

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:

400678840

Date Received:

09/04/2014

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:

440198

Expiration Date:

12/02/2017

☒ 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: Sagehorn Number: 14-34-6-45

County: PHILLIPS

QuarterQuarter: SESW Section: 34 Township: 6N Range: 45W Meridian: 6 Ground Elevation: 3865

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: 733 feet FSL from North or South section line

1899 feet FWL from East or West section line

Latitude: 40.441640 Longitude: -102.371340

PDOP Reading: 1.8 Date of Measurement: 08/14/2014

Instrument Operator's Name: Adam Beauprez

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: 3865

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 will be used for maintenance on 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: Keith Sagehorn

Phone: 970-854-3199

Address: 43754 US Hwy 6

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: Surface Use Agreement

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

Date of Rule 306 surface owner consultation 07/22/2014

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: 1937 Feet
Building Unit: 2928 Feet
High Occupancy Building Unit: 5280 Feet
Designated Outside Activity Area: 5280 Feet
Public Road: 722 Feet
Above Ground Utility: 762 Feet
Railroad: 5280 Feet
Property Line: 733 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: HxB-Haxtun Sandy Loam, 0 to 3 percent slopes

NRCS Map Unit Name: AsC—Ascalon sandy loam, 3 to 5 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: ☐ No ☒ Yes

Distance to nearest

downgradient surface water feature: 5280 Feet

water well: 794 Feet

Estimated depth to ground water at Oil and Gas Location 138 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

Drill site falls under Rule 318B. Yuma/Phillips County Special Well Location Rule

Drill site in a dsngntd GW Mgmt and Desgntd Basin area.

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

Signed: _____ Date: 09/04/2014 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: 12/3/2014

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

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Attachment Check List

Att Doc Num

Name

1009696	NRCS MAP UNIT DESC
1009697	NRCS MAP UNIT DESC
1668584	WASTE MANAGEMENT PLAN
2477436	ACCESS ROAD MAP
2477460	SURFACE AGRMT/SURETY
400678840	FORM 2A SUBMITTED
400679116	30 DAY NOTICE LETTER
400679118	OTHER
400679124	WELL LOCATION PLAT
400679125	LOCATION DRAWING
400679126	LOCATION PICTURES
400679127	HYDROLOGY MAP

Total Attach: 12 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Final review completed; no LGD comment received. (Omimex and the Sagehorns have reached terms on a surface use agreement. Any prior requests made for an onsite inspection for the wells Sagehorn 12-34-6N-45W, Sagehorn 14-34-6N-45W shall be considered withdrawn. per surface owner).	12/1/2014 11:01:30 AM
Permit	Final review completed; no LGD comment received.	12/1/2014 5:43:52 AM
OGLA	Operator provided a SUA. Changed Right to Construct to Surface Use Agreement.	11/26/2014 10:03:56 AM
OGLA	Attached Operator provided revised Access Road Map following consultation/meeting with Surface Owner.	11/17/2014 8:58:52 AM
OGLA	IN PROCESS - On-site inspection request was to mediate SUA negotiations. Operator can Bond On now that they have agreed to a COA to sample their drill cuttings. No Public Comments. OGLA task pass.	10/30/2014 1:06:55 PM
OGLA	Operator has changed drill cuttings disposal to be used as a beneficial reuse for maintenance of Access Road. Waiting on follow-up regarding the on-site inspection request from the surface owner.	10/23/2014 10:40:50 AM
OGLA	Surface owner has requested on-site inspection.	10/8/2014 10:12:52 AM
OGLA	ON HOLD - Requested specific location (Lat./Long.) of the cuttings trench location.	10/6/2014 8:38:38 AM
OGLA	Added: AsC—Ascalon sandy loam, 3 to 5 percent slopes Uploaded Both Map Unit Descriptions Changed Attachment #400679118 name from "NRCS Map Unit Description" to "Other."	10/3/2014 1:33:10 PM
OGLA	IN PROCESS - Per Operator, Drilling fluids will be separated during drilling operations. Drilling cuttings will be analyzed for Table 910-1 standards and buried in the cutting trench once in compliance with Table 910-1 standards. Cutting trench is be used per surface owner request. PUSHED back to IN PROCESS - MMH 10/03/2014	10/3/2014 1:23:57 PM
OGLA	ON HOLD - Requested more info about onsite drill cuttings disposal and additional NRCS Soil Map Unit description. Due by 10/19/14.	9/19/2014 2:05:19 PM

Total: 11 comment(s)