

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:

2167069

Date Received:

07/12/2013

Oil and Gas Location Assessment

New Location

Amend Existing Location

Location#: 384662

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:

384662

Expiration Date:

09/02/2016

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: 16520

Name: CHEMCO INC

Address: 558 CASTLE PINES PKWY UTB4#402

City: CASTLE ROCK State: CO Zip: 80104

3. Contact Information

Name: G.H. NEHER

Phone: (303) 771-7777

Fax: (303) 773-9021

email: gh.neher@chemco-og.com

4. Location Identification:

Name: DONOHUE Number: 4A-2

County: KIOWA

Quarter: SE Section: 2 Township: 19S Range: 45W Meridian: 6 Ground Elevation: 3929

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: 2140 feet FNL, from North or South section line, and 1914 feet FWL, from East or West section line.

Latitude: 38.434830 Longitude: -102.430050 PDOP Reading: 2.7 Date of Measurement: 03/02/2012

Instrument Operator's Name: KEITH WESTFALL-HIGH PRAIRIE SURVEY

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"/> <u>1</u> | Wells: <input type="checkbox"/> <u>1</u> | Production Pits: <input type="checkbox"/> | Dehydrator Units: <input type="checkbox"/> |
| Condensate Tanks: <input type="checkbox"/> | Water Tanks: <input type="checkbox"/> | Separators: <input type="checkbox"/> <u>1</u> | Electric Motors: <input type="checkbox"/> | Multi-Well Pits: <input type="checkbox"/> |
| Gas or Diesel Motors: <input type="checkbox"/> <u>1</u> | Cavity Pumps: <input type="checkbox"/> | LACT Unit: <input type="checkbox"/> | Pump Jacks: <input type="checkbox"/> <u>1</u> | Pigging Station: <input type="checkbox"/> |
| Electric Generators: <input type="checkbox"/> | Gas Pipeline: <input type="checkbox"/> <u>1</u> | 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"/> <u>3</u> | Fuel Tanks: <input type="checkbox"/> <u>1</u> | |

Other: _____

6. Construction:

Date planned to commence construction: 10/01/2013 Size of disturbed area during construction in acres: 4.00
Estimated date that interim reclamation will begin: 12/15/2013 Size of location after interim reclamation in acres: 2.00
Estimated post-construction ground elevation: 3929 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: DRY & BURY

7. Surface Owner:

Name: _____ Phone: _____
Address: _____ Fax: _____
Address: _____ Email: _____
City: _____ State: _____ Zip: _____ Date of Rule 306 surface owner consultation: 06/10/2013
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 _____

8. Reclamation Financial Assurance:

Well Surety ID: 20100059 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: 5000, public road: 1914, above ground utility: 5000,
railroad: 7000, property line: 500

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: #11 COLBY SILT LOAM, 1-3 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: 03/21/2012
List individual species: BINDWEED

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): PLOWED FIELD-CROPLAND

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: 10000, water well: 5000, depth to ground water: 30
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:

NO SURFACE WATER WITHIN 10,000 FT. OF LOCATIONNO CONSTRUCTION MAP NEEDED - 0 TO 3 PERCENT SLOPENO IMPROVEMENTS (OTHER THAN OIL WELL SURFACE EQUIPMENT) WTHIN 5,000'

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

Signed: _____ Date: 07/09/2013 Email: gh.neher@chemco-og.com
Print Name: G.H. NEHER Title: PRESIDENT

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: 9/3/2013

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.

| <u>COA Type</u> | <u>Description</u> |
|-----------------|--|
| | Provide COGCC 48 hour notice prior to commencing construction via a Form 42. |
| | If drilling has not commenced for the Donohoe 4A-2 well by the estimated date that interim reclamation will begin (stated on the Form 2A), all production equipment shall be removed and interim reclamation shall be completed within 30 days of that date. The interim reclamation shall include removal of the existing tanks and all other production equipment. |
| | If the Donohoe 4A-2 well is plugged and abandoned, all production equipment shall be removed and interim reclamation completed within 3 months of plugging and abandonment. The interim reclamation shall include removal of the existing tanks and all other production equipment unless the operator provides evidence that this equipment will be reasonably needed within 12 months. |

Attachment Check List

| <u>Att Doc Num</u> | <u>Name</u> |
|--------------------|----------------------|
| 2086344 | CORRESPONDENCE |
| 2167069 | FORM 2A |
| 2167070 | WELL LOCATION PLAT |
| 2167071 | ACCESS ROAD MAP |
| 2167072 | LOCATION DRAWING |
| 2167073 | HYDROLOGY MAP |
| 2167074 | LOCATION PICTURES |
| 2167075 | SURFACE AGRMT/SURETY |
| 2518507 | NRCS MAP UNIT DESC |

Total Attach: 9 Files

General Comments

| <u>User Group</u> | <u>Comment</u> | <u>Comment Date</u> |
|-------------------|--|-----------------------|
| Permit | The operator does not anticipate drilling in salt sections. | 3/3/2013 8:16:19 AM |
| Final Review | Form 2A did not match Form 2--Form 2 indicates salt sections will be encountered which may have waste management implications. | 8/23/2013 10:35:57 AM |
| Permit | Final review completed; no LGD or public comment received. | 8/21/2013 8:13:37 AM |
| OGLA | email to operator to amend this Form 2A to existing location #384662, approved by operator. Operator concurred with COAs. correspondence attached. | 8/19/2013 10:01:06 AM |
| OGLA | per phone conversation with operator - new tanks may be constructed at closed location #384662 that is approximately 338' south. | 3/5/2013 3:54:21 PM |

Total: 5 comment(s)

Best Management Practices

| <u>No</u> | <u>BMP/COA Type</u> | <u>Description</u> |
|-----------|---------------------|--------------------|
| | | |