

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:

400463899

Date Received:

07/07/2014

Oil and Gas Location Assessment

☐ New Location ☐ Refile ☒ Amend Existing Location Location#: 316653

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:

316653

Expiration Date:

10/04/2017

☒ 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: 96850
Name: WPX ENERGY ROCKY MOUNTAIN LLC
Address: 1001 17TH STREET - SUITE #1200
City: DENVER State: CO Zip: 80202

Contact Information

Name: Angela Neifert-Kraiser
Phone: (303) 606-4398
Fax: (303) 629-8268
email: Angela.Neifert-Kraiser@WPXEnergy.com

RECLAMATION FINANCIAL ASSURANCE

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

LOCATION IDENTIFICATION

Name: FEDERAL Number: RG 11-7-397
County: RIO BLANCO
QuarterQuarter: NWNW Section: 7 Township: 3S Range: 97W Meridian: 6 Ground Elevation: 6764
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: 1023 feet FNL from North or South section line
861 feet FEL from East or West section line
Latitude: 39.808119 Longitude: -108.330301
PDOP Reading: 2.1 Date of Measurement: 07/30/2013
Instrument Operator's Name: MICHAEL LANGHORNE

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>2</u> | Oil Tanks | <u>2</u> | Condensate Tanks | <u> </u> | Water Tanks | <u>5</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>2</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> </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

| | |
|----------------------|----------------------|
| <input type="text"/> | <input type="text"/> |
|----------------------|----------------------|

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

All pipelines (6" steel) and waterlines (6" steel) existing are adequate. Approximately 25 frac tanks will be placed on Williams' Dry Form compressor pad for fracing. Water will be trucked to pad from compressor pad. Flowlines from the wellheads to the separators will be 2" steel. The produced water flowlines from the separators to the water tanks will be 2" steel. The gas flowlines from the separators to the existing tie in pipeline will be 2" flex-steel. The oil flowlines from the separators to the oil tanks will be 2" steel. All disturbance will be within pad boundaries. All flowlines will be buried 4' deep.

CONSTRUCTION

Date planned to commence construction: 09/01/2014 Size of disturbed area during construction in acres: 7.22
Estimated date that interim reclamation will begin: 10/01/2016 Size of location after interim reclamation in acres: 1.05
Estimated post-construction ground elevation: 6770

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: Recycle/reuse

Cutting Disposal: ONSITE

Cuttings Disposal Method: Cuttings trench

Other Disposal Description:

Spent drilling fluids are treated with a de-watering unit. Separated mud solids are disposed with the drill cuttings in onsite cuttings trench. Separated water is re-used for drilling, or disposed at a permitted injection well.

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: BUREAU OF LAND MANAGEMENT

Phone: 970-878-3800

Address: WHITE RIVER FIELD OFFICE

Fax: 970-878-3805

Address: 220 EAST MARKET STREET

Email: _____

City: MEEKER State: CO Zip: 81641

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 _____

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: 5280 Feet
Building Unit: 5280 Feet
High Occupancy Building Unit: 5280 Feet
Designated Outside Activity Area: 5280 Feet
Public Road: 1483 Feet
Above Ground Utility: 5280 Feet
Railroad: 5280 Feet
Property Line: 5021 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 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: 70 Redcreek - Rentsac complex, 5 to 30 percent slope

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: 05/17/2013

List individual species: Pinyon, juniper, cheatgrass, grama, wheatgrass, mahogany, sage, serviceberry

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: 1693 Feet

water well: 10427 Feet

Estimated depth to ground water at Oil and Gas Location 794 Feet

Basis for depth to groundwater and sensitive area determination:

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

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

Signed: _____ Date: 07/07/2014 Email: Angela.Neifert-Kraiser@WPXEnergy.com

Print Name: Angela Neifert-Kraiser Title: REGULATORY SPECIALIST

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: 10/5/2014

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

| | |
|--|--|
| | Operator shall pressure test pipelines in accordance with Rule 1101.e.(1) prior to putting into initial service any temporary surface or permanent buried pipelines and following any reconfiguration of the pipeline network. |
| | <p>The moisture content of any drill cuttings in a cuttings pit, trench, or pile shall be as low as practicable to prevent accumulation of liquids greater than de minimis amounts. At the time of closure, if drill cuttings are to remain/disposed of onsite, they must also meet the applicable standards of table 910-1.</p> <p>Flowback and stimulation fluids must be sent to tanks, separators, or other containment/filtering equipment before the fluids can be placed into any pipeline, storage vessel, or pit located on the well pad; or into tanker trucks for offsite disposal. The flowback and stimulation fluid tanks, separators, or other containment/filtering equipment must be placed on the well pad in an area constructed to be sufficiently impervious to contain any spilled or released material.</p> |
| | <p>Operator must ensure secondary containment for any volume of fluids contained at well site during drilling and completion operations; including, but not limited to, construction of a berm or diversion dike, diversion/collection trenches within and/or outside of berms/dikes, site grading, or other comparable measures (i.e., best management practices (BMPs) associated with stormwater management) sufficiently protective of nearby surface water. Any berm constructed at the well pad location will be stabilized, inspected at regular intervals (at least every 14 days), and maintained in good condition.</p> <p>The access road will be maintained as to not allow any sediment to migrate from the access road to nearby surface water or any drainages leading to surface water.</p> <p>Strategically apply fugitive dust control measures, including enforcing established speed limits on private roads, to reduce fugitive dust and coating of vegetation and deposition in water sources.</p> <p>The location is in an area of moderate run-on/run-off potential; therefore standard stormwater BMPs must be implemented at this location to insure compliance with CDPHE and COGCC requirements and to prevent any stormwater run-on and /or stormwater run-off.</p> <p>Berms or other containment devices shall be constructed to be sufficiently impervious (corrugated steel with poly liner) to contain any spilled or released material around crude oil, condensate, and produced water storage tanks.</p> |
| | Notify the COGCC 48 hours prior to start of pad reconstruction/regrading, rig mobilization, spud, start of hydraulic stimulation operations, start of flowback operations using Form 42 (the appropriate COGCC individuals will automatically be email notified, including the LGD for hydraulic stimulation operations). |

Best Management Practices

| No | BMP/COA Type | Description |
|-----------|--------------------------------|--|
| 1 | Planning | <ul style="list-style-type: none"> * Share/consolidate corridors for pipeline ROWs to the maximum extent possible. * Minimize the number, length, and footprint of oil and gas development roads * Use existing roads where possible * Combine utility infrastructure (gas, electric, and water) planning with roadway planning to avoid separate utility corridors * Combine and share roads to minimize habitat fragmentation * Where possible, consolidate pipeline and existing roadways, or roadways that are planned for development * Maximize the use of directional drilling to minimize habitat loss/fragmentation * Maximize use of remote telemetry for well monitoring to minimize traffic |
| 2 | Drilling/Completion Operations | <ul style="list-style-type: none"> * Install and maintain adequate measures to exclude all types of wildlife (e.g., big game, birds, and small rodents) from all fluid pits (e.g., fencing, netting, and other appropriate exclusion measures). |
| 3 | Interim Reclamation | <ul style="list-style-type: none"> * Remove well pad and road surface materials that are incompatible with post-production land use and re-vegetation requirements * Use only certified weed-free native seed in seed mixes, except for non-native plants that benefit wildlife * WPX Energy will use certified, weed free grass hay, straw, hay or other mulch materials used for the reseeding and reclamation of disturbed areas. * Install exclusionary devices to prevent bird and other wildlife access to equipment stacks, vents and openings. * Reduce visits to well-sites through remote monitoring (i.e. SCADA) and the use of multi-function contractors. * Avoid dust suppression activities within 300 feet of the ordinary high water mark of any reservoir, lake, wetland, or natural perennial or seasonally flowing stream or river where possible. |

Total: 3 comment(s)

Attachment Check List

| Att Doc Num | Name |
|--------------------|------------------------|
| 1345207 | MULTI-WELL PLAN |
| 2107100 | CORRESPONDENCE |
| 400463899 | FORM 2A SUBMITTED |
| 400535261 | SENSITIVE AREA DATA |
| 400535262 | NRCS MAP UNIT DESC |
| 400535264 | OTHER |
| 400535267 | LOCATION PICTURES |
| 400535274 | ACCESS ROAD MAP |
| 400535280 | CONST. LAYOUT DRAWINGS |
| 400535281 | CONST. LAYOUT DRAWINGS |
| 400535282 | HYDROLOGY MAP |
| 400535284 | LOCATION DRAWING |
| 400535287 | LOCATION DRAWING |
| 400535288 | LOCATION DRAWING |

Total Attach: 14 Files

General Comments

| <u>User Group</u> | <u>Comment</u> | <u>Comment Date</u> |
|-------------------|--|--------------------------|
| Permit | Final review completed. No LGD comments. | 8/12/2014 6:35:53 AM |
| Permit | Operator supplied corrected multi-well plan. | 8/12/2014 6:35:30 AM |
| Permit | The facilities says 2 wells but the multi-well plan shows five. Requested clarification from the operator. | 8/11/2014 10:13:02 AM |
| OGLA | Initiated/Completed OGLA Form 2A review on 07-20-14 by Dave Kubeczko, requested acknowledgement of notification, fluid containment, sediment control access road, dust control, spill/release BMPs, flowback to tanks, cuttings low moisture content, pipeline testing, and tank berming COAs from operator on 07-20-14; received acknowledgement of COAs from operator on 07-21-14; passed by CPW on 07-10-14 with operator submitted BMPs acceptable; passed OGLA Form 2A review on 09-15-14 by Dave Kubeczko; notification, fluid containment, sediment control access road, dust control, spill/release BMPs, flowback to tanks, cuttings low moisture content, pipeline testing, and tank berming COAs. | 7/20/2014 4:32:41 PM |
| DOW | Given the existing pad and access road for this location, the BMPs provided by the operator on the submitted Form 2A permit are sufficient to address wildlife concerns at this time. By: Taylor Elm, 7/10/2014, 9:58 | 7/10/2014 9:58:55 AM |
| Permit | Passed completeness. | 7/7/2014 4:25:58 PM |

Total: 6 comment(s)