

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:

400479920

Date Received:

10/10/2013

Oil and Gas Location Assessment

New Location Refile Amend Existing Location Location#: 417783

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:

417783

Expiration Date:

03/09/2017

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: 10112

Name: FOUNDATION ENERGY MANAGEMENT LLC

Address: 16000 DALLAS PARKWAY #875

City: DALLAS State: TX Zip: 75248-6607

Contact Information

Name: Scott Ryan

Phone: (303) 8610504

Fax: (303) 8610604

email: sryan@foundationenergy.com

RECLAMATION FINANCIAL ASSURANCE

Plugging and Abandonment Bond Surety ID: 20050066

Gas Facility Surety ID: _____

Waste Management Surety ID: _____

LOCATION IDENTIFICATION

Name: Hillman

Number: 9-1

County: WELD

Quarter: NENE Section: 9 Township: 10N Range: 59W Meridian: 6 Ground Elevation: 5101

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: 610 feet FNL from North or South section line

660 feet FEL from East or West section line

Latitude: 40.857170 Longitude: -103.976574

PDOP Reading: 4.3 Date of Measurement: 03/18/2010

Instrument Operator's Name: Robert D. Thomas

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>2</u>	Condensate Tanks	<u> </u>	Water Tanks	<u>2</u>	Buried Produced Water Vaults	<u> </u>
Drilling Pits	<u>0</u>	Production Pits	<u>0</u>	Special Purpose Pits	<u> </u>	Multi-Well Pits	<u> </u>	Temporary Large Volume Above Ground Tanks	<u> </u>
Pump Jacks	<u>1</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>1</u>	LACT Unit	<u> </u>
								Pigging Station	<u> </u>

OTHER FACILITIES

Other Facility Type

Number

Heater Treater for oil conditioning	<u>1</u>
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Per Rule 303.b.(3)C, description of all oil, gas, and/or water pipelines:

Flowline from wellhead to separator, then from separator to oil and water tanks on location. They will be 2-inch diameter steel flowlines.

CONSTRUCTION

Date planned to commence construction: 11/01/2013 Size of disturbed area during construction in acres: 2.00
Estimated date that interim reclamation will begin: 04/01/2014 Size of location after interim reclamation in acres: 2.00
Estimated post-construction ground elevation: 5101

DRILLING PROGRAM

Will a closed loop system be used for drilling fluids:

Is H₂S anticipated?

Will salt sections be encountered during drilling:

Will salt based mud (>15,000 ppm Cl) be used?

Will oil based drilling fluids be used?

DRILLING WASTE MANAGEMENT PROGRAM

Drilling Fluids Disposal: Drilling Fluids Disposal Method:

Cutting Disposal: Cuttings Disposal Method:

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: Hillman Land & Livestock

Phone: 970-437-5448

Address: Naomi McEndaffer, Manager

Fax: _____

Address: 61331 Hwy 71

Email: _____

City: Stoneham State: CO Zip: 80754

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 _____

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: 5280 Feet
Building Unit: 5280 Feet
High Occupancy Building Unit: 5280 Feet
Designated Outside Activity Area: 5280 Feet
Public Road: 750 Feet
Above Ground Utility: 5280 Feet
Railroad: 5280 Feet
Property Line: 610 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: 17 - Bushman fine sandy loam, 0 to 3 percent 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: _____

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: 7300 Feet

water well: 5200 Feet

Estimated depth to ground water at Oil and Gas Location 120 Feet

Basis for depth to groundwater and sensitive area determination:

Prior approved Form 2-A

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

This Form 2-A is for the addition of two fiberglass water tank 6'x16' (210bbl) for produced water. Surface owner has waived Rule 306.a consultation.

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

Signed: _____ Date: 10/10/2013 Email: mstark@foundationenergy.com

Print Name: Matt Stark Title: Petroleum Engineer

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: 3/10/2014

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.

<u>COA Type</u>	<u>Description</u>

Best Management Practices

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

Attachment Check List

<u>Att Doc Num</u>	<u>Name</u>
400479920	FORM 2A SUBMITTED
400493208	SURFACE OWNER CONSENT
400493223	FACILITY LAYOUT DRAWING

Total Attach: 3 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
OGLA	Pit issue resolved with Remediation Project #7277. Reclamation date changed to 4/1/2014.	3/10/2014 3:08:18 PM
Permit	Off hold--D. Burn advised that pit is being properly closed.	12/23/2013 9:46:26 AM
Permit	No LGD or public comments. Final Review--passed.	11/6/2013 9:43:26 AM
OGLA	OGLA task passed.	11/6/2013 8:09:34 AM
OGLA	Received clarification from operator on total number of tanks, a revised interim reclamation begin date, and additional pipeline description. OGLA review complete.	10/29/2013 8:49:38 AM
Permit	Form passes completeness.	10/16/2013 2:45:31 PM
Permit	Returned to draft. Scott Ryan is not a registered agent. Surface bond number can be removed since right to construct is O/G lease. Water well sampling Rule number is missing. There are more changes to the facilities already approved than two fiberglass water tanks. Asked opr to clarify.	10/11/2013 2:31:30 PM

Total: 7 comment(s)