

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:

400565389

Date Received:

03/10/2014

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:

436676

Expiration Date:

04/05/2017

☐ 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: 10450

Name: EE3 LLC

Address: 4410 ARAPAHOE AVENUE #100

City: BOULDER State: CO Zip: 80303

Contact Information

Name: Kimberly Rodell

Phone: (303) 942-0506

Fax: ()

email: krodell@upstreampm.com

RECLAMATION FINANCIAL ASSURANCE

☒ Plugging and Abandonment Bond Surety ID: 20130007 ☐ Gas Facility Surety ID: _____

☐ Waste Management Surety ID: _____

LOCATION IDENTIFICATION

Name: Surprise Central Facility Number: _____

County: JACKSON

QuarterQuarter: SWSW Section: 4 Township: 6N Range: 80W Meridian: 6 Ground Elevation: 8255

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: 635 feet FSL from North or South section line

1031 feet FWL from East or West section line

Latitude: 40.513459 Longitude: -106.386629

PDOP Reading: 2.3 Date of Measurement: 12/02/2013

Instrument Operator's Name: T. Thrush

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 #

Production Facilities Location serves Well(s)

400547944

FACILITIES

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

Wells	Oil Tanks	32	Condensate Tanks	Water Tanks	8	Buried Produced Water Vaults		
Drilling Pits	Production Pits		Special Purpose Pits	Multi-Well Pits		Temporary Large Volume Above Ground Tanks		
Pump Jacks	Separators	8	Injection Pumps	Cavity Pumps				
Gas or Diesel Motors	Electric Motors	8	Electric Generators	Fuel Tanks		Gas Compressors		
Dehydrator Units	Vapor Recovery Unit		VOC Combustor	1	Flare	1	LACT Unit	
							Pigging Station	1

OTHER FACILITIES

Other Facility Type

Number

Gas Compressor	1
Heater Treaters	3
Meter Run	2

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

There are plans to lay 1-oil line from the Surprise Unit 2-08H wellsite to central production facility; 1 gas line and 1 water line from wellhead to separator; 1 data/electric line from the facility to the wellhead. All oil will be hauled by truck from the central production facility.

CONSTRUCTION

Date planned to commence construction: 04/14/2014 Size of disturbed area during construction in acres: 10.00

Estimated date that interim reclamation will begin: 04/14/2016 Size of location after interim reclamation in acres: 10.00

Estimated post-construction ground elevation: 8255

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? No

Reuse Facility ID: or Document Number:

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

SURFACE & MINERALS & RIGHT TO CONSTRUCT

Name: North Park Registered Her

Phone: 303-723-4328

Address: P.O. Box 1109

Fax: _____

Address: _____

Email: _____

City: Walden State: CO Zip: 80308

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 10/09/2013

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: 5280 Feet
Building Unit: 5280 Feet
High Occupancy Building Unit: 5280 Feet
Designated Outside Activity Area: 5280 Feet
Public Road: 250 Feet
Above Ground Utility: 300 Feet
Railroad: 5280 Feet
Property Line: 616 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: Fh-Fluetsch-Tiagos Association

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: Big sagebrush, Muttongrass, Pine needlegrass, Streambank wheatgrass, Yellow Rabbitbrush, Sheep fescue, Prairie junegrass, Buckwheat, Bluebunch wheatgrass, Spiny phlox, Bottlebrush squirreltail

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: 675 Feet

water well: 1840 Feet

Estimated depth to ground water at Oil and Gas Location 52 Feet

Basis for depth to groundwater and sensitive area determination:

This location was marked sensitive as there is surface water within 1,000 feet of the location. Depth to groundwater information was taken from the nearest water well, Permit No. 16307.

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 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

Per the Surface Use Agreement between EE3 and the private surface owner, no reclamation will be done on the central production facility pad. The pad will remain 10 acres and will be used as a ranching/farming storage area in the future by the surface owner. The Oil and Gas Location Assessment and Application for Permit to Drill for the Surprise Unit 2-08H are linked to this Oil and Gas Location Assessment for the Central Facilities.

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

Signed: _____ Date: 03/10/2014 Email: krodell@upstreampm.com

Print Name: Kimberly Rodell Title: Permit Agent

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: 4/6/2014

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
	<p>Operator must ensure secondary containment for any volume of fluids contained at central tank battery facility pad 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 sufficiently protective of nearby surface water. Any berm constructed at the tank battery facility pad location will be stabilized, inspected at regular intervals (at least every 14 days), and maintained in good condition.</p> <p>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.</p> <p>The facility pad shall be constructed as quickly as possible and appropriate BMPs need to be in place both during, after facility pad construction completion, as well as during all operations. 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 runoff.</p> <p>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.</p> <p>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.</p> <p>Berms or other containment devices shall be constructed to be sufficiently impervious (corrugated steel with poly liner) to contain any spilled or released material around crude oil, condensate, and produced water storage tanks.</p> <p>All tanks and aboveground vessels containing fluids or chemicals used in the storage and transmission processes and operations must have secondary containment structures (which may include, 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 of the facility during operations. The construction and lining of the secondary containment structures/areas shall be supervised by a professional engineer or their agent.</p> <p>Additional containment shall be required where temporary or permanent pumps and other necessary equipment or chemicals are located.</p> <p>Operator will use adequately sized containment devices for all chemicals and/or hazardous materials stored or used on location and the facility shall comply with the operators SPCC Plan.</p> <p>Within 30 calendar days of conclusion of the initial grading and earthwork and facility equipment placement, operator shall submit as-built drawings, including plan view and cross-sections (with perpendicular axes), prepared and stamped by a Professional Land Surveyor or Professional Engineer; including the facility pad, location of all equipment and secondary containment, stormwater BMPs, and the access road.</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.</p>

Notify the COGCC 48 hours prior to start of central tank battery facility pad construction, pipeline testing, and start of operations using Form 42 (the appropriate COGCC individuals will automatically be email notified).

Surface water samples from the unnamed stream (one upgradient and one downgradient to the facility location) located approximately 675 feet to the east of the facility (if water is present), shall be collected prior to the facility use and every 12 months (until facility closure) to evaluate potential impacts from tank facility operations. At a minimum, the surface water samples will be analyze for the following parameters: major cations/anions (chloride, fluoride, sulfate, sodium); total dissolved solids (TDS); and BTEX/DRO.

Best Management Practices

<u>No</u>	<u>BMP/COA Type</u>	<u>Description</u>
1	Wildlife	<p>1. Where oil and gas construction activities must occur within 4 miles of greater sage-grouse leks or within other mapped greater sage-grouse breeding or summer habitat, conduct these activities outside the period between March 1 and June 30.</p> <p>2. Restrict site visitations to portions of the day between 9:00 a.m. and 4:00 p.m. during the lekking season (March 1 to May 15).</p> <p>3. Operator will utilize a combustion chamber or enclosed flaring device for elimination of gases encountered during drilling and production. Avoiding traditional flaring techniques at this location will help mitigate the effects of fugitive light and noise on wildlife.</p> <p>4. Establish company guidelines to minimize wildlife mortality from vehicle collisions on roads. Slow speeds and increased awareness among employees and contractors traveling to and from the site should help to reduce impacts.</p> <p>5. Install raptor perch deterrents on equipment, fences, cross arms and pole tops in greater sage-grouse habitat. Furthermore, design tanks and other facilities with structures such that they do not provide perches or nest substrates for raptors, crows, and ravens.</p>
2	Storm Water/Erosion Control	EE3 LLC will implement a storm water and erosion plan to prevent sedimentation and erosion.

Total: 2 comment(s)

Attachment Check List

<u>Att Doc Num</u>	<u>Name</u>
2106959	CORRESPONDENCE
2106971	CPW CORRESPONDENCE and PROPOSED BMPs
400565389	FORM 2A SUBMITTED
400565540	ACCESS ROAD MAP
400565543	NRCS MAP UNIT DESC
400565544	LOCATION PICTURES
400565548	REFERENCE AREA MAP
400565550	REFERENCE AREA PICTURES
400568993	SURFACE AGRMT/SURETY
400569012	HYDROLOGY MAP
400569965	LOCATION DRAWING
400569966	CONST. LAYOUT DRAWINGS

Total Attach: 12 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Final review complete.	4/3/2014 12:47:43 PM
DOW	<p>CPWs onsite consultation was conducted for this location on August 6, 2013.</p> <p>Wildlife Concerns: This location is within greater sage-grouse sensitive wildlife habitat (SWH) and within 1.5 miles of an active lek location (Ptar Lek). Given these wildlife concerns, CPW recommends the following best management practices (BMPs) to be implemented at this location:</p> <ol style="list-style-type: none"> 1. Where oil and gas construction activities must occur within 4 miles of greater sage-grouse leks or within other mapped greater sage-grouse breeding or summer habitat, conduct these activities outside the period between March 1 and June 30. 2. Restrict site visitations to portions of the day between 9:00 a.m. and 4:00 p.m. during the lekking season (March 1 to May 15). 3. Operator will utilize a combustion chamber or enclosed flaring device for elimination of gases encountered during drilling and production. Avoiding traditional flaring techniques at this location will help mitigate the effects of fugitive light and noise on wildlife. 4. Establish company guidelines to minimize wildlife mortality from vehicle collisions on roads. Slow speeds and increased awareness among employees and contractors traveling to and from the site should help to reduce impacts. 5. Install raptor perch deterrents on equipment, fences, cross arms and pole tops in greater sage-grouse habitat. Furthermore, design tanks and other facilities with structures such that they do not provide perches or nest substrates for raptors, crows, and ravens. <p>By: Taylor Elm, 04/02/2014, 16:01</p>	4/2/2014 4:03:30 PM
Permit	Removed sentence (The central production facility will be constructed off location.), and removed related form 2 as per opr.	3/17/2014 8:19:50 AM
OGLA	Initiated/Completed OGLA Form 2A review on 03-15-14 by Dave Kubeczko, placed notification, fluid containment, spill/release BMPs, sediment control access road, dust control, tank berming, secondary containment on all chemical and product tanks/containers, and pipeline testing COAs; sent email indicating COAs to operator on 03-15-14; passed by CPW on 04-02-14 with operator agreed to BMPs acceptable; passed OGLA Form 2A review on 04-02-14 by Dave Kubeczko; notification, fluid containment, spill/release BMPs, sediment control access road, dust control, tank berming, secondary containment on all chemical and product tanks/containers, and pipeline testing COAs.	3/15/2014 9:55:07 AM
Permit	Comment that production facility will be constructed off site is in reference to the associated well.? Related forms should be removed if no wells are on this location. Opr notified of errors.	3/13/2014 4:07:18 PM
Permit	This form has passed completeness.	3/12/2014 10:04:49 AM
Permit	Requested opr to attach location drawing. Form back to draft.	3/11/2014 3:38:51 PM

Total: 7 comment(s)