

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:

400480064

Date Received:

09/30/2013

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:

**436708**

Expiration Date:

**04/11/2017**

☒ 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: 47120

Name: KERR-MCGEE OIL & GAS ONSHORE LP

Address: P O BOX 173779

City: DENVER State: CO Zip: 80217-3779

Contact Information

Name: Lauren Kucera

Phone: (720) 929-6107

Fax: (720) 929-7107

email: lauren.kucera@anadarko.com

RECLAMATION FINANCIAL ASSURANCE

- ☒ Plugging and Abandonment Bond Surety ID: 20010124    ☐ Gas Facility Surety ID: \_\_\_\_\_
- ☐ Waste Management Surety ID: \_\_\_\_\_

LOCATION IDENTIFICATION

Name: GEE

Number: 16N-25HZ

County: WELD

QuarterQuarter: NENE Section: 24 Township: 2N Range: 67W Meridian: 6 Ground Elevation: 4858

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: 829 feet FNL from North or South section line

738 feet FEL from East or West section line

Latitude: 40.128433 Longitude: -104.832570

PDOP Reading: 1.6 Date of Measurement: 06/17/2013

Instrument Operator's Name: OWEN MCKEE

## 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

400484954

## FACILITIES

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

Wells	3	Oil Tanks		Condensate Tanks		Water Tanks		Buried Produced Water Vaults	
Drilling Pits		Production Pits		Special Purpose Pits		Multi-Well Pits		Temporary Large Volume Above Ground Tanks	
Pump Jacks	3	Separators		Injection Pumps		Cavity Pumps			
Gas or Diesel Motors		Electric Motors		Electric Generators		Fuel Tanks		Gas Compressors	
Dehydrator Units		Vapor Recovery Unit		VOC Combustor		Flare		LACT Unit	
								Pigging Station	

## OTHER FACILITIES

### Other Facility Type

### Number

GAS PIPELINE	1
Temporary 500 bbl tanks	2
OIL PIPELINE	1

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

Buried pipelines will be utilized to gather the gas and oil product from the location (1 gas pipeline, 1 oil pipeline). Both gas and oil pipelines will be constructed from steel of suitable wall thickness and material grade to meet the respective gathering systems design pressure. Gas pipelines will range in diameter from 4" to 20"; oil pipelines from 4" to 12". Capacity of pipelines will vary based on diameter. Pipelines will begin at the location and terminate at larger trunk lines in the area. Temporary above ground polyethylene water pipelines (diameter 10" – 12" with a 60 BPM capacity) will deliver water to location operations from larger trunk lines. Two 500 barrel skid mounted frac tanks will be temporarily placed on-site for use of the pre-spud rig only. One tank will store water and the other will store water based mud.

## CONSTRUCTION

Date planned to commence construction: 04/14/2014

Size of disturbed area during construction in acres: 10.00

Estimated date that interim reclamation will begin: 07/30/2014

Size of location after interim reclamation in acres: 0.10

Estimated post-construction ground elevation: 4858

## DRILLING PROGRAM

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

Is H<sub>2</sub>S 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? Yes

## DRILLING WASTE MANAGEMENT PROGRAM

Drilling Fluids Disposal: OFFSITE

Drilling Fluids Disposal Method: Commercial Disposal

Cutting Disposal: OFFSITE

Cuttings Disposal Method: Other

Other Disposal Description:

Please see comments section. Disposal description will not fit in space provided.

Beneficial reuse or land application plan submitted? Yes

Reuse Facility ID: \_\_\_\_\_ or Document Number: \_\_\_\_\_

Centralized E&P Waste Management Facility ID, if applicable: 149021

## SURFACE & MINERALS & RIGHT TO CONSTRUCT

Name: William E Gee Trust

Phone: 303-857-9337

Address: 8995 CR 25

Fax: \_\_\_\_\_

Address: \_\_\_\_\_

Email: \_\_\_\_\_

City: Ft. Lupton State: CO Zip: 80621

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 06/10/2013

## 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): Flood Irrigated

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): Flood Irrigated

Subdivided: ☐ Industrial ☐ Commercial ☐ Residential

## CULTURAL DISTANCE INFORMATION

Distance to nearest:

Building: 309 Feet  
Building Unit: 309 Feet  
High Occupancy Building Unit: 5280 Feet  
Designated Outside Activity Area: 5280 Feet  
Public Road: 727 Feet  
Above Ground Utility: 706 Feet  
Railroad: 5280 Feet  
Property Line: 332 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: 08/27/2013

## 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 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: 3 AQUOLLS AND AQUENTS, GRAVELLY SUBSTRATUM

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: 300 Feet

water well: 490 Feet

Estimated depth to ground water at Oil and Gas Location 20 Feet

Basis for depth to groundwater and sensitive area determination:

Sensitive area determination: One or more water wells within this and surrounding qtr-qtrs has a depth to groundwater less than or equal to 20'.

Basis for depth to groundwater: Identified water well (Permit # 284947) located approximately 490' SE of the oil and gas location. Depth to groundwater at water well is 18' and the water well is at an elevation of approximately 4856'.

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 318A

## 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

**Other disposal description:**

Drilling fluids disposal: KMG will reuse oil-based drilling fluids to maximum extent at which point they will be returned to the fluids manufacturer for re-conditioning or disposal at a licensed, commercial disposal site.

Cuttings disposal: Water based cuttings will be used to drill the curve of the well. If the surface owner authorizes, and if it is feasible for this location at the time of drilling, water-based cuttings will be disposed of onsite using bioremediation/solidification product.

If the surface owner does not authorize onsite disposal and/or it is not feasible for this location at the time of drilling, water-based cuttings will be disposed of using a Centralized E&P Waste Management facility or a private spread field. Oil based cuttings will be used to drill the lateral of the well. They will be disposed of offsite and at a licensed, commercial disposal site.

The Gee 16N-25HZ and Gee 16C-25HZ wells will develop the minerals beneath the surface location. The Gee 26C-12HZ well will not.

Community Outreach and Notification: Met with Mrs. Floss and husband on 02/06/14. We discussed hay bales and mag chloride for noise, light and dust mitigation. They are going to think about the hay bales as they are not sure they want them blocking their view for an extended amount of time.

We did discuss the possibility of accessing through the existing oil and gas access that runs diagonal at the top of Mary's property and constructing a new permanent access on the Floss's property. I will continue to vet this option with the Floss's, but this will take a minimum of 1-2 weeks. We would need to execute a permanent access agreement. They were very understanding of our operations and we have discussed their concerns and provided options for mitigation.

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

Signed: \_\_\_\_\_ Date: 09/30/2013 Email: DJRegulatory@anadarko.com

Print Name: Lauren Kucera Title: Regulatory Analyst II

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: 4/12/2014

### **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**

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### **Best Management Practices**

#### **No BMP/COA Type**

#### **Description**

1	Planning	604c.(2).Q. Guy Line Anchors: Should guy line anchors be left buried for future use, they shall be identified by a bright marker greater than four (4) feet high and no more than one (1) foot east of the guy line anchor.
2	Planning	604c.(2).S. Access Roads: KMG will utilize a lease access road from CR25 for drilling operations and maintenance equipment. This access route is contingent upon an agreement with City of Thornton. An alternative access road is also planned off of CR25. Both access routes are illustrated on the attached access road map. The road will be properly constructed and maintained to accommodate for local emergency vehicle access.
3	Planning	604c.(2).V. Development From Existing Well Pads: Drilling from an existing well pad was not feasible for the development of these wells; however, this well pad will be considered for future well locations.
4	Traffic control	604c.(2).D. Traffic Plan: If required by the local government, a traffic plan will be coordinated with the local jurisdiction prior to commencement of operations. Weld County Road 25 is paved and maintained by Weld County and will therefore not require dust mitigation.
5	General Housekeeping	604c.(2).O. Loadlines: All loadlines shall be bullplugged or capped.

6	General Housekeeping	604c.(2).P. Removal of Surface Trash: A commercial size trash bin for removing debris will be located on site. This bin will be for use by all parties affiliated with the operation.
7	Storm Water/Erosion Control	604c.(2).W. Site-specific Measures: KMG maintains a Stormwater Management Plan that assesses erosion control for every KMG operated location. This well pad will be added to this plan once construction begins. This plan is updated every fourteen (14) days and after any major weather event.
8	Material Handling and Spill Prevention	604c.(2).N. Control of Fire Hazards: KMG and its contractors will employ best management practices during the drilling and production of its wells and facilities and will comply with appropriate COGCC rules concerning safety and fire. KMG will ensure that any material that might be deemed a fire hazard will remain no less than twenty-five (25) feet from the wellhead(s), tanks and separator(s).
9	Construction	604c.(2).E. Multiwell Pads: This 2A application is for a three-well pad. Use of this multi-well pad will reduce surface impact.
10	Construction	604c.(2).M. Fencing Requirements: The completed wellsites will be surrounded with a fence and gate with adequate lock to restrict access to authorized personnel only. KMG personnel will monitor the wellsites regularly upon completion of the wells. Authorized representatives and/or KMG personnel shall be on-site during drilling and completion operations.
11	Construction	604c.(2).R. Tank Specifications: Two 500 barrel skid mounted frac tanks will be temporarily placed on-site for use of the pre-spud rig only. One tank will store water and the other will store water based mud.
12	Construction	604c.(2).G. Berm Construction: Kerr McGee will create secondary containment by construction of a berm or diversion dike, site grading, or other comparable measures, sufficient to further protect the canal located 300' northeast of the oil and gas location.
13	Noise mitigation	604c.(2).A. Noise: Pending a safety review after construction of the location, sound mitigation barriers (hay bales) will be placed along the eastern and northern sides of the pad location to damper noise during drilling and completions to the nearby building units. Sound surveys that have been conducted on each rig type are utilized to anticipate any additional noise mitigation once a drilling rig is determined.
14	Drilling/Completion Operations	604c.(2).B. Closed Loop Drilling System: KMG will use a closed loop or "pitless" system for drilling and fluid management and will not construct a reserve pit.
15	Drilling/Completion Operations	604c.(2).C. Green Completions: KMG will install Vapor Recovery Unit(s) (VRU) to prevent uncontrolled venting of flash gas. Environmental Control Devices (ECD) will be used to control working and breathing vapor losses for oil and water tanks. Temporary above ground polyethylene water pipelines will deliver water to location operations from larger trunk lines to reduce truck traffic and minimize air pollution.
16	Drilling/Completion Operations	604c.(2).H. BOPE: Our rigs at a minimum will have a double ram with blind and pipe ram; and annular preventer.
17	Drilling/Completion Operations	604c.(2).I. BOPE Testing for Drilling Operations: Upon initial rig-up, BOPE's will be tested at a minimum of every 30 days.
18	Drilling/Completion Operations	604c.(2).J. BOPE for Well Servicing Operations: Blowout prevention equipment will be used on any servicing operations associated with this well. Backup stabbing valves will be used during any future servicing operations during reverse circulation. Valves shall be pressure tested before each well servicing operation using low-pressure air and high-pressure fluid.
19	Drilling/Completion Operations	604c.(2).K. Pit Level Indicators: All mud tanks (used in lieu of pits) contain pit level monitors with Electronic Drilling Recorders (EDR). KMG uses EDRs with pit level monitor(s) and alarm(s) for production rigs. Basic level gages are used on tanks utilized for the surface rig.
20	Drilling/Completion Operations	604c.(2).L. Drill Stem Tests: No drill stem tests are planned and none will be performed without prior approval from the director.
21	Final Reclamation	604c.(2).T. Well Site Cleared: The wellsite will be cleared of all non-essential equipment within ninety (90) days after all wells associated with the pad have been plugged and abandoned.
22	Final Reclamation	604c.(2).U. Identification of Plugged and Abandoned Wells: Pursuant to rule 319.a.(5)., once the well has been plugged and abandoned, KMG will identify the location of the wellbore with a permanent monument that will detail the well name and date of plugging.

Total: 22 comment(s)

### **Attachment Check List**

<b><u>Att Doc Num</u></b>	<b><u>Name</u></b>
1696147	LOCATION DRAWING
2086815	RULE 306.E. CERTIFICATION
2086852	OTHER
400480064	FORM 2A SUBMITTED
400480961	SURFACE AGRMT/SURETY
400480963	NRCS MAP UNIT DESC
400480964	LOCATION DRAWING
400480965	ACCESS ROAD MAP
400480966	WELL LOCATION PLAT
400480969	LOCATION PICTURES
400480974	WASTE MANAGEMENT PLAN
400486819	HYDROLOGY MAP
400486821	MULTI-WELL PLAN

Total Attach: 13 Files



## General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Final Review Completed. No LGD or public comment received.	4/2/2014 4:09:04 PM
Permit	Per operator the Trailer has been reclassified as a Building Unit. Changed the distance to nearest Building Unit from 319' to 309'. Received and attached updated Location Drawing. Attached 306.e Cert is dated 11/2013 is valid. ok to pass.	4/2/2014 4:07:47 PM
Permit	ON HOLD: Requesting operator confirm distance to nearest Building Unit. form 2A = 319' Location Drawing = 649'. If 319' Need updated Location Drawing. Operator needs to confirm standing of Trailer 319' from well. Attached 306.e Cert is dated 11/2013.	3/25/2014 10:51:21 AM
OGLA	Added revised noise BMP as provided by KM.	3/7/2014 3:49:05 PM
OGLA	Requesting clarification of noise BMP.	3/6/2014 2:04:42 PM
Permit	Per operator added Community Outreach comment. "Community Outreach and Notification: Met with Mrs. Floss and husband on 02/06/14. We discussed hay bales and mag chloride for noise, light and dust mitigation. They are going to think about the hay bales as they are not sure they want them blocking their view for an extended amount of time. We did discuss the possibility of accessing through the existing oil and gas access that runs diagonal at the top of Mary's property and constructing a new permanent access on the Floss's property. I will continue to vet this option with the Floss's, but this will take a minimum of 1-2 weeks. We would need to execute a permanent access agreement. They were very understanding of our operations and we have discussed their concerns and provided options for mitigation."	2/7/2014 10:32:22 AM
Permit	Per operator an additional Building Unit owner was discovered. A Notice of Intent to Conduct Operations was sent 12/11/2013. ON HOLD: for 30 days.	12/18/2013 8:18:39 AM
Final Review	Received and attached Rule 305.a Certification and Rule 306.e Certification.	11/25/2013 8:39:30 AM
OGLA	The Operator is working to determine if the trailer meets the definition of a building unit.	11/12/2013 8:31:30 AM
Final Review	ON HOLD: Requesting comment about trailer 319' from wellsite and 306.e Certification and 305.a Notice of Intent to Operate.	11/8/2013 9:59:18 AM
OGLA	Production facilities referenced on Form 2A (400484954) are in "draft".	11/1/2013 11:37:48 AM
Permit	Per operator the building unit at 319' is 'The trailer is currently a temporary living quarters for the tenant farmer on the farm. " Notice was sent on 8/27.	10/15/2013 11:30:33 AM
Permit	ON HOLD: requesting confirmation of distance to nearest Building unit. form 2A = 319' Location Drawing = 649'.	10/9/2013 1:41:10 PM
Permit	Passed completeness.	10/1/2013 10:38:23 AM

Total: 14 comment(s)