

FORM
2A

Rev
04/01

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:

400267773

Date Received:

04/04/2012

Oil and Gas Location Assessment

☐ New Location

☒ Amend Existing Location Location#: 316503

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:

316503

Expiration Date:

06/19/2015

☒ 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: 6720

Name: BAYLESS PRODUCER LLC* ROBERT L

Address: 621 17TH ST STE 2300

City: DENVER State: CO Zip: 80293

3. Contact Information

Name: Habib Guerrero

Phone: (505) 564-7810

Fax: (505) 326-6911

email: hguerrero@rlbayless.com

4. Location Identification:

Name: Weaver Ridge

Number: 23-7H

County: RIO BLANCO

QuarterQuarter: SWNE Section: 23 Township: 1S Range: 104W Meridian: 6 Ground Elevation: 6800

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: 2356 feet FNL, from North or South section line, and 2278 feet FEL, from East or West section line.

Latitude: 39.947501 Longitude: -109.034681 PDOP Reading: 1.8 Date of Measurement: 02/14/2012

Instrument Operator's Name: P. HAWKES

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"/>	Wells: <input type="text" value="3"/>	Production Pits: <input type="text"/>	Dehydrator Units: <input type="text"/>
Condensate Tanks: <input type="text" value="6"/>	Water Tanks: <input type="text" value="1"/>	Separators: <input type="text" value="3"/>	Electric Motors: <input type="text"/>	Multi-Well Pits: <input type="text"/>
Gas or Diesel Motors: <input type="text" value="3"/>	Cavity Pumps: <input type="text"/>	LACT Unit: <input type="text"/>	Pump Jacks: <input type="text" value="3"/>	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="1"/>
Gas Compressors: <input type="text"/>	VOC Combustor: <input type="text"/>	Oil Tanks: <input type="text"/>	Fuel Tanks: <input type="text"/>	

Other: _____

6. Construction:

Date planned to commence construction: 07/01/2012 Size of disturbed area during construction in acres: 4.52
Estimated date that interim reclamation will begin: 11/01/2012 Size of location after interim reclamation in acres: 1.58
Estimated post-construction ground elevation: 6800 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: Evaporate and Backfill

7. Surface Owner:

Name: _____ Phone: _____
Address: _____ Fax: _____
Address: _____ Email: _____
City: _____ State: _____ Zip: _____ Date of Rule 306 surface owner consultation: 02/03/2012
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: _____ ☐ Gas Facility Surety ID: _____ ☐ Waste Mgmt. Surety ID: _____

9. Cultural:

Is the location in a high density area (Rule 603.b.): Yes ☐ No ☒
Distance, in feet, to nearest building: 43032, public road: 10348, above ground utilit: 39072
, railroad: 70752, property line: 2278

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: 73- Rentsac Channery loam , 5 to 50 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: As per BLM inspector, Tamarisk (at least 3 plants), Halogeton and russian Thistle was noted on SW corner of wellpad

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): Juniper, Pinyon Pine, Matchbrush, Mountain Mahogany, Cheatgrass, Mormon Te, Snowberry, Penstemon

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: 1733, water well: 34380, depth to ground water: 300

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:

This new wellpad includes the original area of disturbance of the existing Weaver Ridge 23-10 pad and it will be expanded to accommodate 2 additional wells. An archeological cultural and historical survey of the area has been performed on February 06, 2012 and submitted separately by the Grand River Institute to the BLM White River office.* Bayless is planning to use a closed loop system and a KCL polymer mud system (salt >15000 ppm) during drilling. No oil based mud will be used.

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

Signed: _____ Date: 04/04/2012 Email: hguerrero@rlbayless.com

Print Name: Habib Guerrero Title: Operations Engineer

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: 6/20/2012

**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.

SITE SPECIFIC COAs:

A closed loop system must be implemented during drilling (which operator has indicated on the Form 2A); or, if a drilling pit is constructed, it must be lined. All cuttings generated during drilling with oil based muds or high chloride/TDS mud must be kept in the lined drilling pit, or placed either in containers or on a lined/bermed portion of the well pad; prior to offsite disposal. The moisture content of any drill cuttings in a cuttings pit, trench, or pile shall be as low as practicable to prevent accumulation of liquids greater than de minimis amounts.

Any pit constructed to hold oil based muds or salt based fluids and/or cuttings must be lined.

No portion of any pit that will be used to hold liquids shall be constructed on fill material, unless the pit and fill slope are designed and certified by a professional engineer, subject to review and approval by the director prior to construction of the pit. The construction and lining of the pit shall be supervised by a professional engineer or their agent. The entire base of the pit must be in cut.

For pits containing fluids other than freshwater only; the pit must be fenced. If the pit is not drained, or closure has not begun within 30 days after last use for well completion, the pit must be netted. The operator must maintain the fencing and netting until the pit is closed.

Operator must ensure 110 percent secondary containment for any volume of fluids (excluding freshwater) 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 (i.e., best management practices (BMPs) associated with stormwater management) 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.

Operator must implement best management practices to contain any unintentional release of fluids, including any fluids conveyed via buried or temporary surface pipelines.

The moisture content of any freshwater generated drill 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, if the freshwater generated drill cuttings are to be onsite, they must also meet the applicable standards of table 910-1.

If a pit is constructed, a form 15 Earthen Pit Permit must be submitted and approved prior to construction/use of the pit.

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 pit 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 with additional downgradient perimeter berming. The area where flowback fluids will be stored/reused must be constructed to be sufficiently impervious to contain any spilled or released material.

Notify COGCC Oil and Gas Location Assessment (OGLA) Specialist for Western Colorado (Dave Kubeczko; email dave.kubeczko@state.co.us) and the COGCC Field Inspection Supervisor for Northwest Colorado (Shaun Kellerby; email shaun.kellerby@state.co.us) 48 hours prior to start of construction of the well pad, start of construction of the pit (if different), pit liner installation, and start of fracing operations (via Form 42).

Attachment Check List

Att Doc Num	Name
2034374	PROPOSED BMPs
2034375	CORRESPONDENCE
400267773	FORM 2A SUBMITTED
400268086	HYDROLOGY MAP A, TOPO
400268088	ACCESS ROAD MAP
400268089	PROPOSED BMPs
400268090	REFERENCE AREA MAP
400268091	LOCATION PICTURES
400268092	PROPOSED BMPs
400268093	HYDROLOGY MAP B, TOPO
400268094	LOCATION DRAWING
400268095	LOCATION DRAWING
400268096	CONST. LAYOUT DRAWINGS
400268097	CONST. LAYOUT DRAWINGS
400268098	WELL LOCATION PLAT
400268099	SURFACE PLAN
400268679	NRCS MAP UNIT DESC
400269074	MULTI-WELL PLAN

Total Attach: 18 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Off hold--APD complete. No LGD or public comments. Final Review--passed.	6/20/2012 7:24:28 AM
Permit	put on hold waiting on APD to get waiver from BLM Amended 2A #400267773 with correct lat/long will update loc #316503 when approved.	5/25/2012 3:33:19 PM
Permit	Per oper.'s instructions, changed distance to nearest bldg. to match attached loc. drawing. Checked "executor" of lease.	5/21/2012 10:55:57 AM
Permit	distances to cultural features on location drawing do no match distances on form.	5/17/2012 8:31:25 AM
DOW	<p>The operator has agreed to the following BMPs:</p> <p>Recommended BMPs:</p> <ol style="list-style-type: none"> 1. Where oil and gas activities must occur near active Mule Deer Critical Winter Range, conduct these activities outside the time period from December 1 through April 15. 2. Restrict post-development well site visitations to between the hours of 10:00 a.m. and 2:00 p.m. from December 1 to April 15 for Mule Deer Critical Winter Range. 3. Muffle sound from compressors, pump jacks or other motors necessary to run operations at the site.If mufflers are used, point upward to dissipate sound and vibration. 4. Close and immediately reclaim all roads that are redundant, not used regularly, or have been abandoned to the maximum extent possible to minimize disturbance and habitat fragmentation. 5. Install and utilize bear-proof dumpsters and trash receptacles for all food-related trash on location following COGCC Rule 1204 a-1. 6. Avoid aggressive non-native grasses and shrubs in mule deer habitat restoration. <p>Jacob Davidson, 5-15-2012, 12:04</p>	5/15/2012 12:04:27 PM
OGLA	Initiated/Completed OGLA Form 2A review on 04-10-12 by Dave Kubeczko; requested acknowledgement of fluid containment, spill/release BMPs, moisture content/containment cuttings, lined pit/closed loop, no pit in fill, pit fencing/netting, and flowback to tanks COAs from operator on 04-10-12; received acknowledgement of COAs from operator on 04-11-12; location was onsited 03-15-12; passed by CPW on 05-15-12 with BLM stipulations and COAs; and additional operator agreed to BMPs acceptable; passed OGLA Form 2A review on 05-21-12 by Dave Kubeczko; fluid containment, spill/release BMPs, moisture content/containment cuttings, lined pit/closed loop, no pit in fill, pit fencing/netting, and flowback to tanks COAs.	4/10/2012 12:11:07 PM
Permit	Operator corrected location ID, multi well plan, proposed BMP's, and NRCS attachment. This form has passed completeness.	4/6/2012 8:31:09 AM
Permit	Returned to draft. This is not a new location. Multi well plan does not show BHL. Proposed BMP's not entered in tab. Missing full NRCS description.	4/5/2012 6:46:09 AM

Total: 8 comment(s)

BMP

<u>Type</u>	<u>Comment</u>
Wildlife	<p>1. Where oil and gas activities must occur near active Mule Deer Critical Winter Range, conduct these activities outside the time period from December 1 through April 15.</p> <p>2. Restrict post-development well site visitations to between the hours of 10:00 a.m. and 2:00 p.m. from December 1 to April 15 for Mule Deer Critical Winter Range.</p> <p>3. Muffle sound from compressors, pump jacks or other motors necessary to run operations at the site. If mufflers are used, point upward to dissipate sound and vibration.</p> <p>4. Close and immediately reclaim all roads that are redundant, not used regularly, or have been abandoned to the maximum extent possible to minimize disturbance and habitat fragmentation.</p> <p>5. Install and utilize bear-proof dumpsters and trash receptacles for all food-related trash on location following COGCC Rule 1204 a-1.</p> <p>6. Avoid aggressive non-native grasses and shrubs in mule deer habitat restoration.</p>
Final Reclamation	<p>The following plan describe surface reclamation actions for vegetation and soil rehabilitation, scarification and reseeding of the pads "apron" (the area surrounding the pad site, including the cut and fill, topsoil and excess materials stockpile sites, etc.). The BLM will be contacted prior to commencement of any reclamation operations. The direction and specific work orders spelled out in this plan will apply to the existing well pad on the cited well. The overall goals and objectives of this plan for the Weaver Ridge 23-7H well pad site and any additional infrastructure associated with this well are to a) Minimize the surface impacts to other resources and authorized uses in the vicinity of the well pad site, b) Restore the landform and natural process to re-establish and sustain a pre-disturbance productivity of the site, consistent with the 1997 White River Resource Management Plan (WRRMP), c) Apply all Conditions of Approval (COA)s which are outlined in the Record of Decision/EA associated with this well and also consider additional applicable BLM's Conditions of Approval (WRRMP, Appendix 2) as a baseline to minimize surface impacts and enhance subsequent reclamation actions, and d) Apply appropriate new techniques and/or methodologies that would minimize surface disturbance and enhance reclamation success.</p> <p>This plan outlines new and additional interim and final reclamation actions for the Weaver Ridge 23-7H well pad that would need to occur to realize the objectives stated above. For more details please refer to the proposed BMP's on the attachment Tab.</p>

Total: 2 comment(s)