

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:

400598395

Date Received:

06/16/2014

Oil and Gas Location Assessment

New Location Refile Amend Existing Location Location#: 414127

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:

414127

Expiration Date:

10/30/2017

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: Hebron Number: 01-18HR
 County: JACKSON
 Quarter: NWNE Section: 18 Township: 7N Range: 80W Meridian: 6 Ground Elevation: 8153

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: 221 feet FNL from North or South section line
2419 feet FEL from East or West section line
 Latitude: 40.584322 Longitude: -106.415828
 PDOP Reading: 2.3 Date of Measurement: 12/12/2013
 Instrument Operator's Name: Loren K. Shanks

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>3</u>	Oil Tanks	<u>10</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>3</u>	Separators	<u> </u>	Injection Pumps	<u> </u>	Cavity Pumps	<u> </u>		
Gas or Diesel Motors	<u> </u>	Electric Motors	<u>3</u>	Electric Generators	<u> </u>	Fuel Tanks	<u>1</u>	Gas Compressors	<u> </u>
Dehydrator Units	<u> </u>	Vapor Recovery Unit	<u> </u>	VOC Combustor	<u> </u>	Flare	<u>1</u>	LACT Unit	<u> </u>
								Pigging Station	<u> </u>

OTHER FACILITIES

Other Facility Type

Number

Meter House	<u>1</u>
Treater Building	<u>1</u>

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

No offsite pipelines are planned for this location. Buried pipelines between wellhead and separators, and from separators to the tanks. The pipes will be 3", Schedule 40.

CONSTRUCTION

Date planned to commence construction: 11/10/2014 Size of disturbed area during construction in acres: 3.99
Estimated date that interim reclamation will begin: 01/21/2015 Size of location after interim reclamation in acres: 3.66
Estimated post-construction ground elevation: 8153

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: Commercial Disposal

Cutting Disposal: ONSITE Cuttings Disposal Method: Other

Other Disposal Description:

Drill cuttings will be remediated using Eco-Sponge for the treatment/remediation of drill cuttings within the confines of the drilling pad (see Waste Management Plan for details).

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: Blaine Evans

Phone: 970-723-4927

Address: 3605 Jackson County Road 26

Fax: _____

Address: _____

Email: _____

City: Coalmont State: CO Zip: 80430

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 05/07/2014

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: 1110 Feet
Building Unit: 1150 Feet
High Occupancy Building Unit: 5280 Feet
Designated Outside Activity Area: 5280 Feet
Public Road: 215 Feet
Above Ground Utility: 247 Feet
Railroad: 2275 Feet
Property Line: 221 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: FO Forelle Loam
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, Mutton grass, Pine needlegrass, Yellow rabbitbrush, Sheep fescue, Streambank wheatgrass, 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: 477 Feet

water well: 661 Feet

Estimated depth to ground water at Oil and Gas Location 60 Feet

Basis for depth to groundwater and sensitive area determination:

The basis for the depth to groundwater was determined by the Water Well Permit # 211370. Depth to first water-bearing groundwater zone is estimated to be between 60 and 100 feet below ground surface based on total well depth and casing intervals. The location was marked sensitive due to depth to groundwater.

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

Empty box for comments.

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

Signed: _____ Date: 06/16/2014 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: 10/31/2014

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

	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 (if installed) and following any reconfiguration of the pipeline network.
	The moisture content of any 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, the drill cuttings must also meet the applicable standards of table 910-1. If the wells are to be hydraulically stimulated, flowback and stimulation fluids must be sent to tanks, separators, or other containment/filtering equipment before the fluids can be placed into any pipeline or storage vessel located on the well pad; or into tanker trucks for offsite disposal. The flowback and stimulation fluid tanks, separators, or other containment/filtering equipment must be placed on the well pad in an area constructed to be sufficiently impervious to contain any spilled or released material.
	Operator must ensure secondary containment for any volume of fluids contained at well site during drilling and completion 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 well pad location will be stabilized, inspected at regular intervals (at least every 14 days), and maintained in good condition. 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.
	Notify the COGCC 48 hours prior to start of pad reconstruction/regrading, rig mobilization, spud, pipeline testing, start of hydraulic stimulation operations, and start of flowback operations using Form 42 (the appropriate COGCC individuals will automatically be email notified, including the LGD for hydraulic stimulation operations).

Best Management Practices

<u>No</u>	<u>BMP/COA Type</u>	<u>Description</u>
1	Wildlife	1. Within greater sage-grouse production sensitive wildlife habitat conduct all construction activities outside the period of March 1 to June 30.
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>
2107046	CPW CORRESPONDENCE and PROPOSED BMPs
2107048	COGCC CORRESPONDENCE
2107129	WASTE MANAGEMENT PLAN
400598395	FORM 2A SUBMITTED
400627500	ACCESS ROAD MAP
400627502	CONST. LAYOUT DRAWINGS
400627505	HYDROLOGY MAP
400627506	LOCATION DRAWING
400627508	LOCATION PICTURES
400627511	NRCS MAP UNIT DESC
400627512	REFERENCE AREA MAP
400627514	REFERENCE AREA PICTURES

Total Attach: 12 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Corrected surface and mineral on the form 2 as per opr. Final review complete.	3/7/2014 8:51:02 AM
Permit	Check planned date of construction. Surface and Minerals don't match the form 2, Opr notified.	7/18/2014 3:16:55 PM
OGLA	Initiated/Completed OGLA Form 2A review on 07-16-14 by Dave Kubeczko, placed notification, fluid containment, sediment control access road, dust control, spill/release BMPs, flowback to tanks, cuttings low moisture content, and pipeline testing COAs; sent email indicating COAs to operator on 07-16-14; corrected size of disturbance during construction from 0.19 acres to 3.99 acres per Construction Layout Drawings calculation; passed by CPW on 06-30-14 with operator agreed to BMPs acceptable; passed OGLA Form 2A review on 07-21-14 by Dave Kubeczko; notification, fluid containment, sediment control access road, dust control, spill/release BMPs, flowback to tanks, cuttings low moisture content, and pipeline testing COAs.	7/16/2014 8:03:15 AM
DOW	Operator has agreed to the following wildlife BMPs by email on 6/30/2014: 1. Within greater sage-grouse production sensitive wildlife habitat conduct all construction activities outside the period of March 1 to June 30. Approved: Taylor Elm, 6/30/2014, 14:16	6/30/2014 2:17:02 PM
Permit	Passed completeness.	6/17/2014 1:32:31 PM

Total: 5 comment(s)