

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:

400307941

Date Received:

07/23/2012

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:

435790

Expiration Date:

01/09/2017

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: 10350

Name: RANCHERS EXPLORATION PARTNERS LLC

Address: 9 NORTH PARRISH AVE

City: JOHNSTOWN State: CO Zip: 80534

3. Contact Information

Name: Mike Ward

Phone: (970) 587-9123

Fax: ()

email: mike@ranchers.com

4. Location Identification:

Name: River West Number: 2, 3 and 4

County: LARIMER

Quarter: NWNW Section: 24 Township: 6N Range: 68W Meridian: 6 Ground Elevation: 4880

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: 1274 feet FNL, from North or South section line, and 701 feet FWL, from East or West section line.

Latitude: 40.475870 Longitude: -104.960630 PDOP Reading: 2.3 Date of Measurement: 05/23/2012

Instrument Operator's Name: Tim Mather

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="3"/>	Production Pits: <input type="checkbox"/>	Dehydrator Units: <input type="checkbox"/>
Condensate Tanks: <input type="checkbox"/>	Water Tanks: <input type="checkbox" value="3"/>	Separators: <input type="checkbox" value="3"/>	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" value="3"/>	Oil Tanks: <input type="checkbox" value="5"/>	Fuel Tanks: <input type="checkbox"/>	

Other: _____

6. Construction:

Date planned to commence construction: 02/15/2014 Size of disturbed area during construction in acres: 2.90
 Estimated date that interim reclamation will begin: 01/01/2015 Size of location after interim reclamation in acres: 0.92
 Estimated post-construction ground elevation: 4875 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: Thomas Johnston Phone: 970-686-2931
 Address: 7800 South County Rd. 3 Fax: _____
 Address: _____ Email: _____
 City: Fort Collins State: CO Zip: 80528 Date of Rule 306 surface owner consultation: 06/01/2010
 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: 20110018 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: 338, public road: 598, above ground utility: 643,
 railroad: 9690, property line: 220

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: Otero-Nelson sandy loams, 3 to 25 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: _____
List individual species: Little Bluestem, Needle and Thread, Prairie Sandreed, Sand Bluestem, Sideoats Grama

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: 899, water well: 1541, depth to ground water: 28
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:

I hereby certify that the statements made in this form are, to the best of my knowledge, true, correct and complete.
Signed: _____ Date: 07/23/2012 Email: tmather@infomaption.com
Print Name: Timothy R. Mather 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: 1/10/2014

**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.

Description

The operator shall notify the Director of the intent to begin interim reclamation and intent to terminate the Colorado Department of Health and Environment construction stormwater permit. The notification shall include the Post-Construction Stormwater Program described in Rule 1002.f.(3) including facility-specific maps described in Rule 1002.f.(3).c.
Review Larimer County requirements for access to County Roads and MIRU.
If drill cuttings will be land applied at an offpad location, then a Waste Management Plan meeting the general requirements of Rule 907.a. must be submitted for the land application of drill cuttings. Submit the Waste Management Plan on a Form 4 Sundry Notice via email to DNR_OGCC.ENVIROSUNDRY@state.co.us prior to drilling.
The Operator shall comply with all applicable Colorado Department of Health and Environment - Air Pollution Control Division Regulations.
Location is in a sensitive area because of close proximity to steep slopes and to surface water, therefore, operator must ensure 110 percent secondary containment for any volume of fluids contained at the well site during drilling and completion operations.
Land-farming of E&P waste is prohibited on the location. This shall not preclude onsite disposal of E&P waste in accordance with COGCC Rules and permit conditions.
Prior to construction of the location, the Operator shall submit to the Director a copy of the construction stormwater permit issued by the Colorado Department of Health and Environment.
Location is on steep slopes; therefore the cut and fill slopes should be constructed in such a manner to manage site drainage and slope stability. Slopes should be stabilized as soon as is practical after the location has been constructed.
The Operator shall employ reduced emissions Well Completions as described in Rule 805.b.(3).
Provide 48 hours notice to COGCC via Form 42 prior to construction of the location.
Provide vehicle tracking control to prevent tracking site debris, mud or sediment onto public roads.

Attachment Check List

Att Doc Num	Name
2614207	CORRESPONDENCE
400307941	FORM 2A SUBMITTED
400307942	LOCATION PICTURES
400307943	LOCATION PICTURES
400307944	LOCATION DRAWING
400307945	HYDROLOGY MAP
400307946	ACCESS ROAD MAP
400307947	REFERENCE AREA PICTURES
400307948	REFERENCE AREA PICTURES
400307949	REFERENCE AREA MAP
400307950	NRCS MAP UNIT DESC
400307951	CONST. LAYOUT DRAWINGS
400307952	MULTI-WELL PLAN
400307953	PROPOSED BMPs
400340004	SURFACE AGRMT/SURETY

Total Attach: 15 Files

General Comments

User Group	Comment	Comment Date
Permit	Off Hold: Compliance issues resolved. Per operator's counsel, updated contact information. Per operator, updated dates for construction and reclamation.	1/10/2014 8:27:59 AM
Permit	ON HOLD: pending resolution of operator's compliance issues.	2/15/2013 11:50:47 AM
OGLA	Operator has responded with acceptance of the conditions for this location and their understanding of submitting a Form 4 for cuttings management, sensitive area operations and 48 hour construction notice; OGLA task passed	2/12/2013 12:04:19 PM
Permit	ON HOLD: pending resolution of operator's compliance issues.	2/5/2013 8:57:54 AM
OGLA	Per operator's initial response OGLA changed the following: 1) Changed number of multi-well pits from 3 to 0; 2) Added 5 product storage tanks to the facilities list; 3) Changed the number of flares from 3 to 0 and the VOC Combustors from 0 to 3; 4) Changed the dates of construction and interim reclamation; 5) Changed the Location Size from 1.15 acres to 2.9 acres; 6) Attached a Rulie 318A.h. Waste Management Plan and a Construction Layout Plan Responded to operator request for information regarding: 1) cuttings management; 2) Sensitive Area Operations; 3) Clarification of 48 construction notice COA	1/29/2013 8:53:27 AM
OGLA	OGLA review ON HOLD; Requested clarifications and corrections from operator; requested acknowledgement of COAs from operator	1/25/2013 7:58:32 AM
Permit	Operator confirmed the distance to the nearest inhabited building is 338'. ok to pass.	1/18/2013 9:03:00 AM
Permit	ON HOLD: requesting confirmation of distance to nearest building.	1/8/2013 3:13:11 PM
LGD	<p>Please be advised that the subject property is located within the Town's Growth Management Area (GMA).The Town's Comprehensive Plan states, "The GMA is intended to define those specific areas within the planning area where it is most logical to extend urban services in the near term, that is, within the next five to ten years."</p> <p>Below please find the conditions of approval that are typically applied to conditional use grants for oil and gas operations located within Town.Therefore, the Town recommends the following conditions be placed on the abovementioned oil and gas facilities:</p> <p>1.Prior to the commencement of drilling, the applicant shall submit comprehensive "Drilling and Site Improvement Plans" for review and approval by the Town.Such plans shall address initial drilling activities, initial installation of site improvements and details, and on-going perpetual maintenance of the subject site including, but not limited to, the following:</p> <p>a.Site access plan.The Drilling and Site Improvement Plans and supplemental information shall address site access points and haul routes for review and approval.</p> <p>b.Public street clean-up and tracking prevention.The Drilling and Site Improvement Plans and supplemental information shall include a tracking pad for review and approval.</p> <p>c.Site grading.The Drilling and Site Improvement Plans and supplemental information shall address site grading, including any earth berms for emergency containment.</p> <p>d.Site lighting.The Drilling and Site Improvement Plans and supplemental information shall include details regarding site lighting fixtures and locations.Security and other site lighting shall utilize full cutoff light fixtures to mitigate light pollution.</p>	12/26/2012 9:06:38 AM

e. Temporary screening. The applicant shall install a buffer to screen the initial drilling activities and installation of site improvements from surrounding neighborhoods and streets. The temporary buffer shall include hay bales to enclose the drilling operations to provide noise mitigation.

f. Permanent screening. Given the close proximity to residential neighbors, the Drilling and Site Improvement Plans shall depict proposed long-term screening materials including landscaping, earth berms and any other screening methods to mitigate visual impacts.

g. Fencing. The Drilling and Site Improvement Plans shall depict fencing of the perimeter of the site. Fencing materials shall be reviewed for approval by the Town based upon the character of the surrounding neighborhood.

h. Oil and gas equipment.

(1) The applicant shall utilize electric motors in order to mitigate the noise impacts to the neighboring properties.

(2) The applicant shall ensure that the wells and tanks are of the minimum size required to satisfy present and future functional requirements to mitigate visual impacts.

(3) Low profile tanks shall be utilized and shall be installed in the least visible manner possible.

(4) All tanks and equipment shall be painted to blend-in with the surrounding landscape.

i. Air quality.

(1) The applicant shall participate in any required Environmental Protection Agency (EPA) air quality monitoring and/or testing by allowing EPA to install equipment on site for said monitoring and testing.

(2) The applicant shall install and operate an emissions control device (ECD) capable of reducing Volatile Organic Compound (VOC) emissions on the subject oil and gas equipment in accordance with Colorado Oil and Gas Conservation Commission (COGCC) and/or the Colorado Department of Public Health and Environment (CDPHE) rules and regulations.

(3) The applicant shall submit to the Town copies of all air emissions reporting as required by the COGCC and/or the CDPHE's Air Pollution Control Division.

j. Water quality.

(1) The applicant shall ensure that any hydrocarbon discharges from the site comply with all state and federal water quality requirements.

(2) The applicant shall participate in the Colorado Oil and Gas Association (COGA) Baseline Groundwater Quality Sampling Program utilizing independent third party sampling and laboratories and shall provide to the Town test results obtained before and after drilling operations.

k. Emergency containment. The secondary containment berm surrounding all storage vessels shall be designed and constructed to contain a minimum of 110% of the volume of the largest vessel located within the containment area or to State of Colorado standards, whichever requirements are more stringent.

l. Waste disposal. The applicant shall submit to the Town copies of all waste management reports as required by the COGCC and/or the CDPHE rules and regulations.

m. The following certification blocks shall be included on the Drilling and Site Improvement Plans:

	<p>(1)A signed owner's acknowledgement certification block.</p> <p>(2)A signed drilling operator's acknowledgement certification block.</p> <p>n.The following notes shall be included on the Drilling and Site Improvement Plans:</p> <p>(1)The applicant shall comply with all rules and regulations of the Colorado Oil and Gas Conservation Commission (COGCC).</p> <p>(2)The applicant shall comply with all rules and regulations of the Colorado Department of Public Health and Environment (CDPHE).</p> <p>(3)The applicant shall maintain on-going compliance with all conditions of the Town and Windsor-Severance Fire Rescue.</p> <p>(4)The facilities shall be kept clean and otherwise properly maintained at all times.</p> <p>(5)The existing access may be utilized for oil and gas well activities.This access point is temporary and will be required to be removed at such time that permanent access is available in the future.</p> <p>2.The applicant shall address and comply with the conditions of Windsor-Severance Fire Rescue.</p>	
LGD	<p>The proposed site is located adjacent to and upstream of Town of Windsor residential neighborhoods.Given the close proximity of the proposed wells to a former landfill site, please enforce any and all federal, state and local regulations regarding such sites to ensure that the public health and safety is protected.</p>	12/26/2012 9:05:43 AM
Permit	<p>This form has passed completeness.</p>	12/24/2012 8:43:26 AM
Permit	<p>Attached NRCS Map Unit Description does not match Cultural and Soil page. Please attach the Surface Use Agreement to all documents to which it pertains. BMP's Text attachment requires entry in BMP tab. Under Cultural & Soils tab "Distance to nearest building" is noted as 134'. The safety setback per Rule 603 is 150'. Please confirm the distance and add comment with details and/or attach waiver. Exception Loc (location) Request = a single letter addressed to Matt Lepore, COGCC Director and should not be combined with waiver letters. Exception Loc (location) Waivers = one or more signed waivers; multiple waivers may be combined as one attachment, but should not be combined with the Request letter.</p>	10/17/2012 4:14:46 PM
Permit	<p>Returned to draft. Attached NRCS Map Unit Description does not match Cultural and Soil page.</p>	7/23/2012 1:42:51 PM

Total: 13 comment(s)

Best Management Practices

No	BMP/COA Type	Description
1	Site Specific	<p>Noxious Weeds</p> <ul style="list-style-type: none"> • Site will be inspected to document weed infested areas • Prompt action will be taken to mitigate infested areas • Machinery will not be parked in weed infested areas • Vehicles sent off site regularly will be inspected to assure that undercarriages and grill works are kept free of weeds • Undercarriages of vehicles or machinery potentially contaminated with noxious weed seeds will be washed before entry is made into non infested areas
2	Storm Water/Erosion Control	<p>Stormwater</p> <ul style="list-style-type: none"> • When site disturbance is greater than one acre, a stormwater discharge permit will be completed per state regulations • Stormwater best management practices will be installed in accordance with the stormwater management plan • All stormwater best management practices will remain in place until final stabilization is achieved
3	Material Handling and Spill Prevention	<p>Solid Waste</p> <ul style="list-style-type: none"> • The site will be cleaned of all trash and waste as soon a practical • All waste will be stored in sealed containers until it can be disposed of appropriately • Solid waste will be removed from the site and disposed of per state regulations for solid waste <p>Spill Prevention</p> <ul style="list-style-type: none"> • All materials, waste, and fluids kept on site will be stored in an appropriate manner to prevent contamination with the environment • If a spill occurs, it will be cleaned up using absorbent materials and by removing the contaminated soil • Any contaminated soil will be placed in a sealed container than can be disposed of appropriately • All efforts will be made to prevent the spill from migrating off-site or coming into contract with stormwater runoff • The Spill Control and Countermeasures plan, if applicable, will address and control all spill procedures
4	Construction	<p>Fugitive Dust and Vehicle Tracking</p> <ul style="list-style-type: none"> • Traffic speeds will be limited to control dust • Watering will be completed to control fugitive dust as needed • Graveled entries will be provided for vehicle tracking control • Furrowing of disturbed soil will be provided at right angles to prevailing winds as needed • Silt fences will be installed for wind break and erosion control
5	Final Reclamation	<p>Reclamation</p> <ul style="list-style-type: none"> • Interim and or final reclamation of the site will be completed per the Colorado Oil and Gas Conservation Commission rules and regulations

Total: 5 comment(s)