

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:

400798140

(SUBMITTED)

Date Received:

03/18/2015

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:

Expiration Date:

☒ 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: 100185

Name: ENCANA OIL & GAS (USA) INC

Address: 370 17TH ST STE 1700

City: DENVER State: CO Zip: 80202-5632

Contact Information

Name: Toby Sachen

Phone: (720) 876-5845

Fax: (720) 876-

email: toby.sachen@encana.com

RECLAMATION FINANCIAL ASSURANCE

☒ Plugging and Abandonment Bond Surety ID: 20100017

☐ Gas Facility Surety ID: _____

☐ Waste Management Surety ID: _____

LOCATION IDENTIFICATION

Name: Regnier Farms

Number: 19H-B268 Wells

County: WELD

Quarter: NWNE Section: 19 Township: 2N Range: 68W Meridian: 6 Ground Elevation: 4965

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: 62 feet FNL from North or South section line

1803 feet FEL from East or West section line

Latitude: 40.131203 Longitude: -105.043129

PDOP Reading: 1.9 Date of Measurement: 10/30/2014

Instrument Operator's Name: Chris Bettencourt

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 #

Well Site is served by Production Facilities

435499

400798141

FACILITIES

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

Wells	12	Oil Tanks*	Condensate Tanks*	Water Tanks*	Buried Produced Water Vaults*
Drilling Pits		Production Pits*	Special Purpose Pits	Multi-Well Pits*	Modular Large Volume Tanks
Pump Jacks		Separators*	Injection Pumps*	Cavity Pumps*	Gas Compressors*
Gas or Diesel Motors*		Electric Motors	Electric Generators*	Fuel Tanks*	LACT Unit*
Dehydrator Units*		Vapor Recovery Unit*	VOC Combustor*	Flare*	Pigging Station*

OTHER FACILITIES*

Other Facility Type

Number

Those facilities indicated by an asterisk () shall be used to determine the distance from the Production Facility to the nearest cultural feature on the Cultural Setbacks Tab.

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

Oil, water and gas will flow combined to the facilities pad south of the well pad. The flowline is 3" FCA3 steel, epoxy coated, welded and pressure tested. It will be buried 4' deep.

CONSTRUCTION

Date planned to commence construction: 10/01/2016 Size of disturbed area during construction in acres: 7.00

Estimated date that interim reclamation will begin: 12/01/2017 Size of location after interim reclamation in acres: 1.50

Estimated post-construction ground elevation: 4965

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: Land application

Cutting Disposal: OFFSITE

Cuttings Disposal Method: Beneficial reuse

Other Disposal Description:

McDonald Farms, Facility ID 431609 and Bella 18, Facility ID 431606 will be used.

Beneficial reuse or land application plan submitted? Yes

Reuse Facility ID: 431609 or Document Number:

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

SURFACE & MINERALS & RIGHT TO CONSTRUCT

Name: Regnier Farms Inc.

Phone: _____

Address: 500 County Road 20

Fax: _____

Address: _____

Email: _____

City: Longmont State: CO Zip: 80504-9483

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: oil and gas lease

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

Date of Rule 306 surface owner consultation _____

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

Provide the distance to the nearest cultural feature as measured from Wells or Production Facilities onsite.

	From WELL	From PRODUCTION FACILITY
Building:	591 Feet	Feet
Building Unit:	674 Feet	Feet
High Occupancy Building Unit:	5280 Feet	Feet
Designated Outside Activity Area:	5280 Feet	Feet
Public Road:	807 Feet	Feet
Above Ground Utility:	1145 Feet	Feet
Railroad:	5280 Feet	Feet
Property Line:	62 Feet	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.
- For measurement purposes only, Production Facilities should only include those items with an asterisk(*) on the Facilities Tab.

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: 03/09/2015

FOR MULTI-WELL PADS AND PRODUCTION FACILITIES WITHIN DESIGNATED SETBACK LOCATIONS ONLY:

- ☐ Check this box if this Oil and Gas Location has or will have Production Facilities that serve multiple wells (onll or offsite) and the Production Facilities are proposed to be located less than 1,000 feet from a Building Unit. *(Pursuant to Rule 604.c.(2)E.i., the operator must evaluate alternative locations for the Production Facilities that are farther from the Building Unit, and determine whether those alternative locations were technically feasible and economically practicable for the same proposed development.)*
- ☐ By checking this box, I certify that no alternative placements for the Production Facilities, farther from the nearest Building Unit, were available based on the analysis conducted pursuant to Rule 604.c.(2)E.i.

In the space below, explain rationale for siting the multi-well Production Facility(ies) that supports your Rule 604.c.(2)E.i determination. Attach documentation that supports your determination to this Form 2A.

Facilities pad associated with the Regnier Farms 19H-B268 wells is not within a designated setback.

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: 15 Colby loam, 1 to 3 percent slopes

NRCS Map Unit Name: 41 Nunn clay loam, 0 to 1 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: 645 Feet

water well: 4675 Feet

Estimated depth to ground water at Oil and Gas Location 25 Feet

Basis for depth to groundwater and sensitive area determination:

Depth to groundwater based on nearest permitted water well, Permit #75496.
Sensitive area based on 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 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 318A

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 2A for the Regnier Farms 19H-B268 Facilities Pad will be submitted at a later date when we finalize a few logistical details.

Encana respectfully requests a waiver to the 30 day requirement for the Buffer Zone Preapplication notice. Notifications have been waived by the Surface Owner (in the SUA) and the 30 day requirement for the Preapplication Notification has been waived by the Building Unit Owner by the attached waiver.

Facilities pad associated with the Regnier Farms 19H-B268 wells is not within a designated setback.

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

Signed: _____ Date: 03/18/2015 Email: toby.sachen@encana.com

Print Name: Toby Sachen

Title: Regulatory 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: _____

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.

Best Management Practices

No BMP/COA Type

Description

1	Traffic control	Under Rule 604.c.(2).D, if required by the local government, a traffic plan shall be coordinated with the local jurisdiction prior to commencement of move in and rig up. Any subsequent modification to the traffic plan must be coordinated with the local jurisdiction.
2	General Housekeeping	Per Rule 604.c(2)P All surface trash, debris, scrap or discarded material connected with the operations of the property shall be removed from the premises or disposed of in a legal manner.
3	General Housekeeping	Per Rule Rule 604.c(2)T. The well site will be cleared of all non-essential equipment, trash and debris after ninety days of a well P&A.
4	General Housekeeping	Per Rule 604.c(2)U. and Rule 319.a(5) Encana will identify plugged and abandoned wellbores according to Rule 319.a.(5). including the location of the wellbore with a permanent monument as specified in Rule 319.a.(5). Encana will also inscribe or imbed the well number and date of plugging upon the permanent monument.

5	General Housekeeping	Per Rule 803, to the extent practicable, Encana shall direct site lighting downward and inward, and lighting shall be shielded so as to avoid glare on public roads and Building Units within one thousand (1000) feet.
6	General Housekeeping	Per Rule 604c(2)N Any material not in use that might constitute a fire hazard will be removed a minimum of twenty-five (25) feet from the wellhead, tanks and separator. Any electrical equipment installations inside the bermed area will comply with API RP 500 classifications and comply with the current national electrical code as adopted by the State of Colorado.
7	Material Handling and Spill Prevention	<ul style="list-style-type: none"> • Annual hydrostatic test on the oil dump line from the separator to the tank battery. • Annual hydrostatic "static" tests on our oil tanks. • Annual hydrostatic "static" tests on our produced water tank and water dump line from the separator to the produced water tank. • Lease Operator inspections of all equipment not to exceed 48 hours. • Monthly documented inspections (EU). • Annual environmental inspections of all battery and well equipment and pads. • Annual UT inspections of the pressure vessels and input into Encana's RIPL Predictive Integrity Maintenance Program. (HLP separators and fuel gas separators)"
8	Material Handling and Spill Prevention	Per Rule 805.b.(3)B.iii. Well effluent containing more than ten (10) barrels per day of condensate or within two (2) hours after first encountering hydrocarbon gas of salable quality will be directed to a combination of sand traps, separators, surge vessels, and tanks as needed to ensure safe separation of sand, hydrocarbon liquids, water, and gas and to ensure salable products are efficiently recovered for sale or conserved and that non-salable products are disposed of in a safe and environmentally responsible manner.
9	Dust control	Per Rule 805.c. Encana shall employ practices for control of fugitive dust caused by their operations. Such practices shall include but are not limited to the use of speed restrictions, regular road maintenance, restriction of construction activity during high-wind days, and silica dust controls when handling sand used in hydraulic fracturing operations. Additional management practices such as road surfacing, wind breaks and barriers, or automation of wells to reduce truck traffic may also be required if technologically feasible and economically reasonable to minimize fugitive dust emissions
10	Construction	Per Rule 604.c.(2)A.. The pad will be constructed in such a manner that noise mitigation may be installed and removed without disturbing the site or landscaping.
11	Construction	Per Rule 604.c.(2)S. Subject pad will have all weather access roads to allow for operator and emergency response.
12	Construction	Encana utilizes 24" tall corrugated galvanized metal berm walls with a capacity in excess of 150% of the largest tank contained within the wall. In addition, Encana best practices mandates the use of impervious liners that extends under each storage tank and up the walls, permanently affixed to the top of the metal berm wall. Protrusions of piping that come through the liner include a fully sealed "boot" to prevent leakage.
13	Construction	Per Rule 604.c(2)M.Encana will install fencing to restrict access to wellheads and equipment. (If in a town, "Fencing style will be installed as required by the town".)
14	Construction	Per Rule 604.c(2)S. At the time of construction, all leasehold roads will be constructed to accommodate local emergency vehicle access requirements, and will be maintained in a reasonable condition.
15	Construction	Per Rule 804. Production facilities, observable from any public highway shall be painted with uniform, non-contrasting, non-reflective color tones and with colors matched to but slightly darker than the surrounding landscape.

16	Noise mitigation	Per Rules 802.c and 802.d Encana will perform a baseline noise survey prior to any operational activity measuring dBA at a distance 350 feet from the noise source (unless there is an occupied structure closer than that – then measurement will be taken 25 feet from the structure). If low frequency noise is a concern, measurement of dBC will be taken 25 feet from the occupied structure towards the noise source. As necessary, based on the survey, Encana will install temporary sound walls to minimize noise and light impacts during drilling and completions and will install permanent noise mitigation at the facility location as necessary to meet all COGCC regulations.
17	Noise mitigation	The subject location will be constructed to allow potential future noise mitigation installation without disturbance.
18	Emissions mitigation	Per Rule 604.c(2)C.i. Flow lines, separators, and sand traps capable of supporting green completions as described in Rule 805 will be installed on subject location at which commercial quantities of gas are reasonably expected to be produced based on existing adjacent wells within 1 mile.
19	Emissions mitigation	Per Rule 604.c(2)C.iii. Temporary flowback flaring and oxidizing equipment will include: adequately sized equipment to handle 1.5 times the largest flowback volume of gas experienced in a ten mile radius. If there is overrun, Encana will shut in the well versus freely venting
20	Emissions mitigation	Per Rule 604.c(2)F Encana will follow and comply with all leak detection and repair and storage tank emission management plan conditions as required by Colorado Air Quality Control Commission Regulation Number 7. This will include at least monthly Audible, Visual and Olfactory (AVO) inspections of the components and tanks at our Production Facilities at most weekly or at least monthly starting on January 1, 2015. In addition, Encana will perform infra-red camera inspections of these components and the storage tanks at most monthly or at least annually.
21	Drilling/Completion Operations	Per Rule 604.c.(2)Q. Guy line anchors in the DJ Basin are not installed. Encana will use an engineered base beam that we guy wire anchor the derricks to.
22	Drilling/Completion Operations	All newly installed or replaced crude oil and condensate storage tanks will be designed, constructed, and maintained in accordance with National Fire Protection Association (NFPA) Code 30 (2008 version). Encana will maintain written records verifying proper design, construction, and maintenance, and will make these records available for inspection by the Director. In addition, onsite inspections are conducted internally to insure guidelines are met.
23	Drilling/Completion Operations	Per Rule 604.c(2)B.i. Encana will utilize a closed-loop system for drilling operations at this location.
24	Drilling/Completion Operations	Per Rule Rule 604.c(2)B.ii. Encana will not utilize pits.
25	Drilling/Completion Operations	Per Rule 604.c(2)I. Upon initial rig-up and at least once every thirty (30) days during drilling operations thereafter, pressure testing of the casing string and each component of the blowout prevention equipment including flange connections will be performed to seventy percent (70%) of working pressure or seventy percent (70%) of the internal yield of casing, whichever is less. Pressure testing will be conducted and the documented results will be retained by the operator for inspection by the Director for a period of one (1) year. Activation of the pipe rams for function testing will be conducted on a daily basis when practicable.
26	Drilling/Completion Operations	Per Rule 604.c(2)J.i. Adequate blowout prevention equipment will be used on all well servicing operations.
27	Drilling/Completion Operations	Per Rule 604.c(2)J.ii. Backup stabbing valves will be used on well servicing operations during reverse circulation. Valves will be pressure tested before each well servicing operation using both low-pressure air and high-pressure fluid.

28	Drilling/Completion Operations	Modular Large Volume Tanks (MLVTs) will be in service at this facility. Encana certifies that we will comply with the MLVT Policy and that records will be made available to the COGCC upon request. A&W Water Service, Inc. is the vendor that provides water services to Encana in the DJ Basin. Two to three 40,000 barrel tanks will be on site for approximately 2 months or until the duration of completion operations have been finalized. A Location Drawing showing the location of these MLVTs is attached. The temporarily disturbed land will be fully reclaimed after completion operations are done.
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Total: 28 comment(s)

Attachment Check List

<u>Att Doc Num</u>	<u>Name</u>
400798140	FORM 2A SUBMITTED
400808472	HYDROLOGY MAP
400808508	NRCS MAP UNIT DESC
400808746	WAIVERS
400808860	NRCS MAP UNIT DESC
400809691	OTHER
400809994	LOCATION DRAWING
400809995	ACCESS ROAD MAP
400809996	MULTI-WELL PLAN
400810066	LOCATION PICTURES
400810329	WASTE MANAGEMENT PLAN
400815085	FACILITY LAYOUT DRAWING

Total Attach: 12 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Returned to draft per OGLA review.	3/25/2015 2:47:48 PM
OGLA	No Facility Layout drawing and need more info on potential location of production if it is in a buffer zone. Back to Draft	3/24/2015 1:30:47 PM
Permit	Located within buffer zone; referred to OGLA for further review.	3/19/2015 7:13:22 AM

Total: 3 comment(s)