

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:

400321199

Date Received:

08/31/2012

Oil and Gas Location Assessment

New Location

Amend Existing Location

Location#: 318208

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:

318208

Expiration Date:

10/29/2015

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: Cheryl Light

Phone: (720) 929-6461

Fax: (720) 929-7461

email: cheryl.light@anadarko.com

4. Location Identification:

Name: SPARBOE

Number: 40N-3HZ

County: WELD

Quarter: NENE Section: 34 Township: 2N Range: 65W Meridian: 6 Ground Elevation: 4970

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: 229 feet FNL, from North or South section line, and 709 feet FEL, from East or West section line.

Latitude: 40.101628 Longitude: -104.643027 PDOP Reading: 2.2 Date of Measurement: 03/15/2012

Instrument Operator's Name: SHAUN LEE

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

Special Purpose Pits: <input type="checkbox"/>	Drilling Pits: <input type="text" value="2"/>	Wells: <input type="text" value="5"/>	Production Pits: <input type="checkbox"/>	Dehydrator Units: <input type="checkbox"/>
Condensate Tanks: <input type="checkbox"/>	Water Tanks: <input type="text" value="8"/>	Separators: <input type="text" value="8"/>	Electric Motors: <input type="checkbox"/>	Multi-Well Pits: <input type="checkbox"/>
Gas or Diesel Motors: <input type="checkbox"/>	Cavity Pumps: <input type="checkbox"/>	LACT Unit: <input type="text" value="2"/>	Pump Jacks: <input type="text" value="4"/>	Pigging Station: <input type="checkbox"/>
Electric Generators: <input type="checkbox"/>	Gas Pipeline: <input type="text" value="1"/>	Oil Pipeline: <input type="checkbox"/>	Water Pipeline: <input type="checkbox"/>	Flare: <input type="text" value="1"/>
Gas Compressors: <input type="checkbox"/>	VOC Combustor: <input type="text" value="1"/>	Oil Tanks: <input type="text" value="16"/>	Fuel Tanks: <input type="checkbox"/>	

Other: Drilling pits will be used by pre-spud rig./Existing well and 8 new (4 wells from the Sparboe 7N - 3HZ pad) wells into Tank Battery

6. Construction:

Date planned to commence construction: 12/03/2012 Size of disturbed area during construction in acres: 10.00
Estimated date that interim reclamation will begin: 04/01/2013 Size of location after interim reclamation in acres: 1.50
Estimated post-construction ground elevation: 4970 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: 06/18/2012
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 20010125

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: 4850, public road: 228, above ground utilit: 228
, railroad: 46810, property line: 228

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 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: 70 Valent sand, 3 to 9 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: 08/21/2012
List individual species: Blue grama grass-Chondrosom gracile, Needle-and-Thread-Hesperostipa comata, Indian ricegrass-Achnatherum hymenoides, Spansih bayonet-Yucca glauca

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): Blue Grama Mixed Grass/Mixed Forb 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: 3252, water well: 2977, depth to ground water: 20
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 Suppl 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 #: 268020/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: 08/31/2012 Email: DJRegulatory@anadarko.com

Print Name: Cheryl Light Title: Sr. 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: 10/30/2012

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
2086147	ACCESS ROAD MAP
2086149	CORRESPONDENCE
400321199	FORM 2A SUBMITTED
400321201	MULTI-WELL PLAN
400321202	30 DAY NOTICE LETTER
400321203	HYDROLOGY MAP
400321204	LOCATION DRAWING
400321205	LOCATION PICTURES
400321206	REFERENCE AREA PICTURES
400321208	NRCS MAP UNIT DESC
400321209	WELL LOCATION PLAT
400321210	TOPO MAP
400321212	EXCEPTION LOC REQUEST
400321213	EXCEPTION LOC WAIVERS
400321214	WASTE MANAGEMENT PLAN

Total Attach: 15 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
OGLA	Uploaded new Access Road Map and associated correspondence from the Operator, changed status from HOLD to IN PROCESS.	10/26/2012 3:30:32 PM
OGLA	COGCC phone call with Operator. Discussed access & road concerns expressed by Town of Hudson. Operator has submitted proposed Best Management Practices to address traffic and road impacts. Operator is considering alternate routing for truck traffic, and will provide a revised access road map. Pending receipt and review, this Form 2A is ready to pass.	10/25/2012 4:38:34 PM
Final Review	on hold to follow up on traffic BMPs	10/14/2012 9:24:38 PM
Permit	Final Review Completed. LGD comment addressed (see BMP's); no public comment received.	10/12/2012 10:03:28 AM
OGLA	Changed the number of wells from 4 to 5 due to changing this Form 2A to "amend location ID 318208" after consultation with the Operator.	10/11/2012 12:01:09 PM
OGLA	Added Operator provided BMPs.	10/9/2012 4:31:42 PM
OGLA	Placed ON HOLD pending discussions with operator relating to traffic concerns identified by Town of Hudson.	9/21/2012 12:23:14 PM
LGD	<p>The wells represented in this application are part of what Anadarko/Kerr McGee has represented to the Town as a cluster of a proposed 28 wells, all of which are on land just outside of the municipal boundaries of the Town of Hudson, and all of which are proposed to be accessed through the town. The Town's primary concerns are related to traffic and the impact of the traffic on road surfaces.</p> <p>At this time there is no definitive information regarding the number of vehicles, the timing of trips to serve the drilling and completion operation of the proposed wells, nor the weights of the rigs, water trucks and other associated traffic. There should be a traffic study that examines this information and forecasts the impact on traffic level of service on roads within and near the town, especially at the Highway 52/I-76 interchange. Without such information and study the Town is unable to negotiate with the company regarding mitigation of the impacts.</p> <p>At this time the Town of Hudson has an overweight vehicle ordinance that restricts use of town streets by vehicles in excess of 20,000 pounds GVW that do not have business in town. Heavy trucks serving these wells would violate that ordinance. Again, without good information related to the traffic and its anticipated impacts, the Town is unable to negotiate permits or other solutions to the regulatory problem. And since the wells themselves are outside of Hudson, the town is unable to apply its Use by Special Review permitting process through which such issues are resolved.</p> <p>There are also errors in the application. The town boundaries of Hudson are not delineated on the location maps. And references to County Road 47 are erroneous. CR47 on the maps is in fact the Town's Oak Street.</p> <p>The site identified in this application is adjacent to a 1 million gallon municipal water tank. The access road contains valve boxes and manholes along the associated water main. Precautions should be taken to protect the municipal water facilities from the drilling, completion and operation phases of the well project.</p> <p>We request that the COGCC require a competent traffic study of the drilling, completion and operating phases of these wells prior to approving permits. And, the person or firm who is to prepare the study should consult with the Town regarding the scope of the study. Anadarko should be required to negotiate an agreement with the Town that addresses traffic and road condition impacts.</p>	9/18/2012 4:51:08 PM
Permit	ok to pass.	9/10/2012 9:49:16 AM

Total: 9 comment(s)

BMP

<u>Type</u>	<u>Comment</u>
Drilling/Completion Operations	Anadarko will perform a road impact study for all roads belonging to the Town of Hudson prior to operations and then a second road impact study subsequent to drilling and completion operations. Anadarko will pay for all required fixes to ensure any damaged roads are brought back to their condition prior to our operations
Site Specific	In conjunction with the Town of Hudson, Anadarko will develop a site specific traffic management plan that will address the following: (1) expected traffic and timing of such traffic, (2) how traffic in busy or sensitive intersections will be managed and mitigated, and (3) what truck traffic restrictions will be put in place, if any
Planning	Anadarko will provide the Town of Hudson an emergency response plan prior to commencing operations
Planning	Anadarko will take appropriate steps to adequately protect valve boxes and manholes located along any of our access roads

Total: 4 comment(s)