

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:

400569748

Date Received:

Oil and Gas Location Assessment

New Location Refile Amend Existing Location Location#: 334722

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:

334722

Expiration Date:

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: Reed Haddock

Phone: (303) 606-4086

Fax: (303) 629-8268

email: reed.haddock@wpxenergy.com

RECLAMATION FINANCIAL ASSURANCE

Plugging and Abandonment Bond Surety ID: 20030107

Gas Facility Surety ID: _____

Waste Management Surety ID: _____

LOCATION IDENTIFICATION

Name: GM

Number: 24-12

County: GARFIELD

Quarter: SWSW Section: 12 Township: 7S Range: 96W Meridian: 6 Ground Elevation: 5141

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: 299 feet FSL from North or South section line

969 feet FWL from East or West section line

Latitude: 39.445687 Longitude: -108.064700

PDOP Reading: 3.5 Date of Measurement: 11/01/2010

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 #

FACILITIES

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

| | | | | | | | | | |
|----------------------|-------------|---------------------|-------------|----------------------|-------------|-----------------|-------------|---|-------------|
| Wells | <u>26</u> | Oil Tanks | <u>3</u> | Condensate Tanks | <u> </u> | Water Tanks | <u>3</u> | Buried Produced Water Vaults | <u> </u> |
| Drilling Pits | <u> </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>26</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>1</u> | Flare | <u> </u> | LACT Unit | <u> </u> |
| | | | | | | | | Pigging Station | <u> </u> |

OTHER FACILITIES

Other Facility Type

Number

| | |
|----------------------------|----------|
| Remote frac from GM 313-12 | <u>1</u> |
|----------------------------|----------|

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

| |
|--|
| 1-10" existing buried steel gas line 2-14" buried poly frac water lines 3-4.5" temporary surface flex steel frac water lines |
|--|

CONSTRUCTION

Date planned to commence construction: 12/02/2013 Size of disturbed area during construction in acres: 4.70

Estimated date that interim reclamation will begin: 09/01/2014 Size of location after interim reclamation in acres: 1.30

Estimated post-construction ground elevation: 5141

DRILLING PROGRAM

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

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: 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: 149015

SURFACE & MINERALS & RIGHT TO CONSTRUCT

Name: C&C Energy Capital, LLC

Phone: _____

Address: 213 Diamond Loop

Fax: _____

Address: _____

Email: _____

City: Parachute State: CO Zip: 81635

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: No

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 _____

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: 593 Feet
Building Unit: 616 Feet
High Occupancy Building Unit: 2053 Feet
Designated Outside Activity Area: 1597 Feet
Public Road: 501 Feet
Above Ground Utility: 139 Feet
Railroad: 1393 Feet
Property Line: 167 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: 09/12/2013

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: 4 Arvada Loam, 6 to 20% 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: 09/03/2013
List individual species: Wheatgrass, sage, junper, and pinyon

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, Chokeycherry)
 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: 180 Feet

water well: 2470 Feet

Estimated depth to ground water at Oil and Gas Location 57 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 to 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 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

The previously approved 2A was approved December 15, 2013. This pad is now built. No additional construction is required. Drilling on this pad will start in early April 2014.

WPX is adding 5 additional well locations to pad.

Any documents attached to this amended application have been revised, otherwise all previously submitted documents are valid.

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

Signed: _____ Date: _____ Email: reed.haddock@wpenergy.com

Print Name: Reed Haddock Title: Regulatory Specialist Sta

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: _____

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

| <u>COA Type</u> | <u>Description</u> |
|------------------------|---------------------------|
| | |

Best Management Practices

No BMP/COA Type

Description

| | | |
|---|----------------------|---|
| 1 | Planning | Share/consolidate corridors for pipeline ROWs to the maximum extent possible. Minimize newly planned activities and operations within 300 feet of the ordinary high water mark of any reservoir, lake, wetland, or natural perennial or seasonally flowing stream or river. Locate roads outside of drainages where possible and outside of riparian habitat. Avoid constructing any road segment in the channel of an intermittent or perennial stream. Minimize the number, length, and footprint of oil and gas development roads. Use existing roads where possible. Combine utility infrastructure (gas, electric, and water) planning with roadway planning to avoid separate utility corridors. Combine and share roads to minimize habitat fragmentation. Where possible, consolidate pipeline and existing roadways, or roadways that are planned for development. Maximize the use of directional drilling to minimize habitat loss/fragmentation. Maximize use of remote completion/frac operations to minimize traffic. Maximize use of remote telemetry for well monitoring to minimize traffic. Will use existing pipeline corridors for new pipelines. |
| 2 | Pre-Construction | Strip and segregate topsoil prior to construction. Appropriately configure topsoil piles and immediately seed to control erosion, prevent weed establishment and maintain soil microbial activity. |
| 3 | Traffic control | Most likely, CR 215 to the new Town of Parachute bypass road (to avoid going through town) will be used to get to the pad. The Town of Parachute has agreed to this route. Another route is possible for the rig (Hwy 6 to lease road) if the rig that is scheduled to drill this pad is changed. In that case, the appropriate state, county, and town official would be contacted and permits obtained. This would also be done 1-2 weeks prior to rig moving on location. Pilot cars, in either case, will be used to get the larger rig traffic to location. |
| 4 | General Housekeeping | All garbage and trash will be stored in enclosed trash containers and removed and deposited in an approved sanitary landfill within one week following termination of drilling operations. No garbage or trash will be disposed of in the cuttings management area. The well site and access road will be kept free of trash and debris at all times. |

| | | |
|----|--|---|
| 5 | Wildlife | <p>Use only certified weed-free native seed in seed mixes, except for non-native plants that benefit wildlife.</p> <p>Install exclusionary devices to prevent bird and other wildlife access to equipment stacks, vents and openings.</p> <p>Reduce visits to well-sites through remote monitoring (i.e. SCADA) and the use of multi-function contractors.</p> <p>By using an existing pad we have minimized the number, size and distribution of well pads and locate pads along existing roads where possible.</p> <p>Water for completions operations will be piped from an existing water pit which will reduce truck traffic.</p> |
| 6 | Storm Water/Erosion Control | <p>Onsite and offsite erosion control, re-vegetation of disturbed areas and source and storage of topsoil BMP's will be installed prior to, during and immediately following construction as practicable with consideration given to safety, access, and ground conditions at the time of construction. Due to the nature of the topography at various sites, any number of BMP combinations may be utilized at any phase of the project. Constant efforts will be employed to limit the extent of vegetative disturbance at the time of soil exposure during all construction activities and structural BMP implementation.</p> <p>Stormwater is addressed under a field-wide CDPHE plan/permit.</p> |
| 7 | Material Handling and Spill Prevention | <p>Automated high tank alarms are installed on tanks along with emergency shut down systems.</p> <p>In addition to 2-3 times/week onsite inspections by pumpers they also have routine quarterly checklists that are filled out and kept on file regarding dump line/flow line pressures and also a checklist done for everything regarding compliance at the wellhead and production equipment.</p> <p>Pallets and materials (drilling and production materials and supplies) that are stored on the pallets are kept > 25' from wellheads during production and drilling operations.</p> |
| 8 | Dust control | <p>Fugitive dust control will be implemented during all phases of operations on an as-needed basis.</p> |
| 9 | Construction | <p>Salvage topsoil from all road construction and other rights-of-way and re-apply during interim and final reclamation.</p> |
| 10 | Noise mitigation | <p>The mufflers on the rig will be oriented to point to the north thus directing the noise from the engines away from the residential building units.</p> <p>Plumb dump lines into tanks to muffle sound.</p> <p>Rubber cushions in lubricators are used to muffle sound for plunger lift.</p> |
| 11 | Emissions mitigation | <p>Combusters and we use API tanks with thief hatches and enardo valves and pipe everything to the combustion unit.</p> |
| 12 | Odor mitigation | <p>Use Combusters and API tanks with thief hatches and enardo valves and pipe everything to the combustion unit.</p> |
| 13 | Drilling/Completion Operations | <p>Use centralized hydraulic fracturing operations.</p> <p>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).</p> <p>Conduct well completions with drilling operations to limit the number of rig moves and traffic.</p> <p>Water for completions operations will be piped from an existing water pit which will reduce truck traffic.</p> |

| | | |
|----|---------------------|--|
| 14 | Interim Reclamation | <p>As soon as possible after (within 6 mos) well is placed on first sales perform interim reclamation on all disturbed areas not needed for active support of production operations.</p> <p>Seed during appropriate season to increase likelihood of reclamation success . Conduct seeding in a manner that ensures that seedbed preparation and planting techniques are targeted toward the varied needs of grasses, forbs and shrubs (e.g., seed forbs and shrubs separately from grasses, broadcast big sagebrush but drill grasses, etc.).</p> |
| 15 | Final Reclamation | <p>Remove well pad and road surface materials that are incompatible with post-production land use and re-vegetation requirements.</p> <p>Use only certified weed-free native seed in seed mixes, except for non-native plants that benefit wildlife.</p> <p>WPX Energy will use certified, weed free grass hay, straw, hay or other mulch materials used for the reseeding and reclamation of disturbed areas.</p> <p>Install exclusionary devices to prevent bird and other wildlife access to equipment stacks, vents and openings.</p> <p>Reduce visits to well-sites through remote monitoring (i.e. SCADA) and the use of multi-function contractors.</p> |

Total: 15 comment(s)

Attachment Check List

| <u>Att Doc Num</u> | <u>Name</u> |
|--------------------|------------------------|
| 400572466 | OTHER |
| 400572467 | LOCATION DRAWING |
| 400572469 | CONST. LAYOUT DRAWINGS |
| 400572471 | SENSITIVE AREA DATA |
| 400572472 | MULTI-WELL PLAN |
| 400572475 | LOCATION PICTURES |

Total Attach: 6 Files

General Comments

| <u>User Group</u> | <u>Comment</u> | <u>Comment Date</u> |
|-------------------|----------------|---------------------|
| | | |

Total: 0 comment(s)