

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:

400679388

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Date Received:

09/15/2014

Oil and Gas Location Assessment

☐ New Location ☒ Refile ☐ Amend Existing Location Location#: 417233

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:

417233

Expiration Date:

10/29/2017

☐ 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: 66190
Name: OMIMEX PETROLEUM INC
Address: 7950 JOHN T WHITE ROAD
City: FORT WORTH State: TX Zip: 76120

Contact Information

Name: Michelle Lewis
Phone: (817) 804-8902
Fax: (817) 460-1381
email: michelle_lewis@omimexgroup.com

RECLAMATION FINANCIAL ASSURANCE

☒ Plugging and Abandonment Bond Surety ID: 20080136 ☐ Gas Facility Surety ID: _____
☐ Waste Management Surety ID: _____

LOCATION IDENTIFICATION

Name: Denney State Number: 5-36-7-45
County: PHILLIPS
QuarterQuarter: SWNW Section: 36 Township: 7N Range: 45W Meridian: 6 Ground Elevation: 3777
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: 2502 feet FNL from North or South section line
513 feet FWL from East or West section line
Latitude: 40.535140 Longitude: -102.338550
PDOP Reading: 2.6 Date of Measurement: 12/07/2013
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>1</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> </u>	Special Purpose Pits	<u> </u>	Multi-Well Pits	<u> </u>	Temporary Large Volume Above Ground Tanks	<u> </u>
Pump Jacks	<u>1</u>	Separators	<u> </u>	Injection Pumps	<u> </u>	Cavity Pumps	<u> </u>		
Gas or Diesel Motors	<u>1</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

Meter Shed

1

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

6" Poly Waterline
6" Poly Gas Line

CONSTRUCTION

Date planned to commence construction: 10/27/2014 Size of disturbed area during construction in acres: 2.00
Estimated date that interim reclamation will begin: 01/27/2015 Size of location after interim reclamation in acres: 0.25
Estimated post-construction ground elevation: 3777

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: UIC Disposal

Cutting Disposal: ONSITE Cuttings Disposal Method: Beneficial reuse

Other Disposal Description:

Drill cuttings disposal to be used as a beneficial reuse for maintenance of Access Road.

Beneficial reuse or land application plan submitted? Yes

Reuse Facility ID: or Document Number:

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

SURFACE & MINERALS & RIGHT TO CONSTRUCT

Name: Doug Denney

Phone: 970-854-2883

Address: 211 N Interocean Ave

Fax: _____

Address: _____

Email: _____

City: Holyoke State: CO Zip: 80734

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: Bond

Surface damage assurance if no agreement is in place: Blanket Surface Surety ID: 20090012

Date of Rule 306 surface owner consultation 11/05/2013

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: 720 Feet
Building Unit: 720 Feet
High Occupancy Building Unit: 5280 Feet
Designated Outside Activity Area: 5280 Feet
Public Road: 500 Feet
Above Ground Utility: 544 Feet
Railroad: 5280 Feet
Property Line: 168 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: 07/30/2014

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: PaC - Platner loam, 3 to 5 percent slopes

NRCS Map Unit Name: Ra - Rago and Kuma Loams

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: 5280 Feet

water well: 2053 Feet

Estimated depth to ground water at Oil and Gas Location 152 Feet

Basis for depth to groundwater and sensitive area determination:

Colorado Division of Water Resources website

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 609

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

Well site is in a dsgrntd GW mgmt and basin area.
State holds minerals under all of Section 36.
Drill area is covered by Rule 318B. Yuma/Phillips County Special Well Locaton Rule.

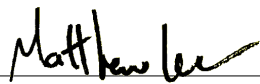
I hereby certify that the statements made in this form are, to the best of my knowledge, true, correct and complete.

Signed: _____ Date: 09/15/2014 Email: michelle_lewis@omimexgroup.com

Print Name: Michelle Lewis Title: Lease Analyst

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: 10/30/2014

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

	The cuttings/soil mixture shall only be used to maintain/construct the lease road to the associated the Oil and Gas Location. Prior to being mixed with soil, cuttings shall not exceed COGCC Table 910-1 concentrations. A sufficient number of samples shall be collected to characterize the cuttings. The soil/cuttings mixture shall not exceed background concentrations for metals, SAR, pH, or EC. Representative background conditions shall be determined by collecting a sufficient number of composite samples along the proposed access road path. Information collected and kept by the Operator shall include; sampling rationale, sample locations, laboratory results, cuttings and soil mixture quantities, and a map showing where the cuttings/soil mixture was used for road construction. The Operator shall provide this information to the COGCC within 30 days of receipt of soil/cuttings mixture sample results via a Form 4 Sundry.
	Operator shall provide notice to COGCC 48 hours prior to commencing construction of this Oil and Gas Location via Form 42.

Best Management Practices

No	BMP/COA Type	Description
1	Planning	Site - specific measures - Surface owners are always contacted and we work with them.
2	Traffic control	<p>No special requirements needed for this site.</p> <p>Access Roads - Local government is contacted to insure access road meets requirements for emergency vehicle access.</p>
3	General Housekeeping	Removal of surface trash - All surface trash, debris, scrap or discarded material connected with the operations will be removed and properly disposed of.
4	Material Handling and Spill Prevention	<p>Leak Detection Plan - Well equipment is checked daily to help prevent leaks and insure leaks that do occur cause minimal damage to the surface owners property. All leaks are reported to the State.</p> <p>Blowout preventer equipment- BOPE equipment will be used at this sight. There will be at least one blowout prevention person at the well site during drilling operations.</p> <p>BOPE testing for drilling operations - Pressure testing of the casing string and each component of the BOPE including the flange connections is done at least every 30 days during drilling operations. Records are kept for at least one year.</p>
5	Construction	<p>A closed loop drilling system will be used in crop area drilling. No pits will be dug. This site will only have one pad, so multiwell pads doesn't apply.</p> <p>Berm Construction - Does not apply at this site.</p> <p>Multiwell Pads - Not at this site.</p> <p>Fencing - There is a fence around the drill site and a fence is placed around the well head after completion. We use livestock fencing.</p> <p>Development from exiting well pads - This does not apply to this drilling site.</p> <p>Load Lines - Does not apply at this well site.</p> <p>Tanks specifications - There will be none at this site.</p>
6	Noise mitigation	BMP - Noise Mitigation - Noise levels are monitored during drilling process. Bales of hay stacked approximately seven feet high around drilling site are used to create a noise barrier.
7	Emissions mitigation	<p>Green Completions - Emission Control Systems - We do not release hazardous chemicals or waste on Surface Owners land. There will be no uncontrolled venting. No emissions problems should be at this site.</p> <p>Control of fire hazards - All material not in use that might constitute a fire hazard is stored at least 25ft from the wellhead. All electrical equipment shall comply with the current national electrical code as adopted by the State of Colorado.</p>
8	Final Reclamation	Identification of plugged and abandoned wells - Should this well need to be plugged and abandoned it was be marked with a plate that has the well name and date of plugging.

Total: 8 comment(s)

Attachment Check List

<u>Att Doc Num</u>	<u>Name</u>
1668585	WASTE MANAGEMENT PLAN
1668586	OTHER
1668587	RULE 306.E. CERTIFICATION
400679388	FORM 2A SUBMITTED
400679464	30 DAY NOTICE LETTER
400679465	NRCS MAP UNIT DESC
400679466	WAIVERS
400679467	WELL LOCATION PLAT
400679469	HYDROLOGY MAP
400679472	ACCESS ROAD MAP
400679474	LOCATION DRAWING
400679476	LOCATION PICTURES

Total Attach: 12 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Final review completed; no LGD or public comment received.	10/24/2014 9:32:18 AM
OGLA	IN PROCESS - Operator provided Rule 306.e Certification letter. No Public Comments. OGLA task passed.	10/23/2014 3:02:31 PM
OGLA	Operator has changed drill cuttings disposal to be used as a beneficial reuse for maintenance of Access Road and provided the 305.a pre-Application Notice.	10/23/2014 10:45:14 AM
OGLA	ON HOLD - Call Operator and requested they send evidence that the Rule 305 pre-Application notice was received and a Waste Management Plan for drill cuttings disposal. Changed this 2A from New to Refile and mineral owner from Fee to State. Due by 11/14/14.	10/14/2014 3:23:03 PM
Permit	Passed Completeness	9/19/2014 12:01:04 PM
OGLA	Passed Buffer Zone completeness review. Waste Management Plan for cuttings disposal to be addressed during technical review	9/18/2014 3:09:18 PM
Permit	Within Buffer Zone, sent to John Noto for further review.	9/16/2014 7:36:06 AM

Total: 7 comment(s)