

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:

400532233

Date Received:

12/27/2013

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:

436023

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: 8960

Name: BONANZA CREEK ENERGY OPERATING COMPANY LLC

Address: 410 17TH STREET SUITE #1400

City: DENVER State: CO Zip: 80202

Contact Information

Name: Randy Edelen

Phone: (720) 440-6100

Fax: (720) 279-2331

email: REdelen@BonanzaCrk.com

RECLAMATION FINANCIAL ASSURANCE

☐ Plugging and Abandonment Bond Surety ID: 20120018 ☐ Gas Facility Surety ID: _____

☐ Waste Management Surety ID: _____

LOCATION IDENTIFICATION

Name: State Whitetail Number: O-36 Pad

County: WELD

QuarterQuarter: SWSE Section: 36 Township: 6N Range: 62W Meridian: 6 Ground Elevation: 4653

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: 200 feet FSL from North or South section line

2546 feet FEL from East or West section line

Latitude: 40.437890 Longitude: -104.271360

PDOP Reading: 1.8 Date of Measurement: 11/12/2013

Instrument Operator's Name: Wyatt Hall

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>7</u>	Oil Tanks	<u>25</u>	Condensate Tanks	<u>4</u>	Water Tanks	<u>7</u>	Buried Produced Water Vaults	<u>7</u>
Drilling Pits	<u> </u>	Production Pits	<u> </u>	Special Purpose Pits	<u> </u>	Multi-Well Pits	<u> </u>	Temporary Large Volume Above Ground Tanks	<u>2</u>
Pump Jacks	<u>7</u>	Separators	<u>7</u>	Injection Pumps	<u> </u>	Cavity Pumps	<u> </u>		
Gas or Diesel Motors	<u>7</u>	Electric Motors	<u>13</u>	Electric Generators	<u>4</u>	Fuel Tanks	<u> </u>	Gas Compressors	<u>10</u>
Dehydrator Units	<u>1</u>	Vapor Recovery Unit	<u>6</u>	VOC Combustor	<u>8</u>	Flare	<u>1</u>	LACT Unit	<u> </u>
								Pigging Station	<u>1</u>

OTHER FACILITIES

Other Facility Type

Number

Vapor Recovery Tower

4

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

Seven (7) 3-phase flowlines: 3" coated steel
One (1) gas sales line connection: 6" coated steel
Two (2) oil gathering lines: 4" coated steel
Two (2) produced water gathering lines: 4" coated steel
Vent/VRU lines: 4@6", 4@10", 4@12" steel

Temporary Large Volume Above Ground Storage Tanks are steel sided with new liner.

1) 40,000 bbl - 157' dia

1) 20,000 bbl - 105' dia

CONSTRUCTION

Date planned to commence construction: 03/01/2014 Size of disturbed area during construction in acres: 6.30

Estimated date that interim reclamation will begin: 03/01/2014 Size of location after interim reclamation in acres: 3.00

Estimated post-construction ground elevation: 4650

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? No

Will oil based drilling fluids be used? No

DRILLING WASTE MANAGEMENT PROGRAM

Drilling Fluids Disposal: OFFSITE

Drilling Fluids Disposal Method: Recycle/reuse

Cutting Disposal: OFFSITE

Cuttings Disposal Method: Beneficial reuse

Other Disposal Description:

Beneficial reuse or land application plan submitted? Yes

Reuse Facility ID: 427606 or Document Number: _____

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

SURFACE & MINERALS & RIGHT TO CONSTRUCT

Name: CO State Land Board

Phone: (303) 866-3454

Address: 1127 Sherman St

Fax: _____

Address: Suite 300

Email: _____

City: Denver State: CO Zip: 80203

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: Yes

The right to construct this Oil and Gas Location is granted by: oil and gas lease

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: 5280 Feet
Building Unit: 5280 Feet
High Occupancy Building Unit: 5280 Feet
Designated Outside Activity Area: 5280 Feet
Public Road: 5280 Feet
Above Ground Utility: 325 Feet
Railroad: 5280 Feet
Property Line: 200 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) Valent sand, 3-9% 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: _____

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: 401 Feet

water well: 3430 Feet

Estimated depth to ground water at Oil and Gas Location 150 Feet

Basis for depth to groundwater and sensitive area determination:

Water Well Permit 131287

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 318A

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

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

Signed: _____ Date: 12/27/2013 Email: KCaplan@BonanzaCrk.com

Print Name: Keith Caplan Title: Sr. Regulatory Specialist

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.

COA Type

Description

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Best Management Practices

No	BMP/COA Type	Description
1	Planning	MLVTs may only be utilized for the storage of freshwater. E&P wastes, including produced water, treated E&P wastes, and flowback from hydraulic fracturing operations will not be allowed.
2	Planning	Bonanza will use only MLVTs supplied by Rockwater or other contractors that are knowingly complying with COGCC inspection, maintenance, and record keeping policies.
3	Community Outreach and Notification	Bonanza will develop a Contingency Plan specific to the location for any MLVT leak or catastrophic failure of the tank integrity and resulting loss of fluid. The plan includes a notification process to the COGCC and local Emergency authority (municipality, county, or both) for any failure resulting in loss of fluid.
4	Community Outreach and Notification	Should a failure of MLVT integrity occur, Bonanza will notify COGCC upon discovery, report the incident to COGCC on a Form 22-Accident Report within 10 days of discovery, and conduct a root cause analysis. The results of the root cause analysis will be reported to COGCC on a Sundry-Form 4 within 30 days of discovery of the failure.
5	Pre-Construction	MLVTs shall not be located on non-engineered fill material. Subgrade preparation shall be verified by proof-rolling prior to MLVT installation.
6	Pre-Construction	All MLVT liners seams shall be welded at the liner manufacturer's facility. Field welded liners shall not be used. Liners shall not be reused.
7	Construction	The following procedure describes BCEI standard construction practices for setting a partially buried pre-cast cement water vault and new tank battery construction. 1) The excavation will first be lined with 4" of clay or other low permeability soil. 2) A 30 mil liner will be installed on top of the low permeability soil. The 30 mil liner will be a contiguous liner which will underlay the entire tank battery. 3) The tank battery / water vault liner will be keyed into a galvanized steel containment ring installed surrounding the tank battery. 4) Sand bedding will be installed to protect the synthetic liner prior to placing equipment in the containment area.
8	Construction	COGCC Rules 604.a and 605.a (2,3,5,6,7, and 8), as applicable to tank setbacks at the time of installation shall apply to the siting of MLVTs.
9	Construction	MLVTs will be constructed and operated in accordance with a design certified by a Colorado Licensed Professional Engineer.
10	Drilling/Completion Operations	Signs shall be posted on each MLVT to indicate contents are freshwater and that no E&P Waste fluids are allowed. Location and additional signage shall conform to Rule 210.
11	Drilling/Completion Operations	A minimum of 1 foot of freeboard will be maintained in all MLVTs.
12	Drilling/Completion Operations	Once in operation, MLVTs will be inspected daily and any deficiencies repaired as soon as practicable.
13	Drilling/Completion Operations	Access to the tanks shall be limited to operational personnel.

Total: 13 comment(s)

Attachment Check List

<u>Att Doc Num</u>	<u>Name</u>
1668073	FACILITY LAYOUT DRAWING
1668074	CORRESPONDENCE
400532233	FORM 2A SUBMITTED
400532253	WASTE MANAGEMENT PLAN
400532257	NRCS MAP UNIT DESC
400532258	ACCESS ROAD MAP
400532259	CONST. LAYOUT DRAWINGS
400532260	HYDROLOGY MAP
400532262	LOCATION PICTURES
400532264	LOCATION DRAWING
400532265	MULTI-WELL PLAN
400532266	REFERENCE AREA MAP
400532267	REFERENCE AREA PICTURES

Total Attach: 13 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	No LGD or public comments. Final Review--passed.	1/29/2014 11:31:00 AM
Permit	Surface restoration bond verified by TK at SLB. Oper. confirmed prop. line distance.	1/27/2014 1:05:45 PM
OGLA	IN PROCESS - Operator provided revised date interim reclamation will begin, a Facility Layout Drawing, and BMPs on their operation of the large volume storage tanks. The large volume storage tanks will be manufactured by RockWater and are anticipated to be on site from 4/15/14 tp 7/15/14. No public comments. OGLA task passed.	1/27/2014 11:15:01 AM
Permit	Oper. requested change in contact info.	1/21/2014 6:50:54 AM
Permit	Question on prop. line distance?	1/9/2014 2:06:49 PM
OGLA	ON HOLD - Requested revised date interim reclamation will begin, the manufacturer of the Temporary Large Volume Above Ground Tanks, the anticipated timeframe they'll be onsite, and a Facility Layout Drawing showing where they'll be placed. Due by 2/8/14.	1/8/2014 8:56:39 AM
Permit	Passed completeness.	12/30/2013 7:42:40 AM

Total: 7 comment(s)