FORM 2A Rev 08/13

State of Colorado
Oil and Gas Conservation Commission

1120 Lincoln Street, Suite 801, Denver, Colorado 80203
Phone: (303) 894-2100 Fax: (303) 894-2109

Oil and Gas Location Assessment

Document Number: 400494969

Date Received: 12/17/2013

☒ New Location ☐ Refile ☐ Amend Existing Location Location#:

Submit signed original form. This Oil and Gas Location Assessment is to be submitted to the COGCC for approval prior to any ground disturbance activity associated with oil and gas operations. Approval of this Oil and Gas Location 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. Please see the COGCC website at http://cogcc.state.co.us/ for all accompanying information pertinent this Oil and Gas Location Assessment.

Location ID: **436180**

Expiration Date: **02/19/2017**

☒ This location assessment is included as part of a permit application.

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.

Operator

Operator Number: 96850

Name: WPX ENERGY ROCKY MOUNTAIN LLC

Address: 1001 17TH STREET - SUITE #1200

City: DENVER State: CO Zip: 80202

Contact Information

Name: Angela Neifert-Kraiser

Phone: (303) 606-4071

Fax: (303) 629-8268

email: Angela.Neifert-Kraiser@wpxenergy.com

RECLAMATION FINANCIAL ASSURANCE

☒ Plugging and Abandonment Bond Surety ID: 20030107 ☐ Gas Facility Surety ID:

☐ Waste Management Surety ID:

LOCATION IDENTIFICATION

Name: Youberg Number: RU 42-7

County: GARFIELD

QuarterQuarter: SENE Section: 7 Township: 7S Range: 93W Meridian: 6 Ground Elevation: 7737

Define a single point as a location reference for the facility location. When the location is to be used as a well site then the point shall be a well location.

Footage at surface: 2479 feet FNL from North or South section line

383 feet FEL from East or West section line

Latitude: 39.459689 Longitude: -107.808039

PDOP Reading: 2.9 Date of Measurement: 12/10/2008

Instrument Operator's Name: J. Kirkpatrick

RELATED REMOTE LOCATIONS

(Enter as many Related Locations as necessary. Enter the Form 2A document # only if there is no established COGCC Location ID#)

This proposed Oil and Gas Location is:	LOCATION ID #	FORM 2A DOC #
Well Site is served by Production Facilities	335044	

FACILITIES

Indicate the number of each type of oil and gas facility planned on location

Wells	9	Oil Tanks	4	Condensate Tanks		Water Tanks	2	Buried Produced Water Vaults	
Drilling Pits		Production Pits		Special Purpose Pits		Multi-Well Pits		Temporary Large Volume Above Ground Tanks	
Pump Jacks		Separators	9	Injection Pumps		Cavity Pumps			
Gas or Diesel Motors		Electric Motors		Electric Generators		Fuel Tanks		Gas Compressors	
Dehydrator Units		Vapor Recovery Unit		VOC Combustor	1	Flare		LACT Unit	
								Pigging Station	

OTHER FACILITIES

Other Facility Type	Number

Per Rule 303.b.(3)C, description of all oil, gas, and/or water pipelines:

1 buried 8" steel gas line to tie into existing gas line.
1 buried ?" flex steel produced water line to tie into existing water line.
1 buried 6" flex steel water supply line to tie into existing water line.
3 temporary surface remote steel frac lines to the RU 34-6 pad.

CONSTRUCTION

Date planned to commence construction: 08/01/2014 Size of disturbed area during construction in acres: 7.73

Estimated date that interim reclamation will begin: 03/02/2015 Size of location after interim reclamation in acres: 1.60

Estimated post-construction ground elevation: 7737

DRILLING PROGRAM

Will a closed loop system be used for drilling fluids: Yes

Is H_2S anticipated? No

Will salt sections be encountered during drilling: No

Will salt based mud (>15,000 ppm Cl) be used? No

Will oil based drilling fluids be used? No

DRILLING WASTE MANAGEMENT PROGRAM

Drilling Fluids Disposal: OFFSITE Drilling Fluids Disposal Method: Recycle/reuse

Cutting Disposal: ONSITE Cuttings Disposal Method: Other

Other Disposal Description:

Spent drlg fluids are treated with a de-watering unit. Separated mud solids are disposed with the drill cuttings at a well pad location, or at an approved disposal trench. Separated water is re-used for drilling, or disposed at a permitted inj. well.

Beneficial reuse or land application plan submitted? No

Reuse Facility ID: or Document Number:

Centralized E&P Waste Management Facility ID, if applicable:

SURFACE & MINERALS & RIGHT TO CONSTRUCT

Name: David Youberg Phone:
Address: 215 South 10th Street Fax:
Address: Email:
City: Sac City State: IA Zip: 50583
Surface Owner: [X] Fee [ ] State [ ] Federal [ ] Indian
Check all that apply. The Surface Owner: [X] is the mineral owner
[ ] is committed to an oil and Gas Lease
[ ] has signed the Oil and Gas Lease
[ ] is the applicant

The Mineral Owner beneath this Oil and Gas Location is: [X] Fee [ ] State [ ] Federal [ ] Indian

The Minerals beneath this Oil and Gas Location will be developed from or produced to this Oil and Gas Location: Yes

The right to construct this Oil and Gas Location is granted by: Surface Use Agreement

Surface damage assurance if no agreement is in place: Surface Surety ID:

Date of Rule 306 surface owner consultation 10/16/2013

CURRENT AND FUTURE LAND USE

Current Land Use (Check all that apply):

Crop Land:	[ ] Irrigated	[ ] Dry land	[ ] Improved Pasture	[ ] Hay Meadow	[ ] CRP
Non-Crop Land:	[X] Rangeland	[ ] Timber	[ ] Recreational	[ ] Other (describe):	
Subdivided:	[ ] Industrial	[ ] Commercial	[ ] Residential		

Future Land Use (Check all that apply):

Crop Land:	[ ] Irrigated	[ ] Dry land	[ ] Improved Pasture	[ ] Hay Meadow	[ ] CRP
Non-Crop Land:	[X] Rangeland	[ ] Timber	[ ] Recreational	[ ] Other (describe):	
Subdivided:	[ ] Industrial	[ ] Commercial	[ ] Residential		

CULTURAL DISTANCE INFORMATION

Distance to nearest:

Building:	5280	Feet
Building Unit:	5280	Feet
High Occupancy Building Unit:	5280	Feet
Designated Outside Activity Area:	5280	Feet
Public Road:	5280	Feet
Above Ground Utility:	2296	Feet
Railroad:	5280	Feet
Property Line:	460	Feet

INSTRUCTIONS:
- All measurements shall be provided from center of nearest Well or edge of nearest Production Facility to nearest of each cultural feature as described in Rule 303.b.(3)A.
- Enter 5280 for distance greater than 1 mile.
- Building - nearest building of any type. If nearest Building is a Building Unit, enter same distance for both.
- Building Unit, High Occupancy Building Unit, and Designated Outside Activity Area - as defined in 100-Series Rules.

DESIGNATED SETBACK LOCATION INFORMATION

Check all that apply. This location is within a:

- ☐ Buffer Zone
- ☐ Exception Zone
- ☐ Urban Mitigation Area

- Buffer Zone - as described in Rule 604.a.(2), within 1,000' of a Building Unit.
- Exception Zone - as described in Rule 604.a.(1), within 500' of a Building Unit.
- Urban Mitigation Area - as defined in 100-Series Rules.

Pre-application Notifications (required if location is within 1,000 feet of a building unit):

Date of Rule 305.a.(1) Urban Mitigation Area Notification to Local Government: _____

Date of Rule 305.a.(2) Buffer Zone Notification to Building Unit Owners: _____

SOIL

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.org/ 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: 45. Morval-Tridell complex 6 to 25% slopes

NRCS Map Unit Name: _____

NRCS Map Unit Name: _____

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: 10/16/2013

List individual species: Cheatgrass, Wheatgrass, Oak, Sage

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): _____

WATER RESOURCES

Is this a sensitive area: ☐ No ☒ Yes

Distance to nearest

downgradient surface water feature: 717 Feet

water well: 6638 Feet

Estimated depth to ground water at Oil and Gas Location 60 Feet

Basis for depth to groundwater and sensitive area determination:

Sensitive Area Determination is derived from onsite review data. (See attached "Sensitive Area Determination Check List")
Depth of groundwater estimated from review of surrounding wells from state database.

Is the location in a riparian area: ☒ No ☐ Yes

Was an Army Corps of Engineers Section 404 permit filed ☒ No ☐ Yes If yes attach permit.

Is the location within a Rule 317B Surface Water Supply Area buffer zone: No

If the location is within a Rule 317B Surface Water Supply Area buffer have all public water supply systems within 15 miles been notified:

GROUNDWATER BASELINE SAMPLING AND MONITORING AND WATER WELL SAMPLING

Water well sampling required per Rule 609

DESIGNATED SETBACK LOCATION EXCEPTIONS

Check all that apply:

- ☐ Rule 604.a.(1)A. Exception Zone (within 500' of Building Unit)
- ☐ Rule 604.b.(1)A. Exception Location (existing or approved Oil & Gas Location now within a Designated Setback as a result of Rule 604.a.)
- ☐ Rule 604.b.(1)B. Exception Location (existing or approved Oil & Gas Location is within a Designated Setback due to Building Unit construction after Location approval)
- ☐ Rule 604.b.(2) Exception Location (SUA or site-specific development plan executed on or before August 1, 2013)
- ☐ Rule 604.b.(3) Exception Location (Building Units constructed after August 1, 2013 within setback per an SUA or site-specific development plan)

RULE 502.b VARIANCE REQUEST

- ☐ Rule 502.b. Variance Request from COGCC Rule or Spacing Order Number

ALL exceptions and variances require attached Request Letter(s). Refer to applicable rule for additional required attachments (e.g. waivers, certifications, SUAs).

OPERATOR COMMENTS AND SUBMITTAL

Comments

I hereby certify that the statements made in this form are, to the best of my knowledge, true, correct and complete.
Signed: _____ Date: 12/17/2013 Email: Angela.Neifert-Kraiser@wpxenergy.com

Print Name: Angela Neifert-Kraiser Title: Supervisor Permits

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: 2/20/2014

Conditions Of Approval

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.

COA Type	Description
	Open hole resistivity and gamma logs shall be run to describe the stratigraphy of the entire well bore and to adequately verify the setting depth of surface casing and aquifer coverage. On a multi-well pad, these open hole logs are only required on one of the first wells drilled on the pad and the Drilling Completion Report - Form 5 for every well on the pad shall identify which well was logged.
	Notify the COGCC 48 hours prior to start of pad reconstruction, 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). As required for Groundwater Baseline Sampling; Operator shall comply with Rule 609. STATEWIDE GROUNDWATER BASELINE SAMPLING AND MONITORING.
	Operator must implement best management practices to contain any unintentional release of fluids, including any fluids conveyed via temporary surface pipelines or buried permanent pipelines. Operator must ensure secondary containment for any volume of fluids contained at well site during drilling and completion operations; 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 /or stormwater run-off. The access road will be constructed and maintained as to not allow any sediment to migrate from the access road to nearby surface water or any drainages leading to surface water. Strategically apply fugitive dust control measures, including enforcing established speed limits on private roads, to reduce fugitive dust and coating of vegetation and deposition in water sources. Berms or other containment devices shall be constructed to be sufficiently impervious (preferably corrugated steel with poly liner) to contain any spilled or released material around crude oil, condensate, and produced water storage tanks.

	Operator shall pressure test pipelines in accordance with Rule 1101.e.(1) prior to putting into initial service any temporary surface or permanent buried pipelines and following any reconfiguration of the pipeline network. Operator shall notify the COGCC Oil and Gas Location Assessment (OGLA) Specialist for Western Colorado (Dave Kubeczko; email dave.kubeczko@state.co.us) and the COGCC Field Inspection Supervisor for Northwest Colorado (Shaun Kellerby; email shaun.kellerby@state.co.us) 48 hours prior to testing surface poly or buried steel pipelines. 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 shall conduct daily inspections of surface poly pipeline routes for leaks during active transfer of fluids. Inspections shall be conducted by viewing the length of the pipeline; operator will endeavor to minimize surface disturbance during pipeline monitoring. The operator shall maintain records of inspections, findings and repairs, if necessary, for the life of the pipelines. Operator must ensure appropriate secondary containment for volume of fluids that may be released before pump shut down from the surface pipeline at all stream, intermittent stream, ditch, and drainage crossings. Catchment basins, if needed, should be sized to contain the volume between pump stations or between the nearest pump station and the frac pad being used for this well pad location. Pump stations along the surface poly or steel pipeline route will be continuously monitored when operating in order to swiftly respond to such a failure. 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.
	The moisture content of any drill cuttings in a cuttings pit, trench, or pile shall be as low as practicable to prevent accumulation of liquids greater than de minimis amounts. At the time of closure, if drill cuttings are to remain/disposed of onsite, they must also meet the applicable standards of table 910-1. 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.

Best Management Practices

No	BMP/COA Type	Description
1	Planning	PLANNING BMP's * Share/consolidate corridors for pipeline ROWs to the maximum extent possible. * Maximize the utility of surface facilities by developing multiple wells from a single pad (directional drilling), and by co-locating multipurpose facilities (for example, well pads and compressors) to avoid unnecessary habitat fragmentation and disturbance of additional geographic areas. * Locate roads outside of drainages where possible and outside of riparian habitat. * Minimize the number, length, and footprint of oil and gas development roads * Use existing roads where possible * Combine and share roads to minimize habitat fragmentation * Maximize the use of directional drilling to minimize habitat loss/fragmentation * Maximize use of long-term centralized tank batteries to minimize traffic * Maximize use of remote completion/frac operations to minimize traffic * Maximize use of remote telemetry for well monitoring to minimize traffic
2	Construction	Because this location is in a Sensitive Area (See attached SAD), WPX will employ the following BMPs to support protection of surface and ground water: • WPX will ensure 110 percent secondary containment for any volume of fluids contained at well site during drilling and completion operations. • WPX will implement best management practices to contain any unintentional release of fluids. • Either a lined drilling pit or closed loop system will be implemented.
3	Drilling/Completion Operations	DRILLING/COMPLETIONS BMP's * Use centralized hydraulic fracturing operations. * Install and maintain adequate measures to exclude all types of wildlife (e.g., big game, birds, and small rodents) from all fluid pits (e.g., fencing, netting, and other appropriate exclusion measures). * Conduct well completions with drilling operations to limit the number of rig moves and traffic.
4	Interim Reclamation	PRODUCTION/RECLAMATION BMP's * WPX Energy will use certified, weed free grass hay, straw, hay or other mulch materials used for the reseeding and reclamation of disturbed areas. * Install exclusionary devices to prevent bird and other wildlife access to equipment stacks, vents and openings. * Reduce visits to well-sites through remote monitoring (i.e. SCADA) and the use of multi-function contractors.

Total: 4 comment(s)

Attachment Check List

Att Doc Num	Name
2106869	CORRESPONDENCE
400494969	FORM 2A SUBMITTED
400511201	NRCS MAP UNIT DESC
400511203	SENSITIVE AREA DATA
400511205	LOCATION PICTURES
400511216	REFERENCE AREA PICTURES
400511220	HYDROLOGY MAP
400511221	REFERENCE AREA MAP
400511223	NRCS MAP UNIT DESC
400522829	OTHER
400522830	CONST. LAYOUT DRAWINGS
400522832	ACCESS ROAD MAP
400522850	LOCATION DRAWING
400527821	MULTI-WELL PLAN

Total Attach: 14 Files

General Comments

User Group	Comment	Comment Date
Permit	Final review completed. No LGD comments.	2/18/2014 11:36:30 AM
OGLA	Initiated/Completed OGLA Form 2A review on 01-07-14 by Dave Kubeczko; placed fluid containment, spill/release BMPs, notification, flowback to tanks, tank berming, dust control, sediment control access road, cuttings moisture, and pipeline COAs on permit, sent email to operator on 01-07-14; no CPW; passed OGLA Form 2A review on 01-30-14 by Dave Kubeczko; fluid containment, spill/release BMPs, notification, flowback to tanks, tank berming, dust control, sediment control access road, and pipeline COAs.	1/7/2014 12:50:49 PM
LGD	pass, gdb	12/30/2013 8:53:20 AM
Permit	Passed completeness. Please be advised that SUA is attached to Form 2s.	12/18/2013 7:15:51 AM

Total: 4 comment(s)