

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:

2090894

Date Received:

05/30/2014

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:

438081

Expiration Date:

07/10/2017

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: 10498
Name: H2E OPERATIONS LLC
Address: 2150 ANDREA LANE
City: FORT MYERS State: FL Zip: 33912

Contact Information

Name: JACE SMITH
Phone: (406) 490-2838
Fax: ()
email: JACESMITH@HOTMAIL.COM

RECLAMATION FINANCIAL ASSURANCE

Plugging and Abandonment Bond Surety ID: 20140015 Gas Facility Surety ID: _____
 Waste Management Surety ID: _____

LOCATION IDENTIFICATION

Name: H2E SCHAAL Number: 3-4-22-10-45

County: KIT CARSON

Quarter: SWSE Section: 22 Township: 10S Range: 45W Meridian: 6 Ground Elevation: 4335

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: 924 feet FSL from North or South section line

1836 feet FEL from East or West section line

Latitude: 39.160830 Longitude: -102.414750

PDOP Reading: 2.8 Date of Measurement: 01/15/2014

Instrument Operator's Name: ELIJAH FRANE

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>1</u>	Oil Tanks	<u>2</u>	Condensate Tanks	<u> </u>	Water Tanks	<u>2</u>	Buried Produced Water Vaults	<u> </u>
Drilling Pits	<u>1</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>1</u>	Separators	<u>1</u>	Injection Pumps	<u> </u>	Cavity Pumps	<u> </u>		
Gas or Diesel Motors	<u> </u>	Electric Motors	<u>1</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> </u>	Flare	<u> </u>	LACT Unit	<u> </u>
								Pigging Station	<u> </u>

OTHER FACILITIES

Other Facility Type

Number

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

2" steel from the wellhead to the separator
2" steel or poly from the separator to the production facilities

CONSTRUCTION

Date planned to commence construction: 07/01/2014 Size of disturbed area during construction in acres: 2.10
Estimated date that interim reclamation will begin: 09/01/2014 Size of location after interim reclamation in acres: 1.00
Estimated post-construction ground elevation: 4335

DRILLING PROGRAM

Will a closed loop system be used for drilling fluids: No

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: ONSITE Drilling Fluids Disposal Method: Evaporation

Cutting Disposal: ONSITE Cuttings Disposal Method: Other

Other Disposal Description:

CUTTINGS DISPOSAL: REINCORPORATE INTO SOIL. DRILLING FLUIDS DISPOSAL METHODS: DRY AND INCORPORATE.

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: LEO SCHAAL

Phone: _____

Address: P O BOX 752

Fax: _____

Address: _____

Email: _____

City: BURLINGTON State: CO Zip: 80807

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 02/10/2014

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: 2581 Feet
Building Unit: 2581 Feet
High Occupancy Building Unit: 5280 Feet
Designated Outside Activity Area: 5280 Feet
Public Road: 910 Feet
Above Ground Utility: 897 Feet
Railroad: 5280 Feet
Property Line: 924 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: WAGES LOAM 0 TO 2 PERCENT SLOPES
NRCS Map Unit Name: WELD SILT LOAM, 0 TO 2 PERCENT SLOPES
NRCS Map Unit Name: WAGES LOAM 6 TO 15 PERCENT SLOPES

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: 2517 Feet

water well: 1235 Feet

Estimated depth to ground water at Oil and Gas Location 65 Feet

Basis for depth to groundwater and sensitive area determination:

ASK LANDOWNER

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

STOCK WATER WELLS WILL BE SAMPLED PRIOR TO CONSTRUCTION ACTIVITIES.

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

Signed: _____ Date: 03/18/2014 Email: JACESMITH@HOTMAIL.COM

Print Name: JACE SMITH Title: PETRO ENG ADVISOR

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: 7/11/2014

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>

Best Management Practices

<u>No BMP/COA Type</u>	<u>Description</u>

Attachment Check List

<u>Att Doc Num</u>	<u>Name</u>
2090894	FORM 2A SUBMITTED
2090895	LOCATION DRAWING
2090897	REFERENCE AREA MAP
2090898	HYDROLOGY MAP
2090899	TOPO MAP
2090900	LOCATION PICTURES
2090901	LOCATION PICTURES
2090902	REFERENCE AREA PICTURES
2519141	NRCS MAP UNIT DESC
2519142	ACCESS ROAD MAP

Total Attach: 10 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Final review completed; no LGD or public comment received.	7/10/2014 9:15:38 AM
OGLA	Per Operator telephone call on July 8, 2014, pipelines will consist of 2" steel from the wellhead to the seperator and 2" steel or poly from the seperator to the production facilities	7/8/2014 3:56:52 PM
OGLA	Per Operator telephone call in July 8, 2014, all Reference Area and Location Photographs were taken on January 15, 2014, the date the well was staked.	7/8/2014 3:54:04 PM
OGLA	Reference and Location Photographs need to include the date when the photographs were taken. Need Pipeline Information.	7/2/2014 5:13:25 PM
OGLA	Changed Sensitrive Area to YES. The Proposed Location lies within a Designated Groundwater Management Area and Basin. No addition sensitive receptors were identified warrenting additional COAs.	7/2/2014 5:07:23 PM
Permit	Attached NRCS Map Unit Survey.	5/3/2014 1:59:40 PM
Permit	Removed remote facility notation. Revised distance to designated outside activity area and high occupancy building.	5/3/2014 1:34:42 PM
Permit	Passed completeness. Missing NCRS attachment.	5/2/2014 2:35:33 PM

Total: 8 comment(s)