

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:

400566625

Date Received:

03/14/2014

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:

437633

Expiration Date:

06/17/2017

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: 10492
Name: AGAVE OIL & GAS LLC
Address: 512 MAIN STREET #600
City: FORT WORTH State: TX Zip: 76102

Contact Information

Name: Andrea Gross
Phone: (303) 942-0506
Fax: ()
email: agross@upstreampm.com

RECLAMATION FINANCIAL ASSURANCE

Plugging and Abandonment Bond Surety ID: 20140025 Gas Facility Surety ID: _____
 Waste Management Surety ID: _____

LOCATION IDENTIFICATION

Name: Haas Number: 1-29

County: ELBERT

Quarter: NWSE Section: 29 Township: 7S Range: 62W Meridian: 6 Ground Elevation: 6166

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: 1939 feet FSL from North or South section line

1747 feet FEL from East or West section line

Latitude: 39.409610 Longitude: -104.354500

PDOP Reading: 1.1 Date of Measurement: 01/27/2014

Instrument Operator's Name: Rob Daley

DRILLING WASTE MANAGEMENT PROGRAM

Drilling Fluids Disposal: OFFSITE Drilling Fluids Disposal Method: Land application

Cutting Disposal: OFFSITE Cuttings Disposal Method: Commercial Disposal

Other Disposal Description:

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: Max & Delores Haas

Phone: 303-621-2022

Address: 37710 Comanche Creek Road

Fax: _____

Address: _____

Email: _____

City: Kiowa State: CO Zip: 80117

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 01/14/2014

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): _____

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: 2044 Feet
Building Unit: 2044 Feet
High Occupancy Building Unit: 5280 Feet
Designated Outside Activity Area: 5280 Feet
Public Road: 1087 Feet
Above Ground Utility: 1068 Feet
Railroad: 5280 Feet
Property Line: 620 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: 6-Bresser sandy loam, 4 to 8 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: Prairie sandreed, Blue grama, Sideoats grama, Needleandthread, Prairie junegrass, Little bluestem, Sand droppsed, Western wheatgrass, Sand bluestem, Prairie sagewort, Fendler threawn, Sedge

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: 550 Feet

water well: 2375 Feet

Estimated depth to ground water at Oil and Gas Location 399 Feet

Basis for depth to groundwater and sensitive area determination:

The location was marked sensitive due to proximity of surface water and the location lies in the Kiowa Bijou designated water basin.

Depth to groundwater is reported at 21 feet based on DWR Permit #5118.

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 Elbert County will apply BMPs as conditions of approval to the Elbert County Oil and Gas Permit. Agave is working with Elbert County through the Memorandum of Understanding process which is running concurrently with the state permit.

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

Signed: _____ Date: 03/14/2014 Email: agross@upstreampm.com

Print Name: Andrea Gross Title: Permit Agent

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: 6/18/2014

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>
	The proposed location lies in a sensitive area in proximity of surface water and within the area of a designated water basin. Containment areas shall be lined with an impervious liner and berms shall be impervious and constructed with structurally stable materials.

Best Management Practices

<u>No</u>	<u>BMP/COA Type</u>	<u>Description</u>
1	Storm Water/Erosion Control	Agave will implement a storm water and erosion plan to prevent sedimentation and erosion.

Total: 1 comment(s)

Attachment Check List

<u>Att Doc Num</u>	<u>Name</u>
400566625	FORM 2A SUBMITTED
400566768	CONST. LAYOUT DRAWINGS
400566769	HYDROLOGY MAP
400566770	LOCATION DRAWING
400566830	LOCATION PICTURES
400566836	REFERENCE AREA MAP
400566838	REFERENCE AREA PICTURES
400572279	ACCESS ROAD MAP
400572280	NRCS MAP UNIT DESC

Total Attach: 9 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Final review completed; no LGD or public comment received.	6/18/2014 11:47:32 AM
OGLA	Removed the comment: "Depth to groundwater was determined from Water Well Permit #40043 which is located in Sec. 28, T7S, R62W." Depth to groundwater is approximately 21 feet based on DWR Permit #5118.	6/18/2014 11:05:41 AM
OGLA	Per Operator email dated June 4, 2014 Added "Agave does not foresee any pipeline installation until the wells have been drilled, tested, completed and if any production volumes exist, the facilities will be engineered on the pressures and volumes determined by the well. As, this is a rank wildcat well, Agave will utilize tanks to hold all oil and water which will be collected transported via truck. Any gas will be flared under Colorado air quality regulations. Additional Info: Lines from wellhead to separator/treater will probably be 2" Schedule 40 steel epoxy coated. Lines from separator/treater: oil dumplines will be 3" SDR-11 polypipe, water dumplines will be 2" SDR-11 poly. All lines will be buried 48" deep." Changed Drilling Fluids Disposal to OFFSITE and Commercial Disposal based on June 18, 2014 telephone conversation with Operator. Added "Drilling fluids will be disposed of at a commercial landfarming facility" to Other Disposal Description based on June 18, 2014 telephone conversation with Operator. Changed nearest Building Location to 2044 to agree with nearest Building Unit Location.	6/10/2014 1:00:03 PM
Permit	This form has passed completeness.	3/17/2014 7:44:50 AM

Total: 4 comment(s)