

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:

400542277

Date Received:

03/28/2014

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:

437060

Expiration Date:

05/04/2017

☐ 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: Cheryl Light

Phone: (720) 929-6461

Fax: (720) 929-7461

email: cheryl.light@anadarko.com

RECLAMATION FINANCIAL ASSURANCE

☒ Plugging and Abandonment Bond Surety ID: 20010124 ☐ Gas Facility Surety ID: _____

☐ Waste Management Surety ID: _____

LOCATION IDENTIFICATION

Name: REYNOLDS CATTLE TANK BATTERY Number: 31C-23HZ

County: WELD

QuarterQuarter: NENE Section: 23 Township: 3N Range: 68W Meridian: 6 Ground Elevation: 4936

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: 745 feet FNL from North or South section line

1071 feet FEL from East or West section line

Latitude: 40.216874 Longitude: -104.964665

PDOP Reading: 6.0 Date of Measurement: 09/23/2013

Instrument Operator's Name: BEN HARDENBERGH

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 #

Production Facilities Location serves Well(s)

336203

336063

436446

FACILITIES

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

Wells	Oil Tanks	Condensate Tanks	1	Water Tanks	1	Buried Produced Water Vaults
Drilling Pits	Production Pits	Special Purpose Pits		Multi-Well Pits		Temporary Large Volume Above Ground Tanks
Pump Jacks	Separators	11	Injection Pumps	Cavity Pumps		
Gas or Diesel Motors	Electric Motors		Electric Generators	Fuel Tanks		Gas Compressors
Dehydrator Units	Vapor Recovery Unit	3	VOC Combustor	4	Flare	LACT Unit 1
						Pigging Station

OTHER FACILITIES

Other Facility Type

Number

Oil pipeline	1
Flow lines	39
Gas pipeline	3

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

Please see Comments section. Description of pipelines and flow lines does not fit in space provided.

CONSTRUCTION

Date planned to commence construction: 04/30/2014 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: 5.00

Estimated post-construction ground elevation: 4936

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: Reynolds Cattle Company

Phone: 303-776-3913

Address: 7541 CR 26.75

Fax: _____

Address: _____

Email: _____

City: Longmont State: CO Zip: 80504

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 12/30/2013

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: 865 Feet
Building Unit: 928 Feet
High Occupancy Building Unit: 3390 Feet
Designated Outside Activity Area: 5280 Feet
Public Road: 745 Feet
Above Ground Utility: 719 Feet
Railroad: 5280 Feet
Property Line: 745 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: 02/07/2014

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: 34 KIM LOAM, 5 TO 9 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: 820 Feet

water well: 2849 Feet

Estimated depth to ground water at Oil and Gas Location 26 Feet

Basis for depth to groundwater and sensitive area determination:

Sensitive area determination: Surface water feature within 1000'.

Basis for depth to groundwater: Identified water well (Permit # 75104) located approximately 2849' northwest of the proposed oil and gas location. Depth to groundwater at water well is 15' and the water well is at an elevation of approximately 4925'.

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

The existing facilities to the north (depicted as #8 on the attached location drawing) of the proposed oil and gas location will be removed.

Pipelines: Buried pipelines will be utilized to gather the gas and oil product from the location (3 gas pipelines, 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.

Flow Lines: 13 flow lines will flow to the production facility location. During production, flow direction in the flow lines is from the well head to the production facility. The size of flow lines is typically 2". Flow lines will be constructed from steel pipe, buried, and will equal the distance between the well heads and the tank battery, approximately 4000'.

13 fuel gas supply lines will also be installed from the well head to the production facility. During operation flow direction in the supply lines will be from the production facility to the well head. The size of the supply lines is typically 1". Supply lines will be constructed from poly or steel pipe, buried, and will equal the distance between the well heads and the tank battery, approximately 4000'.

Gas lift lines are also occasionally installed (one per well) from the well head to the production facility. During operation flow direction in the gas lift lines will be from the production facility to the well head. The size of the gas lift lines is typically 2". Gas lift lines will be constructed from steel pipe, buried, and will equal the distance between the well heads and the tank battery, approximately 4000'.

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

Signed: _____ Date: 03/28/2014 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: Matthew Lee Director of COGCC Date: 5/5/2014

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).R. Tank Specifications: A geosynthetic liner will be laid under the tanks on this location and a metal containment will be constructed. Storage tanks will be designed, constructed and maintained in accordance with National Fire Protection Association (NFPA) Code 30 (2008 version). KMG will maintain written records to verify proper design, construction and maintenance. All records will be available for inspection by the Director.
2	Planning	604c.(2).S. Access Roads: KMG will utilize a lease access road from Weld County Road 32 for drilling operations and maintenance equipment. The road will be properly constructed and maintained to accommodate for local emergency vehicle access. Water will be placed on dirt access roads to mitigate dust as needed. If feasible, magnesium chloride will also be used as needed on access roads to further abate dust.
3	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.
4	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 location will be added to this plan once construction begins. This site will be inspected every fourteen (14) days during construction activities, every thirty (30) days after construction is completed, and after any major weather event.
5	Material Handling and Spill Prevention	604c.(2).F. Leak Detection Plan: Automation technology will be utilized at this facility. This technology includes the use of fluid level monitoring for the tanks and produced water sumps, high-level shut offs, and electronic sensors to monitor the interstitial space of double-walled produced water sumps. All automation is monitored by Kerr-McGee's Integrated Operations Center (IOC,) which is manned 24 hours per day, 7 days per week.
6	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).
7	Construction	604c.(2).G. Berm Construction: A geosynthetic liner will be laid under the tanks on this location and a metal containment will be constructed. Berms or other secondary containment devices will be constructed around crude oil, condensate, and produced water storage tanks and shall enclose an area sufficient to contain and provide secondary containment for 150% of the largest single tank. Kerr-McGee will create tertiary containment by construction of a berm or diversion dike, site grading, or other comparable measures sufficient to further protect the ditch located 820' west of the proposed oil and gas location.
8	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 or Volatile Organic Compound Combustors (VOC) 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.
9	Drilling/Completion Operations	604c.(2).K. Pit Level Indicators: All 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 gauges are used on tanks utilized for the surface rig.

Total: 9 comment(s)

Attachment Check List

<u>Att Doc Num</u>	<u>Name</u>
2086286	FACILITY LAYOUT DRAWING
400542277	FORM 2A SUBMITTED
400579858	HYDROLOGY MAP
400579861	NRCS MAP UNIT DESC
400579863	OTHER
400579866	LOCATION PICTURES
400579867	ACCESS ROAD MAP
400579873	LOCATION DRAWING
400579876	WASTE MANAGEMENT PLAN
400579877	SURFACE AGRMT/SURETY

Total Attach: 10 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Final Review Completed. LGD comment addressed (see BMP's on form 2A); no public comment received.	5/5/2014 8:55:09 AM
OGLA	Uploaded new Facility Layout Drawing showing distances to nearest building and building unit measured from facilities rather than the edge of proposed disturbance area. BMPs provided are reasonable for a tank battery location.	5/2/2014 12:36:14 PM
Permit	The Certification of Compliance with Rule 305.a is under other. ok to pass.	4/15/2014 9:08:45 AM
LGD	<p>The access route involves using Town of Mead streets and roads. Therefore, the operator is required to have Rig Move permits, and obtain overweight permits for all other vehicles exceeding 80,000 lbs.</p> <p>It is recommended that sound mitigation measures be installed to protect residential neighborhoods</p> <p>It is recommended that light mitigation measures be installed to protect residential neighborhoods</p> <p>It is recommended that a "closed loop system" and they utilize a "Green Completion" process.</p> <p>It is requested that landscaping be installed on the west side of the tank battery area.</p> <p>Please provide a transportation route map for mobilization, drilling, hauling and e p removal.</p> <p>All tanks need to have a 75' setback from the road right-of-way.</p> <p>The proposed access road connects to Town streets and roads. Therefore, the first 50 length of the access road be paved. And, that the road conforms to Town standards for o/g access roads.</p> <p>Please provide fence detail. It is recommended that fences conform to Town fence standard.</p> <p>Please indicate the height of all equipment.</p>	4/14/2014 1:12:51 PM
Permit	This form has passed completeness.	3/31/2014 9:19:07 AM

Total: 5 comment(s)