

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:

400665689

Date Received:

08/22/2014

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:

**439116**

Expiration Date:

**09/25/2017**

☒ 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: 10485

Name: VERDAD OIL & GAS CORPORATION

Address: 5950 CEDAR SPRINGS RD #200

City: DALLAS    State: TX    Zip: 75235

Contact Information

Name: Sauna DeMattee

Phone: (720) 299-4495

Fax: ( )

email: sdemattee@progressivepcs.net

RECLAMATION FINANCIAL ASSURANCE

☒ Plugging and Abandonment Bond Surety ID: 20130094    ☐ Gas Facility Surety ID: \_\_\_\_\_

☐ Waste Management Surety ID: \_\_\_\_\_

LOCATION IDENTIFICATION

Name: Pastelak    Number: 01N-64W-02

County: WELD

QuarterQuarter: NWNW    Section: 2    Township: 1N    Range: 64W    Meridian: 6    Ground Elevation: 5014

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: 215 feet FNL from North or South section line

1256 feet FWL from East or West section line

Latitude: 40.087060    Longitude: -104.523310

PDOP Reading: 2.2    Date of Measurement: 06/24/2014

Instrument Operator's Name: KYLE E. RUTZ

## 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>9</u>	Oil Tanks	<u>6</u>	Condensate Tanks	<u>      </u>	Water Tanks	<u>2</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>4</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>1</u>
Dehydrator Units	<u>      </u>	Vapor Recovery Unit	<u>      </u>	VOC Combustor	<u>2</u>	Flare	<u>      </u>	LACT Unit	<u>      </u>
								Pigging Station	<u>      </u>

## OTHER FACILITIES

### Other Facility Type

### Number

Heater Treaters Planned

2

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

Intra flowlines are generally 3" although may be 2" fusionbonded scheduled 40 steel

## CONSTRUCTION

Date planned to commence construction: 09/25/2014 Size of disturbed area during construction in acres: 3.00  
Estimated date that interim reclamation will begin: 03/25/2015 Size of location after interim reclamation in acres: 1.60  
Estimated post-construction ground elevation: 5014

## 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? No

## DRILLING WASTE MANAGEMENT PROGRAM

Drilling Fluids Disposal: OFFSITE

Drilling Fluids Disposal Method: Commercial Disposal

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: Steve M. Pastelak

Phone:

Address: 28425 Highway 52

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

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

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

City: Keenseburg State: CO Zip: 80643

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 07/21/2014

### 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: 384 Feet  
Building Unit: 525 Feet  
High Occupancy Building Unit: 5280 Feet  
Designated Outside Activity Area: 5280 Feet  
Public Road: 1134 Feet  
Above Ground Utility: 748 Feet  
Railroad: 5280 Feet  
Property Line: 40 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: 07/21/2014

## 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: Map Unit Symbol 15: Colby Loam, 1 to 3 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: 07/10/2014

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): Cropland

## WATER RESOURCES

Is this a sensitive area: ☐ No ☒ Yes

Distance to nearest

downgradient surface water feature: 742 Feet

water well: 634 Feet

Estimated depth to ground water at Oil and Gas Location 402 Feet

Basis for depth to groundwater and sensitive area determination:

The depth to groundwater was determined by using static water level data of CDOW nearest active water well approximately 402' SW of the proposed pad location (Receipt 0503655, Permit # 246938).

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 proposed Pastelak 01N-64W-02-1C was used as the reference point for footages and lat/ long data listed under the Location Identification data. The distance to nearest downgradient surface water feature was measured to the swale NW of the proposed pad as shown on the attached hydrology map. The associated Form 2 APDs are being submitted simultaneously (see related form DOC#s). Please refer to the attached multi-well plan for the proposed well locations. The attachments labeled 'other' are the lat/long exhibit, proof of COGCC Rule 305.a Buffer Zone Notice pre-application notification and notification/ buffer zone exhibit for the subject well pad. The Pastelak's are the surface owner and mineral owner and they do not have a building unit within the buffer zone.

Current land use is irrigated crop land.

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

Signed: \_\_\_\_\_ Date: 08/22/2014 Email: sdemattee@progressivepcs.net

Print Name: Shauna DeMattee Title: REGULATORY ANALYST

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: 9/26/2014

### **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	Multi-well Pads. It is a multi-well pad located in a manner which allows for resource extraction while maintaining the highest distances possible from the offsetting residential areas.
2	Traffic control	Access roads. The access road will be constructed to accommodate local emergency vehicles. This road will be maintained for access at all times.
3	General Housekeeping	Fencing requirements. A permanent fencing plan will be reviewed by the surface owner, & the applicant.
4	General Housekeeping	Removal of surface trash. All trash, debris and material not intrinsic to the operation of the oil and gas facility shall be removed and legally disposed of as is applicable.
5	Material Handling and Spill Prevention	Leak Detection Plan. Pumper will visit the location daily and visually inspect all tanks and fittings for leaks. Additionally, monthly documented SPCCP inspections are conducted pursuant to 40 CFR §112.
6	Material Handling and Spill Prevention	Berm construction. Tank berms shall be constructed of steel rings with a synthetic or engineered liner and designed to contain 150% of the capacity of the largest tank. All berms will be visually checked periodically to ensure proper working condition.
7	Material Handling and Spill Prevention	Load-lines. All load-lines shall be bull-plugged or capped.
8	Material Handling and Spill Prevention	Tank specifications. Tanks will be designed, constructed and maintained in accordance with NFPA Code 30. The tanks are visually inspected once a day for issues, and recorded inspections are conducted once a month.
9	Dust control	Per Rule 805: Oil & Gas Facilities and equipment shall be operated in such a manner that odors and dust do not constitute a nuisance or hazard to public welfare.
10	Noise mitigation	Lighting abatement measures shall be implemented, including the installation of lighting shield devices on all of the more conspicuous lights, low density sodium lighting where practicable; and rig shrouding if necessary will be used to include perimeter sound walls on the location during drilling and completion activities to provide noise relief. Permanent equipment on location shall be muffled to reduce noise, or shall be appropriately buffered.
11	Drilling/Completion Operations	Closed Loop Drilling Systems – Pit Restrictions. Not applicable; a closed-loop system will be used for drilling.

12	Drilling/Completion Operations	Green Completions – Emission Control Systems. Test separators and associated flow lines and sand traps shall be installed on-site to accommodate Green completions techniques pursuant to COGCC Rules. In the anticipated absence of a viable gas sales line, the flow-back gas shall be thermally oxidized in an emissions control device (ECD), which will be installed and kept in operable condition for least the first 90-days of production pursuant to CDPHE rules. This ECD shall have an adequate capacity for 1.5 times the largest flow-back within a 10 mile radius, will be flanged to route gas to other or permanent oxidizing equipment and shall be provided with the equipment needed to maintain combustion where non-combustible gases are present.
13	Drilling/Completion Operations	Blowout preventer equipment (“BOPE”). A double ram and annular preventer will be used during drilling. At least the drilling company shall have a valid well blowout prevention certifications.
14	Drilling/Completion Operations	BOPE for well servicing operations. Adequate BOP equipment shall be used. Stabbing valves shall be installed in the event of reverse circulation and shall be prior tested with low and high pressure fluid.
15	Drilling/Completion Operations	Pit level indicators. Not applicable; a closed-loop system will be used and no pits shall be dug.
16	Drilling/Completion Operations	Drill stem tests. Not applicable; no Drill Stem tests are planned.
17	Drilling/Completion Operations	Control of fire hazards. All materials which are considered fire hazards shall be a minimum of 25’ from the wellhead tanks or separators. Electrical equipment shall comply with API RP 500 and will comply with the current national electrical code. An emergency response plan has been generated for this site.
18	Drilling/Completion Operations	Guy line anchors. All guy line anchors shall be brightly marked pursuant to Rule 604.c (2)Q.
19	Final Reclamation	Well site cleared. Within 90-day subsequent to the time of plugging and abandonment of the entire site, superfluous debris and equipment shall be removed from the site.
20	Final Reclamation	Identification of plugged and abandoned wells. P&A’d wells shall be identified pursuant to 319.a.(5).

Total: 20 comment(s)

### **Attachment Check List**

<b><u>Att Doc Num</u></b>	<b><u>Name</u></b>
2450995	WAIVERS
2451002	RULE 306.E. CERTIFICATION
400665689	FORM 2A SUBMITTED
400665770	HYDROLOGY MAP
400665771	OTHER
400665772	LOCATION PICTURES
400665774	MULTI-WELL PLAN
400665775	NRCS MAP UNIT DESC
400665777	REFERENCE AREA MAP
400668171	ACCESS ROAD MAP
400668172	LOCATION DRAWING
400668173	OTHER
400668179	FACILITY LAYOUT DRAWING
400668213	WASTE MANAGEMENT PLAN
400671360	OTHER

Total Attach: 15 Files

## General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Attached 306.e cert from operator. Added comment regarding the surface owner having no building unit within the buffer zone at the operator's request.	9/26/2014 3:32:54 PM
Permit	Distance from property line is measured to a facility, not wellhead.	9/22/2014 11:20:46 AM
Permit	Requested suplimental documentation regarding buffer zone notification to building and building unit located in NENW of same section. Operator provided 305.a (2) notification and waiver signed by Owner.	9/15/2014 9:21:44 AM
OGLA	Changed sensitive area status to "yes" due to proximity to domestic water well.	9/10/2014 1:34:57 PM
Permit	Passed completeness.	8/25/2014 2:14:47 PM
OGLA	Passed Buffer Zone completeness review	8/25/2014 1:40:41 PM
Permit	Within Buffer Zone. Notified John Noto for review.  Ready to pass completeness.	8/25/2014 11:15:51 AM

Total: 7 comment(s)