

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



Document Number:

400546059

Date Received:

01/29/2014

Oil and Gas Location Assessment

☒ 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:

436291

Expiration Date:

02/27/2017

☒ 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: 10496

Name: CRAZY 8 ENERGY LLC

Address: 9122 COUNTY ROAD HH

City: LAMAR State: CO Zip: 81052

Contact Information

Name: Joe Mazotti

Phone: (720) 226-5791

Fax: ()

email: ogp-co@comcast.net

RECLAMATION FINANCIAL ASSURANCE

☒ Plugging and Abandonment Bond Surety ID: 20140007

☐ Gas Facility Surety ID: _____

☐ Waste Management Surety ID: _____

LOCATION IDENTIFICATION

Name: Padilla

Number: 1

County: CROWLEY

QuarterQuarter: NENE Section: 9 Township: 22S Range: 58W Meridian: 6 Ground Elevation: 4285

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: 1153 feet FNL from North or South section line

885 feet FEL from East or West section line

Latitude: 38.152756 Longitude: -103.896749

PDOP Reading: 1.7 Date of Measurement: 12/20/2013

Instrument Operator's Name: Julie Troutt

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 #

FACILITIES

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

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

OTHER FACILITIES

Other Facility Type

Number

<input type="text"/>	<input type="text"/>
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Per Rule 303.b.(3)C, description of all oil, gas, and/or water pipelines:

One three (3) inch steel flowline from the well to the facility is planned. The line size will be no smaller than three (3) inches but is contingent on the wells flow rate (possible four (4) inch steel line).

CONSTRUCTION

Date planned to commence construction: 03/05/2014 Size of disturbed area during construction in acres: 1.32
Estimated date that interim reclamation will begin: 05/15/2014 Size of location after interim reclamation in acres: 0.36
Estimated post-construction ground elevation: 4285

DRILLING PROGRAM

Will a closed loop system be used for drilling fluids: No

Is H₂S 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: Evaporation

Cutting Disposal: OFFSITE Cuttings Disposal Method: Commercial Disposal

Other Disposal Description:

Beneficial reuse or land application plan submitted?

Reuse Facility ID: or Document Number:

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

SURFACE & MINERALS & RIGHT TO CONSTRUCT

Name: Felipe Padilla

Phone: 719-980-1772

Address: 11988 County Road C.5

Fax: _____

Address: _____

Email: _____

City: Manzanola State: CO Zip: 81058

Surface Owner: ☒ Fee ☐ State ☐ Federal ☐ Indian

Check all that apply. The Surface Owner: ☒ 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: ☒ 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: oil and gas lease

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

Date of Rule 306 surface owner consultation 12/19/2013

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: ☐ 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: ☐ Rangeland ☐ Timber ☐ Recreational ☐ Other (describe): _____

Subdivided: ☐ Industrial ☐ Commercial ☐ Residential

CULTURAL DISTANCE INFORMATION

Distance to nearest:

Building: 1030 Feet
Building Unit: 1030 Feet
High Occupancy Building Unit: 5280 Feet
Designated Outside Activity Area: 5280 Feet
Public Road: 860 Feet
Above Ground Utility: 860 Feet
Railroad: 5280 Feet
Property Line: 885 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 be 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: Las clay loam, sand substratum variant

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: _____

List individual species: _____

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: 220 Feet

water well: 1500 Feet

Estimated depth to ground water at Oil and Gas Location 12 Feet

Basis for depth to groundwater and sensitive area determination:

Basis for ground water information from the Colorado Division of Water Resources.
Felipe Padilla Permit No. 6547-F.
Mr Padilla is the surface, mineral and interest owner in the proposed well

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 No
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: _____

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: 01/29/2014

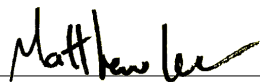
Email: ogp-co@comcast.net

Print Name: Joe Mazotti

Title: Agent for Crazy 8 Energy

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: 2/28/2014

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

	Location may be in a sensitive area due to shallow groundwater; therefore if drilling pits intercept groundwater the pit must be lined or a closed loop system used.
	Operator must implement site-specific best management practices in accordance with good engineering practices, including, but not limited to, construction of a berm or diversion dike, site grading, or other comparable measures, sufficient to protect the intermittent stream located 220 feet west of the oil and gas location from a release of drilling, completion, produced fluids, and chemical products.

Best Management Practices

No BMP/COA Type

Description

1	General Housekeeping	<ul style="list-style-type: none">• Materials and fluids will be stored in a neat and orderly fashion.• Waste will be collected regularly and disposed of at an offsite facility.• Drip pans will be used during fueling and maintenance to contain spills or leaks.• Cleanup of trash and discarded material will be done at the end of the work day.• Cleanup will consist of monitoring the road, location and any other work areas.• Material to be cleaned up includes trash, scrap, and contaminated soil.
2	Storm Water/Erosion Control	Stormwater management plans (SWMP) are in place to address construction, drilling and operations associated with oil and gas development throughout the State of Colorado. BMPs will be constructed as necessary to prevent stormwater from leaving the construction site. BMPs used will vary according to the location, and will remain until the pad is reclaimed.
3	Material Handling and Spill Prevention	Spill Prevention Control and Countermeasures (SPCC) plans are in place to address any possible spill associated with oil and gas operations throughout the State of Colorado. Materials and fluids will be stored in a neat and orderly fashion. <ul style="list-style-type: none">• Waste will be collected regularly and disposed of at an offsite facility.• Prompt cleanup is required of spills to minimize waste materials entering the stormwater runoff.

Total: 3 comment(s)

Attachment Check List

<u>Att Doc Num</u>	<u>Name</u>
1668127	CORRESPONDENCE
1668143	CORRESPONDENCE
400546059	FORM 2A SUBMITTED
400546060	ACCESS ROAD MAP
400546061	LOCATION DRAWING
400546062	HYDROLOGY MAP A, TOPO
400546063	WELL LOCATION PLAT
400546064	TOPO MAP
400547683	LOCATION PICTURES
400547684	LOCATION PICTURES
400547685	LOCATION PICTURES
400547686	LOCATION PICTURES
400547687	NRCS MAP UNIT DESC

Total Attach: 13 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Final review completed; no public comment received.	2/26/2014 10:30:21 AM
OGLA	Added two Conditions of Approval to address the first three items of the Public Comment from Crowley County. Operator sent attached correspondence indicating they had met with Crowley County and resolved their concerns.	2/26/2014 9:54:04 AM
OGLA	<p>The following Public Comment was posted to the related Form 2 (Doc #400545776) by Frank Grant of Crowley County on 2/20/14. Because the concerns are surface related it has been added to the Form 2A.</p> <p>1) The proposed location is very close to a large drainage system that flows directly to the Arkansas River - a distance of approx. 1 mile away from the drilling site. This drainage system handles water from both irrigation water and flood events in a 24 sq. mile area, and a times large volumes of water flow near the location of the drilling site. We request that sufficient diversion or protection structures be incorporated at the drillinbg site to assure protection of any drilling fluid retention ponds or other drilling apparatus.</p> <p>2) Due to the close depth to ground water (12 ft.) and the above mentioned drainage area, we request that the drilling operation use a closed loop system for drilling fluids.</p> <p>3) Due to the shallow depth of ground water and close proximity to the drainage system, we request that any retention pond used for drilling operations be lined with State approved material, and removed at the conclusion of operations.</p> <p>4) Applicant will be required to file an Emergency Response Plan with the Crowley County Emergency Management Director.</p> <p>5) The applicant will be required to submit a Crowley County Use By Review application for approval of local issues connected to the drilling operation.</p>	2/21/2014 8:23:08 AM
OGLA	IN PROCESS - Operator provided pipeline description and agreed to changes in nearest surface water distance and Sensitive Area designation. Waiting on Public Comment period.	2/20/2014 9:33:07 AM
OGLA	ON HOLD - Requested pipeline description, change in distance to nearest surface water feature, & change Sensitive Area designation to YES due to shallow groundwater and proximity of nearby surface water features. Due by 3/20/14.	2/20/2014 8:36:59 AM
Permit	Operator confirms distance of 1030 to building unit.	2/20/2014 6:11:14 AM
Permit	Right to construct changed to oil and gas lease. Operator notified and agrees.	2/10/2014 6:47:50 AM
Permit	Distance to building unit appears to be approx. 965 feet. Requested verification on where the operator measurement of 1030 came from.	2/7/2014 7:33:51 AM
Permit	Right to construct appears to be incorrect.	2/7/2014 7:27:42 AM
Permit	Passed completeness.	1/31/2014 12:01:39 PM
Permit	Returned to draft: Water well sampling Rule should be 609 in Water Resources tab.	1/31/2014 9:46:53 AM

Total: 11 comment(s)