

FORM
2A

Rev
04/01

State of Colorado
Oil and Gas Conservation Commission

1120 Lincoln Street, Suite 801, Denver, Colorado 80205 Phone: (303) 894-2100 Fax: (303) 894-2109



Document Number:

400262484

Date Received:

03/23/2012

Oil and Gas Location Assessment

☒ New Location ☐ Amend Existing Location Location#: _____

Submit original plus one copy. This form is to be submitted to the COGCC prior to any ground disturbance activity associated with oil and gas development operations. This Assessment may be approved as a standalone application or submitted as an informational report accompanying an Application for Permit-To-Drill, Form 2. Approval of this 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. This form may serve as notice to land owners and other interested parties, please see the COGCC web site at <http://colorado.gov/cogcc/> for all accompanying information pertinent to this Oil and Gas Location Assessment.

Location ID:

428629

Expiration Date:

04/19/2015

☒ This location assessment is included as part of a permit application.

1. 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.

2. Operator

Operator Number: 47120

Name: KERR-MCGEE OIL & GAS ONSHORE LP

Address: P O BOX 173779

City: DENVER State: CO Zip: 80217-3779

3. Contact Information

Name: Rebecca Heim

Phone: (720) 929-6361

Fax: (720) 929-7361

email: rebecca.heim@anadarko.com

4. Location Identification:

Name: PALYO Number: 35N-W11HZ

County: WELD

QuarterQuarter: NWNW Section: 11 Township: 2N Range: 65W Meridian: 6 Ground Elevation: 4856

Define a single point as a location reference for the facility location. This point should be used as the point of measurement in the drawings to be submitted with this application. When the location is to be used as a well site then the point shall be a well location.

Footage at surface: 324 feet FNL, from North or South section line, and 766 feet FWL, from East or West section line.

Latitude: 40.159595 Longitude: -104.637712 PDOP Reading: 1.6 Date of Measurement: 12/01/2011

Instrument Operator's Name: BEN MILIUS

5. Facilities (Indicate the number of each type of oil and gas facility planned on location):

| | | | | |
|--|---|--|---------------------------------------|--|
| Special Purpose Pits: <input type="text"/> | Drilling Pits: <input type="text" value="2"/> | Wells: <input type="text" value="7"/> | Production Pits: <input type="text"/> | Dehydrator Units: <input type="text"/> |
| Condensate Tanks: <input type="text"/> | Water Tanks: <input type="text" value="4"/> | Separators: <input type="text" value="8"/> | Electric Motors: <input type="text"/> | Multi-Well Pits: <input type="text"/> |
| Gas or Diesel Motors: <input type="text"/> | Cavity Pumps: <input type="text"/> | LACT Unit: <input type="text" value="1"/> | Pump Jacks: <input type="text"/> | Pigging Station: <input type="text"/> |
| Electric Generators: <input type="text"/> | Gas Pipeline: <input type="text" value="1"/> | Oil Pipeline: <input type="text"/> | Water Pipeline: <input type="text"/> | Flare: <input type="text" value="10"/> |
| Gas Compressors: <input type="text"/> | VOC Combustor: <input type="text" value="6"/> | Oil Tanks: <input type="text" value="21"/> | Fuel Tanks: <input type="text"/> | |

Other: Drilling pits will be used by pre-spud rig

6. Construction:

Date planned to commence construction: 09/11/2012 Size of disturbed area during construction in acres: 10.00
 Estimated date that interim reclamation will begin: 12/31/2012 Size of location after interim reclamation in acres: 1.50
 Estimated post-construction ground elevation: 4856 Will a closed loop system be used for drilling fluids: Yes ☒
 Will salt sections be encountered during drilling: Yes ☐ No ☒ Is H2S anticipated? Yes ☐ No ☒
 Will salt (>15,000 ppm TDS Cl) or oil based muds be used: Yes ☐ No ☒
 Mud disposal: Offsite ☒ Onsite ☐ Method: Land Farming ☐ Land Spreading ☒ Disposal Facility ☐
 Other: _____

7. Surface Owner:

Name: _____ Phone: _____
 Address: _____ Fax: _____
 Address: _____ Email: _____
 City: _____ State: _____ Zip: _____ Date of Rule 306 surface owner consultation: 11/21/2011
 Surface Owner: ☒ Fee ☐ State ☐ Federal ☐ Indian
 Mineral Owner: ☒ Fee ☐ State ☐ Federal ☐ Indian
 The surface owner is: ☐ the mineral owner ☐ committed to an oil and gas lease
 ☐ is the executer of the oil and gas lease ☐ the applicant
 The right to construct the location is granted by: ☐ oil and gas lease ☒ Surface Use Agreement ☐ Right of Way
 ☐ applicant is owner
 Surface damage assurance if no agreement is in place: ☐ \$2000 ☐ \$5000 ☐ Blanket Surety ID _____

8. Reclamation Financial Assurance:

☒ Well Surety ID: 20010124 ☐ Gas Facility Surety ID: _____ ☐ Waste Mgnt. Surety ID: _____

9. Cultural:

Is the location in a high density area (Rule 603.b.): Yes ☐ No ☒
 Distance, in feet, to nearest building: 1890 , public road: 4980 , above ground utilit: 265
 , railroad: 48286 , property line: 324

10. 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

11. 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

12. Soils:

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.gov/> 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: 43 Nunn loamy sand, 0 to 1 percent slopes

NRCS Map Unit Name: _____
NRCS Map Unit Name: _____

13. 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: 03/15/2012

List individual species: Sand Sagebrush - Artemisa filifolia, Winterfat - Krascheninnikovia lanata, Russian thistle - Salsola kali, Gray Rabbitbrush - Ericameria nauseosa, Saltgrass - Distichlis spicata

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): Sagebrush/Grass/Forb Mix Rangeland

14. Water Resources:

Rule 901.e. may require a sensitive area determination be performed. If this determination is performed the data is to be submitted with the Form 2A.

Is this a sensitive area: ☒ No ☐ Yes Was a Rule 901.e. Sensitive Areas Determination performed: ☒ No ☐ Yes

Distance (in feet) to nearest surface water: 340, water well: 1000, depth to ground water: 198

Is the location in a riparian area: ☒ No ☐ Yes Was an Army Corps of Engineers Section 404 permit filed ☒ No ☐ Yes

Is the location within a Rule 317B Surface Water Supply Area buffer zone:

☒ No ☐ 0-300 ft. zone ☐ 301-500 ft. zone ☐ 501-2640 ft. 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: ☒ No ☐ Yes

15. Comments:

Closest Water well permit #: 10630-AD/Water well with ground water depth permit #182975/The surface location of this well is an exception to Rule 318A.a and to Rule 318A.c. This well is not within the GWA surface location window and does not meet the twinning requirement due to the number of wells planned for this area and at the request of the surface owner. An exception location request letter and signed waivers are attached to the Form 2 and Form 2A.

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

Signed: _____ Date: 03/23/2012 Email: DJRegulatory@anadarko.com

Print Name: Rebecca Heim Title: Regulatory Analyst II

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: 4/20/2012

**CONDITIONS OF
APPROVAL, IF ANY:**

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.

Attachment Check List

| Att Doc Num | Name |
|-------------|-------------------------|
| 400262484 | FORM 2A SUBMITTED |
| 400262488 | MULTI-WELL PLAN |
| 400262489 | 30 DAY NOTICE LETTER |
| 400262490 | HYDROLOGY MAP |
| 400262497 | LOCATION DRAWING |
| 400262498 | LOCATION PICTURES |
| 400262499 | NRCS MAP UNIT DESC |
| 400262500 | WELL LOCATION PLAT |
| 400262501 | TOPO MAP |
| 400262502 | ACCESS ROAD MAP |
| 400262503 | SURFACE AGRMT/SURETY |
| 400262504 | EXCEPTION LOC REQUEST |
| 400262505 | EXCEPTION LOC WAIVERS |
| 400262507 | WASTE MANAGEMENT PLAN |
| 400264557 | REFERENCE AREA PICTURES |

Total Attach: 15 Files

General Comments

| User Group | Comment | Comment Date |
|------------|---|--------------------------|
| Permit | Final review complete. | 4/17/2012 10:36:30 AM |
| OGLA | OK to pass. | 3/29/2012 11:17:17 AM |
| Permit | Ready to pass pending public comment 4/16/12. | 3/26/2012 4:14:50 PM |

Total: 3 comment(s)

BMP

| Type | Comment |
|--------------------------------|--|
| Drilling/Completion Operations | Kerr McGee will create secondary containment by constructing an earthen berm between the PAD site and East Neres Canal, located approximately 340' W of the PAD site to further protect the surface water. |

Total: 1 comment(s)