

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:

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Date Received:

04/12/2013

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:

**433133**

Expiration Date:

**05/28/2016**

☒ 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: 69805

Name: PETROX RESOURCES INC

Address: P O BOX 2600

City: MEEKER State: CO Zip: 81641

3. Contact Information

Name: Michael Clark

Phone: (970) 878-5594

Fax: (970) 878-4489

email: mike.petroxcbm@gmail.com

4. Location Identification:

Name: FGU 9U Number: 3

County: ARCHULETA

QuarterQuarter: SWSE Section: 9 Township: 34N Range: 5W Meridian: M Ground Elevation: 7445

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: 1310 feet FSL, from North or South section line, and 1755 feet FWL, from East or West section line.

Latitude: 37.202170 Longitude: -107.399590 PDOP Reading: 2.6 Date of Measurement: 02/11/2000

Instrument Operator's Name: NELSON ROSS

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="checkbox"/>	Wells: <input type="text" value="1"/>	Production Pits: <input type="checkbox"/>	Dehydrator Units: <input type="checkbox"/>
Condensate Tanks: <input type="checkbox"/>	Water Tanks: <input type="checkbox"/>	Separators: <input type="text" value="1"/>	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="checkbox"/>	Pump Jacks: <input type="text" value="1"/>	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="text" value="1"/>	Flare: <input type="checkbox"/>
Gas Compressors: <input type="checkbox"/>	VOC Combustor: <input type="checkbox"/>	Oil Tanks: <input type="checkbox"/>	Fuel Tanks: <input type="checkbox"/>	

Other: \_\_\_\_\_

6. Construction:

Date planned to commence construction: 09/01/2013 Size of disturbed area during construction in acres: 1.08  
Estimated date that interim reclamation will begin: 09/15/2013 Size of location after interim reclamation in acres: 0.50  
Estimated post-construction ground elevation: 7445 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: cuttings buried onsite

## 7. Surface Owner:

Name: \_\_\_\_\_ Phone: \_\_\_\_\_  
Address: \_\_\_\_\_ Fax: \_\_\_\_\_  
Address: \_\_\_\_\_ Email: \_\_\_\_\_  
City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_ Date of Rule 306 surface owner consultation: 06/12/2012  
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: 26400 , public road: 2300 , above ground utility: 10560 ,  
railroad: 132000 , property line: 3600

## 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: A6-B BAYFIELD SILTY CLAY LOAM 1 TO 3 PERCENT

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: 06/12/2012  
List individual species: PONDEROSA PINE, WHEATGRASS, BROME, OAK

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): \_\_\_\_\_

### 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: 1149, water well: 3600, depth to ground water: 12  
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:

SEE ATTACHED BAYFIELD FOREST SERVICE "SURFACE USE PLAN OF OPERATIONS" (SUPO) WHICH STIPULATES THE TERMS AND CONDITIONS THE SURFACE WILL BE USED AND RECLAIMED. THERE ARE NO VISIBLE SURFACE IMPROVEMENTS WITHIN 400 FEET OF THE PLANNED DISTURBANCE. THE REFERENCE AREA IS LOCATED IMMEDIATELY ADJACENT TO THE WELL PAD TO THE WEST ON UNDISTURBED LAND.

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

Signed: \_\_\_\_\_ Date: 04/12/2013 Email: barb.petroxcbm@gmail.com  
Print Name: BARBARA J VAUGHN Title: ADMINISTRATIVE ASSISTANT

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: Matthew Lee Director of COGCC Date: 5/29/2013

**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.**

**PIPELINE COAs:**

Operator shall pressure test pipelines in accordance with Rule 1101.e.(1) prior to putting into initial service.

Operator must implement best management practices to contain any unintentional release of fluids along all portions of the surface pipeline route where temporary pumps and other necessary equipment are located.

Operator must routinely inspect the entire length of the surface pipeline to ensure integrity.

Operator must ensure 110 percent secondary containment for any potential volume of fluids that may be released from the surface pipeline at all stream, intermittent stream, ditch, and drainage crossings.

Operator will utilize, to the extent practical, all existing access and other public roads, and/or existing pipeline right-of-ways, when placing/routing the surface pipelines. This will reduce surface disturbance and fragmentation of wildlife habitat in the area.

**SITE SPECIFIC COAs:**

Notify the COGCC 48 hours prior to start of pad construction, rig mobilization, spud, and start of hydraulic stimulation operations using Form 42 (the appropriate COGCC individuals will automatically be email notified, including the LGD for hydraulic stimulation operations).

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

Operator must ensure 110 percent secondary containment for any volume of fluids contained at well site during drilling and completion operations (as described in and shown on the Federal Drilling Permit attachment); 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.

The location is in an area of moderate run-on/run-off potential; therefore standard stormwater BMPs must be implemented at this location to insure compliance with CDPHE and COGCC requirements and to prevent any stormwater run-on and to control sediment leaving the pad during drilling and completions operations, during stormwater run-off events.

The moisture content of any drill cuttings in a cuttings area 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 drill cuttings are to remain/disposed of onsite, they must also meet the applicable standards of table 910-1.

The access road will be constructed to prevent sediment migration from the access road to nearby surface water or any drainages leading to other nearby surface waters.

If the well is to be hydraulically stimulated, flowback and stimulation fluids must be sent to tanks, separators, or other containment/filtering equipment before the fluids can be placed into any pipeline, storage vessel, or lined pit (only if an amended Form 2A has been submitted/approved and a Form 15 Earthen Pit Permitted has been submitted/approved) 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.

### Attachment Check List

Att Doc Num	Name
2106603	FED. DRILLING PERMIT
2106604	CONST. LAYOUT DRAWINGS
2106605	CONST. LAYOUT DRAWINGS
2106606	LOCATION DRAWING
2106607	REFERENCE AREA MAP
2106608	ACCESS ROAD MAP
2106610	TOPO MAP
2106611	CORRESPONDENCE
2518355	HYDROLOGY MAP
400402902	FORM 2A SUBMITTED
400404380	CONST. LAYOUT DRAWINGS
400404382	NRCS MAP UNIT DESC
400404384	HYDROLOGY MAP A, TOPO
400404389	ACCESS ROAD MAP
400405267	SURFACE PLAN
400406546	LOCATION PICTURES

Total Attach: 16 Files

<u>General Comments</u>		
<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Final review completed; no LGD or public comment received.	5/29/2013 6:25:56 AM
OGLA	Initiated/Completed OGLA Form 2A review on 05-16-13 by Dave Kubeczko; placed fluid containment, spill/release BMPs, flowback to tanks, cuttings low moisture content, sediment control pad and access road, notification, and pipeline COAs on Form 2A; no CPW; passed OGLA Form 2A review on 05-28-13 by Dave Kubeczko; fluid containment, spill/release BMPs, tank berming, flowback to tanks, sediment control pad and access road, notification, and pipeline COAs.	5/16/2013 10:49:14 AM
Permit	Operator submitted a revised hydrology map.	4/23/2013 6:38:36 AM
Permit	Permit is on undisturbed rangeland which requires a reference area photo and reference area map. No map or photos were submitted. Operator to work with staff to address this deficiency.	4/22/2013 12:52:22 PM
Permit	Operator has acknowledged that there are no surface improvements within 400 feet of the planned disturbance and has directed the COGCC to add that statement to the permit.	4/22/2013 12:49:27 PM
Permit	Hydrology map does not meet the requirements. The map should be scaled to the 1000 foot diameter referenced review area and detail the surface water presence and water wells. Or the map should indicate that there is no surface water within the reference area.	4/22/2013 12:44:33 PM
Permit	Location drawing does not meet the requirements. This attachment is a construction layout diagram.	4/22/2013 10:44:35 AM
Permit	Operator corrected meridian, surface and minerals tab, and cultural information. This form has passed completeness.	4/22/2013 9:19:48 AM
Permit	Returned to draft. Requested corrected meridian, all of the surface and minerals tab, and the cultural and soils information needs to be listed in feet.	4/22/2013 6:13:33 AM
Permit	Operator corrected 1), 2), 3), 4), 5), 6). 7) Location picture still missing 8) Is mineral owner "committed to an oil and gas lease?" 9) "Other" attachment does not open 10) Map Unit Desc A6-B needs to be included in ap Unit Name under Cultural and Soil	4/16/2013 1:25:05 PM
Permit	returned to draft for the following: 1) this location assessment is included as part of a permit application is not checked. 2) plugging and surface bond need removed. Permit is Fed/Fed. 3) estimated date that interim reclamation will begin should be after date of construction. 4) SUA needs unchecked. right to construct is granted by a Federal lease. 5) distance to the nearest building, above ground utility, railroad all need filled in. 6) the form 2 should be in the Related Forms tab. 7) attachments needed: Locatin pictures, Location Drawing, Hydrology Map, Access Road Map.	4/15/2013 11:32:28 AM

Total: 11 comment(s)

### BMP

<u>Type</u>	<u>Comment</u>