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

Oil and Gas Location Assessment

Document Number: 400561446

Date Received:

☒ New Location ☐ Refile ☐ Amend Existing Location Location#:

Location ID:

Expiration Date:

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.

☐ 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: Laura Getts

Phone: (970) 564-9100

Fax: (970) 565-8874

email: lgetts@ecosphere-services.com

RECLAMATION FINANCIAL ASSURANCE

☐ Plugging and Abandonment Bond Surety ID:

☒ Gas Facility Surety ID: 20080052

☐ Waste Management Surety ID:

LOCATION IDENTIFICATION

Name: CB Cluster Number:

County: MONTEZUMA

QuarterQuarter: TR 46 Section: 10 Township: 38N Range: 19W Meridian: N Ground Elevation: 6644

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: 870 feet FSL from North or South section line

300 feet FEL from East or West section line

Latitude: 37.561526 Longitude: -108.923160

PDOP Reading: 5.9 Date of Measurement: 02/11/2014

Instrument Operator's Name: R.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:	LOCATION ID #	FORM 2A DOC #
☐		

FACILITIES

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

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

OTHER FACILITIES

Other Facility Type	Number
PDC Building	1
MCC Gear	1
Free Floating Lever Drain Trap	1
V-601 Production Separator	1
V-501 Test Separator	1
Coalescing Filters	2
T-501 Produced Water Tank	1
P-601A/B Produced Water Pumps	1
Air Dryer	1
T-343 Sump Tank	1
S-601A/B Surge Bottle	1
K-340 A/B Instrument Air Compressor	1
T-601 DEG Storage Tank	1
DEG Metering Pump	1
Instrument Air Receiver	1
2EA Produced water tank heater	2
Sump Tank Pump	1

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

Please See CB Cluster Construction Layout Drawing (attached).

CONSTRUCTION

Date planned to commence construction: 07/23/2014 Size of disturbed area during construction in acres: 5.25

Estimated date that interim reclamation will begin: 01/06/2015 Size of location after interim reclamation in acres: 2.35

Estimated post-construction ground elevation: 6636

DRILLING PROGRAM

Will a closed loop system be used for drilling fluids:

Is H_2S anticipated?

Will salt sections be encountered during drilling:

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

Will oil based drilling fluids be used?

DRILLING WASTE MANAGEMENT PROGRAM

Drilling Fluids Disposal: Drilling Fluids Disposal Method:

Cutting Disposal: Cuttings Disposal Method:

Other Disposal Description:

The produced water removed at the cluster facility is transported by truck or pipeline to an approved underground injection facility for disposal.

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: White, Brad E. Phone:

Address: 9136 ROAD BB Fax:

Address: Email:

City: PLEASANT VIEW State: CO Zip: 81331

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 02/07/2014

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:	281	Feet
Above Ground Utility:	5280	Feet
Railroad:	5280	Feet
Property Line:	105	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 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 144 - Wetherill loam, 3 to 6 percent slopes

NRCS Map Unit Name: Map Unit 145 - Wetherill loam, 6 to 12 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: _____

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: [x] No [ ] Yes

Distance to nearest

downgradient surface water feature: 502 Feet

water well: 9746 Feet

Estimated depth to ground water at Oil and Gas Location 21 Feet

Basis for depth to groundwater and sensitive area determination:

Depth to groundwater is determined by using depth recordings from nearby well permit applications on file with the Colorado Division of Water Resources.

Sensitive Area Determination:
The nearest perennial water source is approximately 5 miles W of the CB Cluster. The CB Cluster is not within a local wellhead protection area, is greater than 1/8 mile from a domestic water well, and is 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: [x] No [ ] Yes

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

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

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 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 _____

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 cluster is a relatively simple facility connected to a small number of CO2 producing wells wells. CO2 from the wells flows to the cluster in separate pipelines. At the cluster facility, the separate streams of CO2 are combined into one stream. Water which is produced with CO2 from the wells is physically removed in a separator, and a hydrate inhibitor is added. The combined stream of CO2 flows out of the cluster into another pipeline which connects to a compression facility some distance away. The produced water removed at the cluster facility is transported by truck or pipeline to an approved underground injection facility for disposal.

Permission to construct the CB Cluster has been granted by an exclusive easement (see attached). A Surface Use Agreement is currently under development and will be sent to the COGCC as soon as it becomes available.

A Form 12 for this facility has been included in the attachments.

Measurements are taken from the CB Cluster's proposed fence line.

Water well sampling required by Rule 609 is N/A for the cluster facilities.

Once the CO2 wells associated with this cluster location have been permitted, an updated list of these wells will be provided to the COGCC.

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

Signed: _____ Date: _____ Email: lgetts@ecosphere-services.com

Print Name: Laura Getts Title: Permitting 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: _____ **Director of COGCC** Date: _____

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

Best Management Practices

No	BMP/COA Type	Description
1	Planning	A Kinder Morgan Fire Mitigation Plan is currently on file with Montezuma County.
2	Traffic control	All access roads will be fully compliant with local county road standards. Access roads will be composed of compacted gravel. Kinder Morgan is working with CDOT to develop an appropriate State Highway Access Permit and Method of Handling Traffic plan. Kinder Morgan and (or) contractors/subcontractors will use Rd. CC or other routes as established and approved by CDOT and Montezuma County. Reduced speed and courtesy will be exercised by all employees and contractors/subcontractors. Magnesium chloride/ water will be used to control dust and particulate impacts to neighboring properties. Kinder Morgan keeps a road maintenance bond in place with Montezuma County.
3	General Housekeeping	The location will be adequately fenced to restrict access by unauthorized persons. On-site trash dumpsters will be emptied regularly by the local waste management company.
4	Storm Water/Erosion Control	Erosion control barriers, namely fiber wattles, will be placed around stock piled soils and 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. Soil roughening will be used in all disturbed areas. Fuel and chemicals stored within the project area will be within secondary containment to reduce the potential for spills or releases. BMPs will be maintained or amended by Kinder Morgan as site conditions change throughout the construction and reclamation process.
5	Dust control	All access and parking surfaces will be graveled to aid in dust mitigation.
6	Construction	All equipment will be contained within the project area of disturbance. 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.
7	Noise mitigation	During normal operations, the CB Cluster will remain within COGCC regulations for noise. The COGCC noise levels may be exceeded on a short-term basis during construction.
8	Emissions mitigation	All CO2 Cluster Stations are equipped with electronic controls which monitor CO2 leaks. These monitors are directly linked to the Supervisory Control and Data Acquisition (SCADA). All personnel are equipped with H2S monitoring devices.
9	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 Kinder Morgan Master Stormwater Management Plan (MSWMP). Weed control will be employed to help facilitate vegetation reestablishment.
10	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: 10 comment(s)

Attachment Check List

Att Doc Num	Name
400562034	ACCESS ROAD MAP
400562035	HYDROLOGY MAP
400562036	LOCATION DRAWING
400562038	OTHER
400562039	SENSITIVE AREA MAP
400562186	LOCATION PICTURES
400562595	EXCEPTION LOC REQUEST
400562599	OTHER
400562604	TOPO MAP
400563109	NRCS MAP UNIT DESC
400564064	PROPOSED BMPs
400568212	CONST. LAYOUT DRAWINGS
400568213	SURFACE AGRMT/SURETY

Total Attach: 13 Files

General Comments

User Group	Comment	Comment Date

Total: 0 comment(s)