

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>36</u>	Condensate Tanks	<u> </u>	Water Tanks	<u>12</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>2</u>
Dehydrator Units	<u> </u>	Vapor Recovery Unit	<u>1</u>	VOC Combustor	<u>26</u>	Flare	<u> </u>	LACT Unit	<u>1</u>
								Pigging Station	<u> </u>

OTHER FACILITIES

Other Facility Type

Number

<u>Other Facility Type</u>	<u>Number</u>

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

13 Oil Pipelines, 13 Gas Pipelines, 13 Water Pipelines
Production equipment for existing wells Genesis #3 (API 123-11504) and Genesis #9-2 (API 05-123-36474) will be relocated from current location to this pad per SUA and City of Greeley requirements

CONSTRUCTION

Date planned to commence construction: 10/01/2014 Size of disturbed area during construction in acres: 7.00

Estimated date that interim reclamation will begin: 07/01/2015 Size of location after interim reclamation in acres: 7.00

Estimated post-construction ground elevation: 4876

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: Land application

Cutting Disposal: OFFSITE Cuttings Disposal Method: Other

Other Disposal Description:

Existing contract with farmer to spread cuttings

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: Greeley-Rothe, LLC Phone: _____
 Address: 7100 E. Belleview Ave. Fax: _____
 Address: Suite 350 Email: _____
 City: Greenwood State: CO Zip: 80111
Village

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 07/24/2013

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: 981 Feet
Building Unit: 1149 Feet
High Occupancy Building Unit: 5280 Feet
Designated Outside Activity Area: 5280 Feet
Public Road: 306 Feet
Above Ground Utility: 710 Feet
Railroad: 5280 Feet
Property Line: 328 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: 47, Olney fine sandy loam, 1 to 3 percent slopes
NRCS Map Unit Name: 37, Nelson fine sandy loam, 0 to 3 percent slopes
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: 683 Feet

water well: 2915 Feet

Estimated depth to ground water at Oil and Gas Location 28 Feet

Basis for depth to groundwater and sensitive area determination:

Offset water well

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: No

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 30-day surface owner large equipment notice has been waived by surface owner in the SUA (highlighted). The surface owner has also acknowledged the setback exception location request. K.P. Kauffman Company, Inc. requests approval of a rule 318Aa exception location given that proposed location is closer than 500' from the section line, the request has been made through the APDs for each well on this pad. The surface owner has also acknowledged adding a new pad in the same quarter quarter where existing well is greater than fifty feet away. K.P. Kauffman Company, Inc. requests approval of a rule 318Ac exception location. The request has been made through the APDs for each well on this pad. A USR permit with the City of Greeley is currently under final review. Production equipment for existing wells Genesis #3 (API 123-11504) and Genesis #9-2 (API 05-123-36474) will be relocated from current location to this pad per SUA and City of Greeley requirements

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

Signed: _____ Date: _____ Email: slaramesa@kpk.com

Print Name: Susana Lara-Mesa Title: VP Engineering

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

1	Planning	604c.(2).E. – Multiwell Pads: KPK has been working with the Surface owner and future developer to accommodate the drilling, completion, and production operations with their future plans. However, production facilities for Location 437277 will be combined with the new wells in order to minimize the footprint. Only existing roads will be used, and equipment to allow for emergency response vehicles to access the location. If necessary, noise mitigation will be installed without causing additional disturbance to the location.
2	Planning	604c.(2).V. – Existing pad: Due to surface use, there is no existing pad nearby to accommodate the number of wells proposed on this pad. However, production facilities for Location 336641 will be combined with the new wells in order to minimize the footprint.
3	Planning	o 604c.(2).W. – Site-specific measures: Operator may develop dust abatement plan to properly maintain Highway 60 to minimize dust. A lighting plan will be used in order to minimize impact on building SW of location (1149').
4	Planning	604c.(2).I. BOPE Testing: KPK will subcontract a testing company to test the BOPE and pipe once every 30 days or once per well for high pressure. Once installed, KPK will test the BOPE and ancillary equipment to 400 psi and 10% maximum leak off.
5	Planning	604c.(2).U. – Abandoned Wells: All abandoned wells will be marked per Rule 319.a.(5)
6	Traffic control	604c.(2).D. – Traffic: KPK is currently working with the City of Greeley developing a USR that covers a traffic plan is required.
7	General Housekeeping	Housekeeping will consist of neat and orderly storage of materials and fluids. Wastes will be temporarily stored in sealed containers and regularly collected and disposed of at offsite suitable facilities according to WMP. If spills occur prompt cleanup is required to minimize any commingling of waste materials with stormwater runoff. Routine maintenance will be limited to fueling and lubrication of equipment. Drip pans will be used during routine fueling and maintenance to contain spills or leaks. Any waste product from maintenance will be containerized and transported offsite for disposal at a certified facility. There will be no major equipment overhauls conducted onsite. Equipment will be transported offsite for major overhauls. Cleanup of trash and discarded materials will be conducted at the end of each workday. Cleanup will consist of patrolling the roadway, access areas, and other work areas to pick up trash, scrap debris, other discarded materials, any contaminated soil, and dust control on location. Materials will be disposed of properly.
8	General Housekeeping	604c.(2).P. – Trash: All unused material, trash, debris, etc. will be hauled off location during production operations. A commercial bin will be installed on location during drilling and completion operations.

9	General Housekeeping	604c.(2).N. – Fire Hazards: KPK will remove unused flammable material and stored at least 25' from the wellhead or electrical equipment.
10	General Housekeeping	604c.(2).T. – Abandoned Wellsite: Within 90 days after abandonment activities, all equipment, trash, debris, etc. will be removed from location.
11	Storm Water/Erosion Control	Storm Water Management Plan (SWMP) will be in place to address construction, drilling and operations associated with oil and gas development throughout the state of Colorado in accordance with Colorado Department of Public Health and Environment (CDPHE) General Permit rules. BMP's used will vary according to location, and will remain in place until the pad reached final reclamation.
12	Material Handling and Spill Prevention	Spill Prevention Control and countermeasure plan (SPCC) is in place to address construction, drilling and operations associated with oil and gas development throughout the state of Colorado in accordance with CFR 112.
13	Material Handling and Spill Prevention	604c.(2).F. – Leak Detection Plan: Leak detection plan will be developed based on CDPHE Reg 3 and Reg 7 with a AVO inspection performed at least once per month.
14	Construction	<p>Secondary containment will be built with steel berms and liner for flood control.</p> <p>Location will be built sloped in the opposite direction of the river. Containment berms will be placed around location.</p> <p>Production facilities will be built 3 ft above ground level for flood protection.</p> <p>A berm will be built upstream of the well heads and the access road for flood protection.</p>
15	Construction	604c.(2).G. – Berms: All berms will be lined with a geosynthetic liner and metal berms capable of containing 150% of the largest tank installed. The production facility will be built sloped in the opposite direction of the river.
16	Construction	604c.(2).S. – Access Roads: The existing access road will be improved to accommodate local emergency vehicle access requirements.
17	Construction	604c.(2).M. This facility will have a locked gate and fence based on surface owner and City of Greeley requirements.
18	Construction	604c.(2).Q. – Line Anchors: All anchors used for surface rigs will be flagged no less than 4' in height.
19	Construction	604c.(2).R. – Tanks: All storage tanks will be installed based on NFPA Code 30. KPK will maintain records to verify proper design, construction and maintenance and will be made available upon request by the Director.
20	Noise mitigation	<p>All equipment and trucks used to construct the well pad will be registered and equipped with noise suppression mufflers</p> <p>Mufflers will be installed on all equipment during drilling and completion operations to minimize engine noise.</p> <p>Given the distance from the well location to the nearest receptor, a noise barrier will be installed around the interim pad.</p> <p>Production activities that are known to produce higher than normal noise levels, will be carried out during the day in order to minimize disturbance to neighboring houses.</p> <p>The separation equipment will be installed as far as possible from the residence building.</p>
21	Noise mitigation	604c.(2).A. – Noise: KPK will install a sound mitigation will be installed in the direction of the house located 1149' SW of the pad during drilling and completion operations. The wall will be designed based on noise modeling plan developed based on a noise survey performed on the drilling rig to be used. A future assessment will be made for the production facilities based on well performance and equipment required to produce the wells in an economic matter.

22	Noise mitigation	604c.(2).C. – Green Completions: Flowlines and production equipment will be capable of handling green completions per Rule 805. Flowback equipment will be designed in order to handle at least 1.5 times the amount of any known volumes based on surrounding production. Once the flowback shows gas production, the wells will be connected to the sales line.
23	Drilling/Completion Operations	604c.(2).O. – Loadlines: All loadlines will be bullplugged or capped.

Total: 23 comment(s)

Attachment Check List

<u>Att Doc Num</u>	<u>Name</u>
400455444	NRCS MAP UNIT DESC
400596097	LOCATION PICTURES
400608062	SURFACE AGRMT/SURETY
400609281	WASTE MANAGEMENT PLAN
400626955	ACCESS ROAD MAP
400626962	HYDROLOGY MAP
400627376	EXCEPTION LOC REQUEST
400639196	LOCATION DRAWING
400640921	MULTI-WELL PLAN
400640922	FACILITY LAYOUT DRAWING

Total Attach: 10 Files

General Comments

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

Total: 0 comment(s)