

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:

400421212

Date Received:

06/05/2013

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:

433703

Expiration Date:

07/22/2016

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: 46685
 Name: KINDER MORGAN CO2 CO LP
 Address: 17801 HWY 491
 City: CORTEZ State: CO Zip: 81321

3. Contact Information

Name: Carolyn Dunmire
 Phone: (970) 564-9100
 Fax: (970) 565-8874
 email: dunmire@ecosphere-services.com

4. Location Identification:

Name: HA Number: 6
 County: MONTEZUMA
 QuarterQuarter: SESE Section: 20 Township: 38N Range: 18W Meridian: N Ground Elevation: 6764
 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: 867 feet FSL, from North or South section line, and 825 feet FEL, from East or West section line.
 Latitude: 37.532250 Longitude: -108.849580 PDOP Reading: 3.4 Date of Measurement: 05/08/2013
 Instrument Operator's Name: R.J. Caffey

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="checkbox" 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="checkbox"/>	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="checkbox"/>	Pigging Station: <input type="checkbox"/>
Electric Generators: <input type="checkbox"/>	Gas Pipeline: <input type="checkbox"/>	Oil Pipeline: <input type="checkbox"/>	Water Pipeline: <input type="checkbox"/>	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: CO2 Pipeline

6. Construction:

Date planned to commence construction: 08/05/2013 Size of disturbed area during construction in acres: 6.90
 Estimated date that interim reclamation will begin: 10/05/2013 Size of location after interim reclamation in acres: 3.97
 Estimated post-construction ground elevation: 6765 Will a closed loop system be used for drilling fluids: Yes No
 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: 04/30/2013
 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 20080051

8. Reclamation Financial Assurance:

Well Surety ID: 20110027 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: 696, public road: 835, above ground utility: 868,
 railroad: 8250, property line: 471

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: Map Unit 144: Wetherill loam, 3 to 6 percent slopes
NRCS Map Unit Name: Map Unit 143: Wetherill loam, 1 to 3 percent slopes
NRCS Map Unit Name: Map Unit 145: Wetherill loam, 6 to 12 percent slopes

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: 05/29/2013
List individual species: Russian thistle (Salsola tragus), Rubber rabbitbrush (Ericameria nauseosa), Barley (Hordeum sp.)

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: 938, water well: 2832, depth to ground water: 316
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:

There are three wells that appear on the COGCC mapping site that are closer to the proposed well location than the well listed above, however the first never encountered water, the second is no longer active, and the third was never drilled. The H2S Contingency Plan and Paradox Salt Drilling Procedure are included in the Form 2 attachments.

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

Signed: _____ Date: 06/05/2013 Email: dunmire@ecosphere-services.com
Print Name: Carolyn Dunmire Title: Project Manager

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: 7/23/2013

**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.

GENERAL SITE COAs:

A closed loop system (which operator has indicated on the Form 2A) must be implemented during drilling. All cuttings generated during drilling with OBM/high chloride mud must be kept in containers or on a lined/bermed portion of the well pad; prior to analysis and/or offsite disposal.

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.

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 shown on the Proposed BMPs 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.

If the well is to be hydraulically stimulated, then 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 Permit 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.

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

All personnel must be H2S trained and proper air monitoring for H2S must be implemented during drilling, completion, and production operations. Emergency response plan for H2S must be onsite at all times.

GROUNDWATER BASELINE SAMPLING COA:

Operator shall comply with Rule 609. STATEWIDE GROUNDWATER BASELINE SAMPLING AND MONITORING. COGCC suggests that all 4 wells within 1/2-mile of the proposed well pad location be sampled.

Attachment Check List

Att Doc Num	Name
2106655	CORRESPONDENCE
2518484	ACCESS ROAD MAP
400421212	FORM 2A SUBMITTED
400428632	LOCATION PICTURES
400428633	REFERENCE AREA PICTURES
400428634	LOCATION DRAWING
400428636	HYDROLOGY MAP
400428637	ACCESS ROAD MAP
400428639	REFERENCE AREA MAP
400428640	NRCS MAP UNIT DESC
400428641	PROPOSED BMPs
400428642	SENSITIVE AREA MAP
400428645	CONST. LAYOUT DRAWINGS
400428756	OTHER

Total Attach: 14 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Final review completed; no public comment received.	7/22/2013 10:34:29 AM
Permit	Requested an update on the new access road map.	7/8/2013 9:33:25 AM
Permit	On hold - waiting for new access road map.	7/2/2013 12:37:53 PM
OGLA	Initiated/Completed OGLA Form 2A review on 06-17-13 by Dave Kubeczko; placed fluid containment, spill/release BMPs, moisture content/containment cuttings, H2S training, notification, GW baseline sampling, and flowback to tanks COAs on permit; COAs accepted by operator on 06-18-13; no CPW; passed OGLA Form 2A review on 06-28-13 by Dave Kubeczko; fluid containment, spill/release BMPs, moisture content/containment cuttings, H2S training, notification, GW baseline sampling, and flowback to tanks COAs.	6/17/2013 7:25:00 PM
LGD	Kinder Morgan has submitted the appropriate applications to obtain local County Permitting. The applications are currently scheduled to be reviewed by the Planning and Zoning Commission Board on June 27, 2013. I anticipate that they will go before the Board of County Commissioners around July 15, 2013. It is staffs recommendation that these applications be approved.	6/14/2013 3:52:22 PM
Permit	Form passes completeness.	6/6/2013 10:23:09 AM

Total: 6 comment(s)

BMP

<u>Type</u>	<u>Comment</u>
General Housekeeping	Erosion control barriers, namely fiber wattles, will be placed at the edge of disturbance where necessary. Care will be taken to avoid disturbance outside of the project area unless it is deemed necessary for equipment stability and fire safety.
Storm Water/Erosion Control	Fiber wattles will encompass the northern and eastern periphery of the disturbed area. A diversion ditch will be placed along the southwestern edges of the disturbed area. Wattles spaced approximately 100 feet apart will line the ditch. An earth berm will line the edges of the wellpad. Tackifier will be added to the stored topsoil piles to prevent erosion. Stockpiled soils will have slopes not greater than 3:1. Stormwater BMPs will be maintained/amended by Kinder Morgan as site conditions change throughout the construction and reclamation process.
Construction	All equipment will be stored within the right-of-way (ROW) area of disturbance. Top soil will be removed to create a level pad for drilling and an access road (length: 833', ROW: 60'). Vegetation that does not need to be removed will be avoided during construction and removed vegetation will be cut near ground level, leaving the root system intact except where permanent facilities, roads, or ROWs require the complete removal of vegetation.
Interim Reclamation	Surface roughening, surface contouring, seeding, and weed control will be employed to facilitate vegetation reestablishment. Tackifier will be added to reclaimed areas.
Final Reclamation	All disturbed areas that are not necessary for operational procedures will be restored to at least 70 percent of pre-disturbance vegetative cover.

Total: 5 comment(s)