 12-16-13; passed by CPW on 12-26-13 with recommended BMPs provided in CPW comment and discussed onsite; passed OGLA Form 2A review on 01-30-14 by Dave Kubeczko; fluid containment, spill/release BMPs, notification, flowback to tanks, lined pits/closed loop, dust control, sediment control access road, and pipeline COAs.	1/7/2014 10:44:28 AM
Permit	Operator requested surface bond be removed from permit and submitted exhibit map of the property under the SUA.	1/2/2014 6:49:51 AM
DOW	CPW, La Plata County, COGCC, Surface Owners, and the Operator conducted and onsite of the proposed facility on December 16, 2013. CPW had asked the operator to considering moving the proposed location to the existing Mary Catherine 33-7-3 #B location. The operator indicted that due to topography and an old reserve pit they could not expand the existing pad to accommodate the additional facilities. CPW recommends to the Oil and and Gas Commission that the operator avoid construction and drilling from Dec 1- April 15. The surface owners were agreeable to the request and the operator has indicated that they will make an attempt to avoid this period subject to rig availability. CPW discussed the use of a wildlife friendly seed mix for reclamation .The operator and surface owners were agreeable. CPW sent the (attached) seed mix to the operator and surface owner via e-mail on Dec 17, 2013.	12/26/2013 4:30:05 PM

Permit	Surface bond as right to construct should not be filled in because an SUA has been signed. Requested exhibit A of the SUA to determine if the wells are located on the property covered by the SUA.	12/3/2013 10:56:37 AM
Permit	Reference area photos are the same as the access road pictures.	12/3/2013 10:55:00 AM
Permit	This is not a 502b variance and should not be checked. This is an exception location with a waiver contained in an SUA.	12/3/2013 10:42:51 AM
Permit	This form passes completeness.	11/19/2013 1:57:17 PM
Permit	Returned to draft: 1) Ref. area photos show access road only. Need comment about location of ref. area. 2) Six related APD's listed? Only 2 wells on facilities tab. 3) Re-name pad? 1H and 2H? 4) Check 502.b variance to Rule 603.a.(2).	11/19/2013 11:38:01 AM
Permit	Returned to draft. Location photos attachment does not open. Campbell SUA attachment does not open. Attachment marked "Location Drawing" is a pad drawing. Requested drawing or aerial photo showing improvements within 500' or a comment that there are no improvements within 500'. Resolved: Corrected Multi-well plan to show both SHLs and BHLs. Property line exception is addressed with variance request and SUA from Whittle.	11/15/2013 1:45:52 PM
Permit	Location photos are for each well on the pad and are Reference Area Photos. Can't determine if this is the well site or a referenced area. Multi-well plan doesn't show both surface locations and projected BHL on one plat. Property line (116') doesn't meet setback (150') and is not addressed. Form back to draft.	11/12/2013 1:42:35 PM

Total: 13 comment(s)