

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:

400576303

Date Received:

03/21/2014

Oil and Gas Location Assessment

☐ New Location ☐ Refile ☒ Amend Existing Location Location#: 334465

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:

334465

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: 10433
Name: PICEANCE ENERGY LLC
Address: 1512 LARIMER STREET #1000
City: DENVER State: CO Zip: 80202

Contact Information

Name: Wayne P Bankert
Phone: (970) 812-5310
Fax: (303) 339-4399
email: wbankert@laramie-energy.com

RECLAMATION FINANCIAL ASSURANCE

☒ Plugging and Abandonment Bond Surety ID: 20120081 ☐ Gas Facility Surety ID: _____
☐ Waste Management Surety ID: _____

LOCATION IDENTIFICATION

Name: NVega-69S93W Number: 22NESW
County: MESA
QuarterQuarter: NESW Section: 22 Township: 9S Range: 93W Meridian: 6 Ground Elevation: 7487
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: 2079 feet FSL from North or South section line
2202 feet FWL from East or West section line
Latitude: 39.260870 Longitude: -107.757460
PDOP Reading: 3.2 Date of Measurement: 08/27/2007
Instrument Operator's Name: Bart Hunting

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>13</u>	Oil Tanks	<u> </u>	Condensate Tanks	<u>6</u>	Water Tanks	<u> </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>3</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

Temporary 500 bbl "frac" Tanks	<u>60</u>
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Per Rule 303.b.(3)C, description of all oil, gas, and/or water pipelines:

Location served by buried 12" steel gas gathering line and also buried 6" steel water transfer line. Gathering line runs to Mega Vega Compressor Facility. Water line ties into all locations to allow for water transfer and management.

Note: Condensate tanks are combination condensate/water.

Note: Separators are multi-well packs.

CONSTRUCTION

Date planned to commence construction: 04/01/2014 Size of disturbed area during construction in acres: 5.48
Estimated date that interim reclamation will begin: 04/01/2017 Size of location after interim reclamation in acres: 2.80
Estimated post-construction ground elevation: 7497

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: Drilling pit

Other Disposal Description:

Disposal description for Amended Form 2A purposes only. Existing wells drilled and producing from this location is all that is planned by Piceance Energy, LLC unless plans in the future change.

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: Piceance Energy, LLC

Phone: 303-339-4300

Address: 1512 Larimer St. Suite 1000

Fax: 303-339-4399

Address: _____

Email: wbankert@laramie-energy.com

City: Denver State: CO Zip: 80202

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 03/21/2014

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): Existing Location

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: 2729 Feet
Building Unit: 3749 Feet
High Occupancy Building Unit: 5280 Feet
Designated Outside Activity Area: 5280 Feet
Public Road: 3829 Feet
Above Ground Utility: 2640 Feet
Railroad: 5280 Feet
Property Line: 368 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: 47. Hesperus-Empedrado, mois- Pagoda complex, 5 to 35 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: 479 Feet

water well: 3360 Feet

Estimated depth to ground water at Oil and Gas Location 40 Feet

Basis for depth to groundwater and sensitive area determination:

This is an existing location with all wells drilled. No additional wells are planned for this location.

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 N/A

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

Location Assessment submitted for purpose of staging Temporary 500 bbl "Frac" Tanks on site to store fresh, produced, or flowback water for completion of a single well on the adjacent NVega 2A pad (Id. 334433).
No drilling or completion work is proposed for this site.
The reference area is located immediately adjacent to the location to the east on undisturbed ground.

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

Signed: _____ Date: 03/21/2014 Email: wbankert@laramie-energy.com

Print Name: Wayne P Bankert Title: Snr. Reg. & Env. Coord.

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.

Best Management Practices

No BMP/COA Type

Description

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Attachment Check List

Att Doc Num

Name

2106969	SUBMITTED-WITHDRAWN FORM 2A#400576303
21069691	OPERATOR REQUEST FOR FORM 2A#400576303 WITHDRAWAL
400576303	FORM 2A SUBMITTED
400576844	FACILITY LAYOUT DRAWING
400576845	REFERENCE AREA MAP
400576846	ACCESS ROAD MAP
400576849	HYDROLOGY MAP
400576859	NRCS MAP UNIT DESC
400576860	NRCS MAP UNIT DESC
400576928	LOCATION PICTURES
400576932	LOCATION DRAWING

Total Attach: 11 Files

General Comments

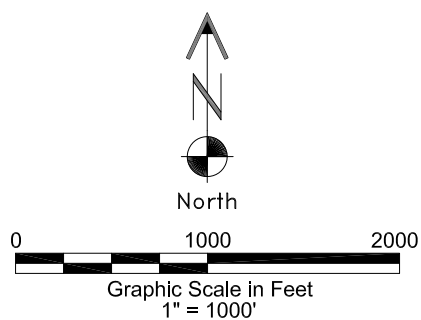
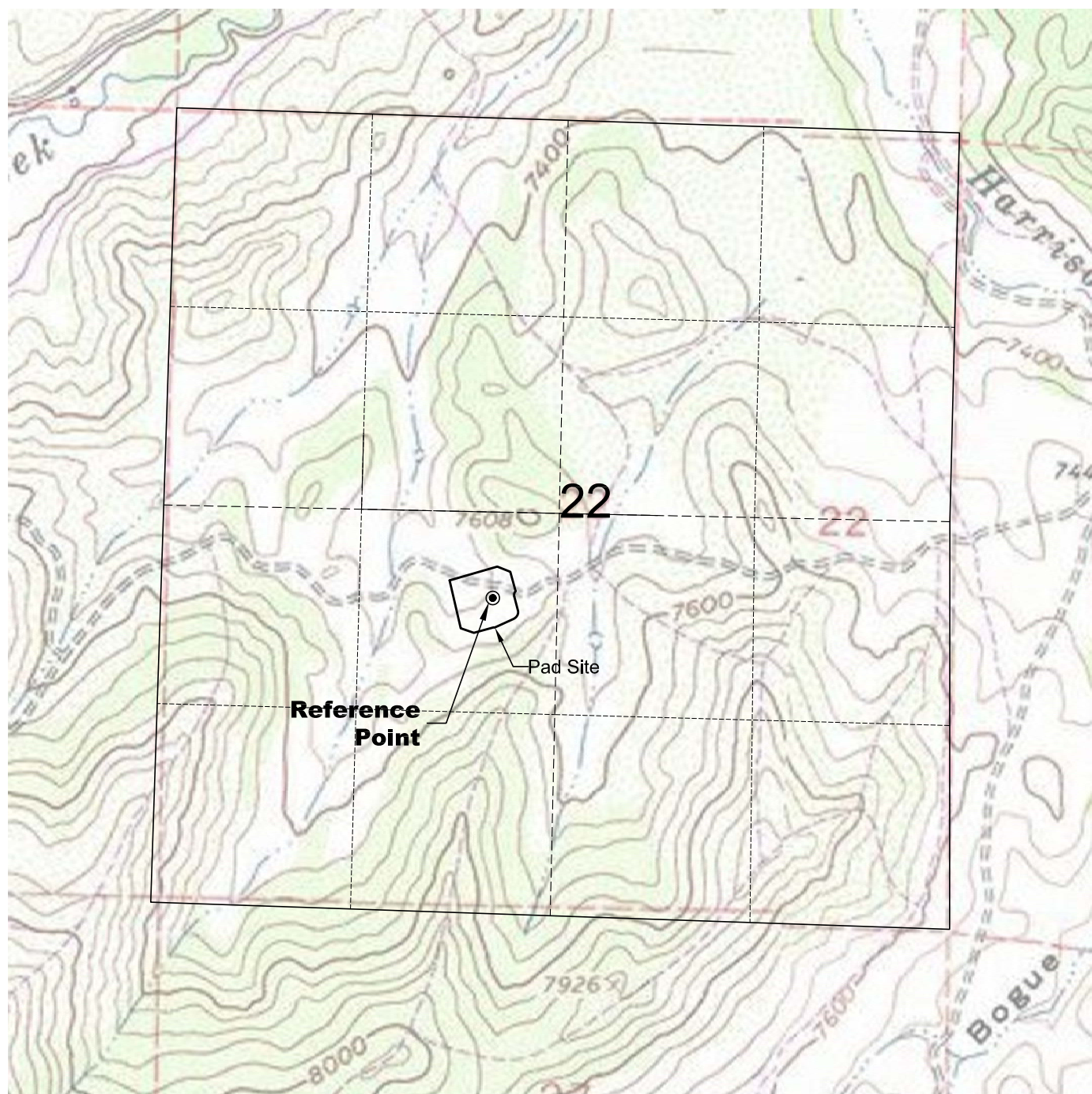
<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
OGLA	<p>Form 2A#400576303 was withdrawn by Dave Kubeczko on 03-26-14 per operator's request shown below:</p> <p>Dave, As per our conversation, please withdraw Piceance Energy's Form 2A submittal (Doc. No. 400576303) in Mesa County for the NVega-69S93W/22NESW. Also, I have submitted a replacement Form 4(Doc. No. 400578892) with attachments for your review.</p> <p>Please let me know if there is any additional information you might require.</p> <p>Thanks for your help.</p> <p>Wayne P. Bankert Senior Regulatory & Environmental Coordinator Piceance Energy, LLC Laramie Energy II, LLC 601 28 1/4 Rd. Suite D Grand Junction, CO 81506 O: 970-812-5310 C: 970-985-5383 F: 970-683-5594 wbankert@laramie-energy.com</p>	3/26/2014 4:59:16 PM
OGLA	<p>Initiated/Completed OGLA Form 2A review on 03-24-14 by Dave Kubeczko; placed notification COA on permit; passed by CPW on 03-21-14 with PDC/Caerus WMP acceptable; corrected to "sensitive area" due to shallow GW (14' bgs) and proximity to the Colorado River (1212'; less than a 1/4-mile); passed OGLA Form 2A review on (TBD: 04-11-14) by Dave Kubeczko; notification COA.</p>	3/24/2014 3:17:03 PM

Total: 2 comment(s)

DWG: G:\GEOSURV\Laramie II\Laramie-Buzzard-Creek\Delta\Wellplats\NV 2B Delta Pad\NV 2B F2A.dwg USER: Survey DATE: Mar 21, 2014 10:57am

NE1/4 SW1/4 SECTION 22 T9S R93W
6th PM MESA COUNTY COLORADO

DWG: G:\GEOSUR\Laramie II__Laramie-Buzzard-Creek\Delta\Wellplats\NV 2B Delta Pad\NV 2B F2A.dwg
USER: Survey
DATE: Mar 21, 2014 10:56am



LAND SURVEYING AND MAPPING
LAFAYETTE - WINTER PARK
Ph 303 666 0379 Fx 303 665 6320

PICEANCE ENERGY, LLC
NVEGA 2B PAD

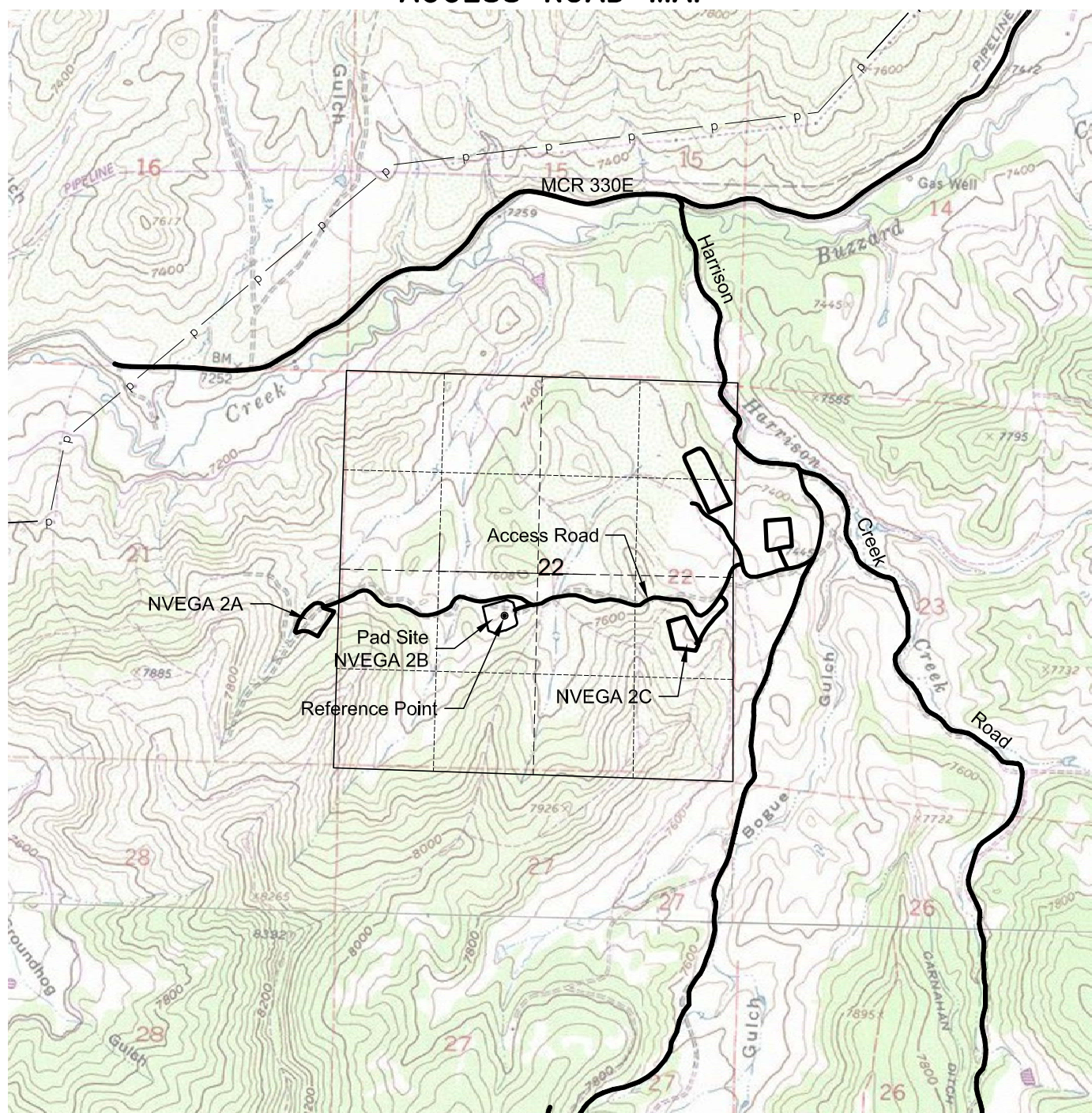
NE1/4 SW1/4 SECTION 22 T9S R93W
6th PM MESA COUNTY COLORADO

3/21/14

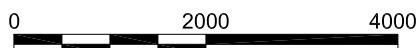
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USER: Survey

DATE: Mar 21, 2014 10:56am



North



Graphic Scale in Feet
1" = 2000'

From the intersection of Mesa County Road (MCR) 330E and Harrison Creek Road, South for 0.7 Miles
Right onto the Gravel Access Road South
First Right headed West on Access Road
Continue in Westerly direction as road veers north take first left in Westerly direction onto the NVEGA 2A,B, and C pads access Road
Continue West past NVEGA Pad 2C to next Pad NVEGA 2B

3/21/14

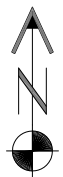
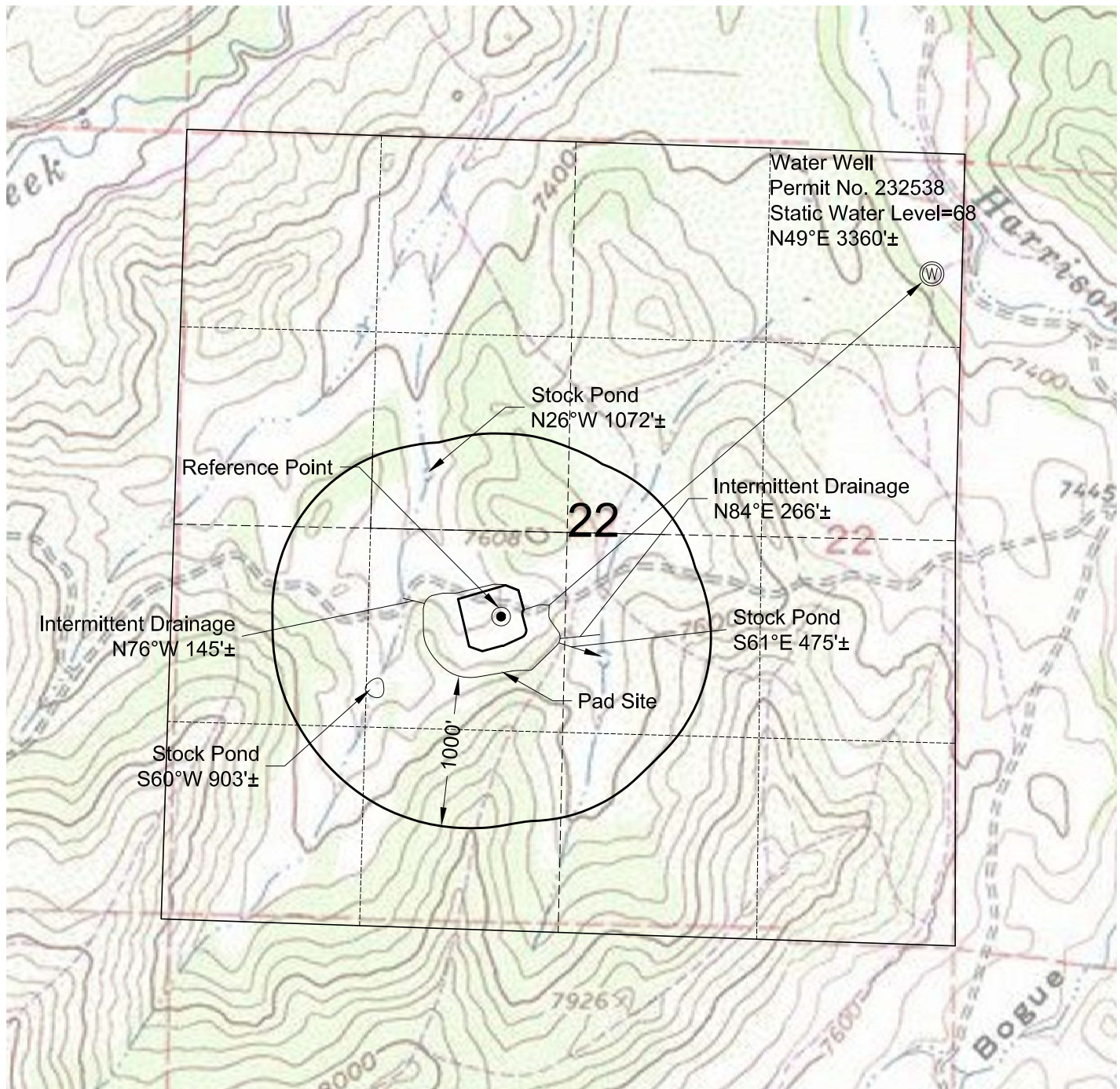


LAND SURVEYING AND MAPPING
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PICEANCE ENERGY, LLC
NVEGA 2B PAD

NE1/4 SW1/4 SECTION 22 T9S R93W
6th PM MESA COUNTY COLORADO

HYDROLOGY MAP



North

0 1000 2000

Graphic Scale in Feet
1" = 1000'



LAND SURVEYING AND MAPPING
LAFAYETTE - WINTER PARK
Ph 303 666 0379 Fx 303 665 6320

PICEANCE ENERGY, LLC
NVEGA 2B PAD

NE1/4 SW1/4 SECTION 22 T9S R93W
6th PM MESA COUNTY COLORADO

3/21/14

Map Unit Description

Douglas-Plateau Area, Colorado, Parts of Garfield and Mesa Counties

47 Hesperus-Empedrado, moist-Pagoda complex 5 to 35 percent slopes

Setting

Elevation: 6200 to 8500 feet
Mean annual precipitation: 18 to 20 inches
Mean annual air temperature: 42 to 44 degrees F
Frost-free period: 85 to 100 days

Composition

Hesperus and similar soils: 35 percent
Empedrado, moist, and similar soils: 30 percent
Pagoda and similar soils: 20 percent

Description of Hesperus

Setting

Landform: Mountainsides
Down-slope shape: Concave
Across-slope shape: Linear
Parent material: Residuum weathered from sandstone and shale

Properties and Qualities

Slope: 5 to 35 percent
Drainage class: Well drained
Capacity of the most limiting layer to transmit water (Ksat): Moderately high (0.20 to 0.60 in/hr)
Frequency of flooding: None
Frequency of ponding: None
Calcium carbonate maximum: 0 percent
Gypsum maximum: 0 percent
Available water capacity: High (about 11.2 inches)

Interpretive Groups

Land capability (non irrigated): 6e
Ecological site: Brushy Loam (R048AY238CO)

Typical Profile

0 to 7 inches: loam
7 to 60 inches: clay loam, loam

Description of Empedrado, moist

Setting

Landform: Benches
Down-slope shape: Linear
Across-slope shape: Linear
Parent material: Colluvium derived from sandstone and shale and/or residuum weathered from sandstone and shale

Properties and Qualities

Slope: 5 to 35 percent
Drainage class: Well drained
Capacity of the most limiting layer to transmit water (Ksat): Moderately high or high (0.57 to 1.98 in/hr)
Frequency of flooding: None
Frequency of ponding: None
Calcium carbonate maximum: 10 percent
Gypsum maximum: 0 percent
Available water capacity: High (about 9.7 inches)

Interpretive Groups

Land capability (non irrigated): 6e
Ecological site: Brushy Loam (R048AY238CO)

Typical Profile

0 to 10 inches: loam
10 to 21 inches: clay loam
21 to 28 inches: gravelly sandy clay loam
28 to 60 inches: loam

Map Unit Description

Douglas-Plateau Area, Colorado, Parts of Garfield and Mesa Counties

Description of Pagoda

Setting

Landform: Benches, mountains

Down-slope shape: Concave, linear

Across-slope shape: Linear

Parent material: Colluvium derived from shale

Properties and Qualities

Slope: 5 to 35 percent

Drainage class: Well drained

Capacity of the most limiting layer to transmit water (Ksat): Moderately low or moderately high (0.06 to 0.20 in/hr)

Frequency of flooding: None

Frequency of ponding: None

Calcium carbonate maximum: 15 percent

Gypsum maximum: 0 percent

Available water capacity: High (about 10.9 inches)

Interpretive Groups

Land capability (non irrigated): 6e

Ecological site: Brushy Loam (R048AY238CO)

Typical Profile

0 to 6 inches: clay loam

6 to 17 inches: clay loam

17 to 27 inches: clay loam, clay

27 to 60 inches: clay loam, clay

Rangeland Productivity and Plant Composition

Douglas-Plateau Area, Colorado, Parts of Garfield and Mesa Counties

Map symbol and soil name	Ecological site	Total dry-weight production			Characteristic vegetation	Rangeland composition
		Favorable year	Normal year	Unfavorable year		
		<i>Lb/Ac</i>	<i>Lb/Ac</i>	<i>Lb/Ac</i>		<i>Pct</i>
47:						
Hesperus	Brushy Loam	3,000	2,000	1,500	Gambel oak	25
					Big bluegrass	10
					Elk sedge	10
					Nodding brome	10
					Arizona fescue	5
					Mountain snowberry	5
					Needleandthread	5
					Saskatoon serviceberry	5
					Western wheatgrass	5
Empedrado, moist	Brushy Loam	3,000	2,000	1,500	Big bluegrass	15
					Gambel oak	15
					Elk sedge	10
					Mountain brome	10
					Saskatoon serviceberry	10
					Slender wheatgrass	7
					Mountain snowberry	5
					Muttongrass	5
					Needleandthread	5
					Western wheatgrass	5

Rangeland Productivity and Plant Composition

Douglas-Plateau Area, Colorado, Parts of Garfield and Mesa Counties

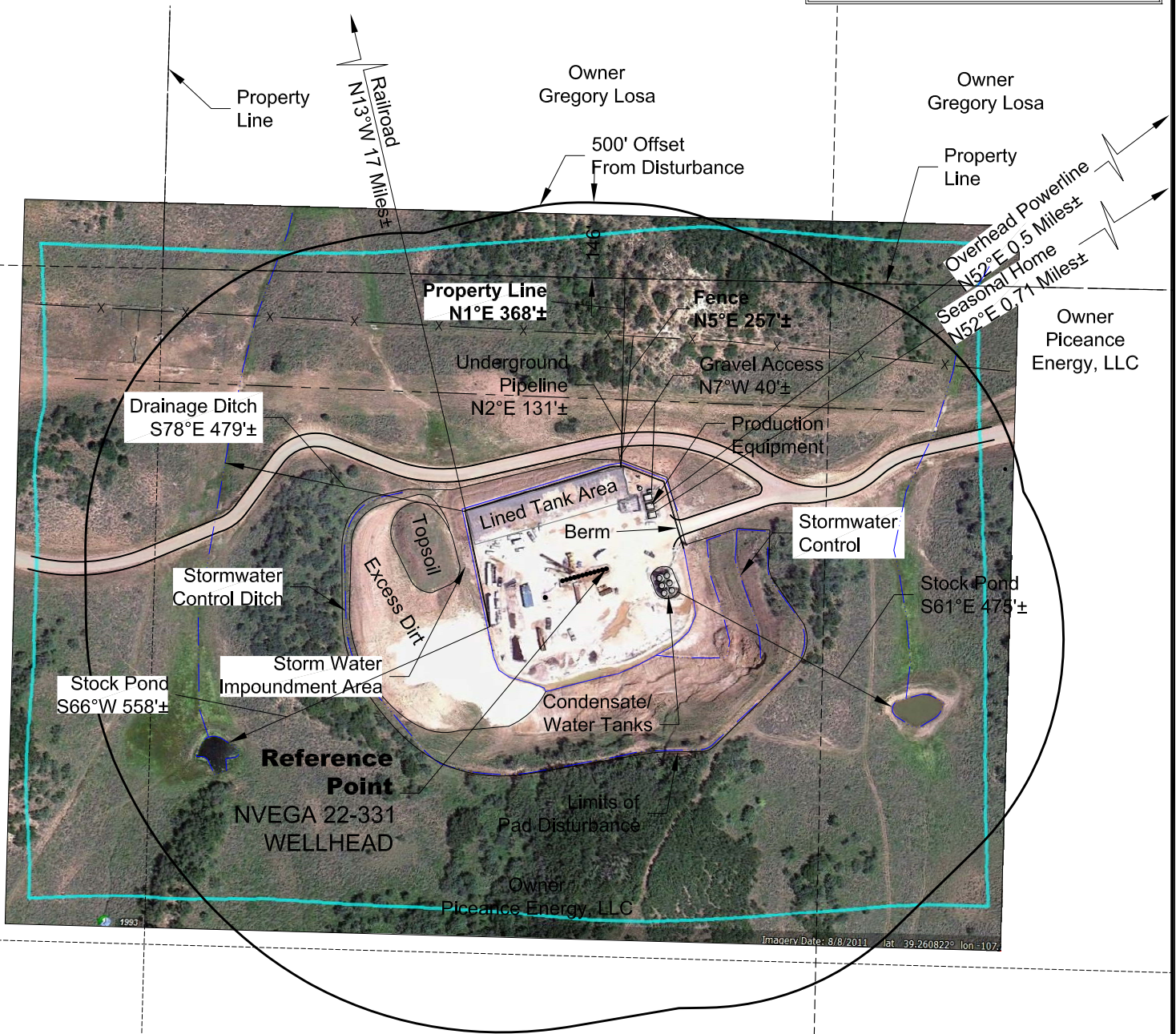
Map symbol and soil name	Ecological site	Total dry-weight production			Characteristic vegetation	Rangeland composition
		Favorable year	Normal year	Unfavorable year		
		<i>Lb/Ac</i>	<i>Lb/Ac</i>	<i>Lb/Ac</i>		<i>Pct</i>
47:						
Pagoda	Brushy Loam	3,000	2,000	1,500	Gambel oak	15
					Mountain brome	10
					Saskatoon serviceberry	10
					Elk sedge	5
					Letterman's needlegrass	5
					Mountain snowberry	5
					Nodding brome	5
					Slender wheatgrass	5

LOCATION DRAWING NVEGA 2B PAD (Existing Well Pad)

VEGETATION:
GRASSES
SURFACE USE:
AGRICULTURAL

REFERENCE POINT

LATITUDE: 39.260870
LONGITUDE: -107.757460
FOOTAGE: 2079 FSL 2202 FWL
GROUND ELEVATION: 7497.0
PDOP: 3.2 DATE: Delta Plat
INSTRUMENT OPERATOR:
Original Delta Survey Plat



DWG: G:\GEO SURV\Laramie\Buzzard-Creek\Delta Wellplat\W 2B Delta Pad\W 2B F2A.dwg USER: E.J.G. DATE: Mar 21, 2014 3:46pm



North

0 300 600

Graphic Scale in Feet
1" = 300'



LAND SURVEYING AND MAPPING
LAFAYETTE - WINTER PARK
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PICEANCE ENERGY, LLC
NVEGA 2B PAD

NE1/4 SW1/4 SECTION 22 T9S R93W
6th PM MESA COUNTY COLORADO

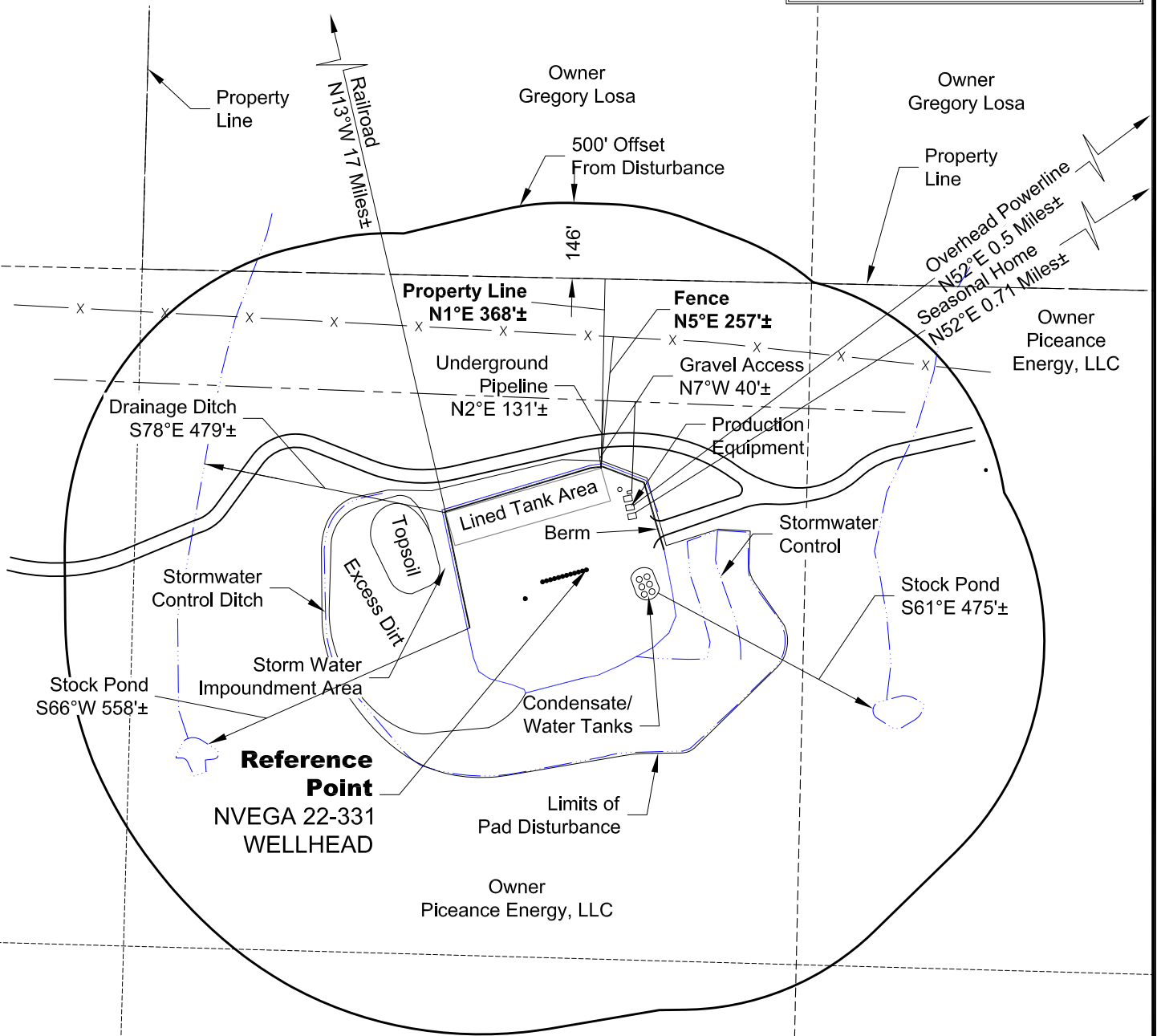
3/21/14

LOCATION DRAWING NVEGA 2B PAD (Existing Well Pad)

VEGETATION:
GRASSES
SURFACE USE:
AGRICULTURAL

REFERENCE POINT

LATITUDE: 39.260870
LONGITUDE: -107.757460
FOOTAGE: 2079 FSL 2202 FWL
GROUND ELEVATION: 7497.0
PDOP: 3.2 DATE: Delta Plat
INSTRUMENT OPERATOR:
Original Delta Survey Plat



DWG: G:\GEO SURV\Laramie\1_\Laramie-Buzzard-Creek\Delta\Wellplat\W 2B Delta Pad\W 2B F2A.dwg USER: E.J.G. DATE: Mar 21, 2014 3:47pm



North

0 300 600

Graphic Scale in Feet
1" = 300'



LAND SURVEYING AND MAPPING
LAFAYETTE - WINTER PARK
Ph 303 666 0379 Fx 303 665 6320

PICEANCE ENERGY, LLC
NVEGA 2B PAD

NE1/4 SW1/4 SECTION 22 T9S R93W
6th PM MESA COUNTY COLORADO

3/21/14