

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:

400658641

Date Received:

08/08/2014

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:

439257

Expiration Date:

10/08/2017

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: 10489

Name: AUGUSTUS ENERGY RESOURCES LLC

Address: 36695 HWY 385

City: WRAY State: CO Zip: 80758

Contact Information

Name: Loni Davis

Phone: (970) 332-3585

Fax: (970) 332-3587

email: ldavis@augustusenergy.com

RECLAMATION FINANCIAL ASSURANCE

Plugging and Abandonment Bond Surety ID: 20130106 Gas Facility Surety ID: _____

Waste Management Surety ID: _____

LOCATION IDENTIFICATION

Name: Haven Hill Number: 14-15 4N47W

County: YUMA

Quarter: SWSW Section: 15 Township: 4N Range: 47W Meridian: 6 Ground Elevation: 3960

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: 600 feet FSL from North or South section line

950 feet FWL from East or West section line

Latitude: 40.308870 Longitude: -102.620000

PDOP Reading: 1.4 Date of Measurement: 06/13/2014

Instrument Operator's Name: Darren Veal

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 # 120710 **FORM 2A DOC #** _____

Well Site is served by Production Facilities

FACILITIES

Indicate the number of each type of oil and gas facility planned on location

Wells	<u>1</u>	Oil Tanks	_____	Condensate Tanks	_____	Water Tanks	_____	Buried Produced Water Vaults	_____
Drilling Pits	<u>1</u>	Production Pits	_____	Special Purpose Pits	_____	Multi-Well Pits	_____	Temporary Large Volume Above Ground Tanks	_____
Pump Jacks	<u>1</u>	Separators	_____	Injection Pumps	_____	Cavity Pumps	_____		
Gas or Diesel Motors	_____	Electric Motors	<u>1</u>	Electric Generators	_____	Fuel Tanks	_____	Gas Compressors	_____
Dehydrator Units	_____	Vapor Recovery Unit	_____	VOC Combustor	_____	Flare	_____	LACT Unit	_____
								Pigging Station	_____

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:

Aprox. 1,708' of 2" poly gas line, 2" Water line and #2 Electric wire will be laid. A new meter shed will be set at approx. 40.307336/ -102.614318. Please see attached document titled "Other" for details.

CONSTRUCTION

Date planned to commence construction: 09/15/2014 Size of disturbed area during construction in acres: 2.00
Estimated date that interim reclamation will begin: 10/30/2014 Size of location after interim reclamation in acres: 1.00
Estimated post-construction ground elevation: 3960

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: OFFSITE Drilling Fluids Disposal Method: UIC Disposal

Cutting Disposal: ONSITE Cuttings Disposal Method: Drilling pit

Other Disposal Description:

Cuttings will be disposed of in a a location outside of the Buffer Zone. Cuttings will be disposed of in an offsite Drilling Pit provided cuttings analysis are below Table 910-1 standars. See the attached Surface Owner Agreement and disposal Location.

Beneficial reuse or land application plan submitted? _____

Reuse Facility ID: _____ or Document Number: _____

Centralized E&P Waste Management Facility ID, if applicable: _____

SURFACE & MINERALS & RIGHT TO CONSTRUCT

Name: Haven Hill Yuma LLC

Phone: _____

Address: Timothy Buchanan

Fax: _____

Address: 7703 Ralston Road

Email: _____

City: Arvada State: CO Zip: 80002

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 05/06/2014

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: 489 Feet
Building Unit: 700 Feet
High Occupancy Building Unit: 5280 Feet
Designated Outside Activity Area: 5280 Feet
Public Road: 600 Feet
Above Ground Utility: 634 Feet
Railroad: 5280 Feet
Property Line: 600 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: 07/03/2014

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 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: 35: Platner Loam
NRCS Map Unit Name: 5: Ascalon Fine Sandy Loam 0-3% 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: 5280 Feet

water well: 838 Feet

Estimated depth to ground water at Oil and Gas Location 172 Feet

Basis for depth to groundwater and sensitive area determination:

Sensitive area due to location in Northern High Plains Designated Groundwater Basin. Depth to Ground water was determined from DWR website via COGCC website. Well Permit # 87069 SWSW/4 Sec. 15-T4N-R47W

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

Numerous attempts have been made by our landman Mr. Gary Timmer to get the requested paperwork returned to us listed below are a few of the attempts:
May 2nd: Called and spoke with Mary Jane Buchanan regarding the location of the farm house in which our well is proposed near.
Thursday May 8th: Letter and packet sent out to Tim Buchanan containing a Ratification of Oil and Gas Lease for his signature. Has not been returned.
Tuesday May 27th: Was able to obtain a phone number for Tim Buchanan. Called him and inquired about our pending SUA and NOI. He advised that he would look the materials over and call me back that afternoon.
June - tried to leave messages, but voice mail was full and would disconnect
Tuesday July 8th: Called and spoke with Tim Buchanan again asking for the pending executed SUA and NOI
Monday July 14th: Subsequent to last week's call I called and spoke again with Tim Buchanan again asking for the pending executed SUA and NOI. He said that he would move it forward in getting it returned to us.
Tuesday August 5th: Called Mr. Buchanan - again voice mail full, call Mary Jane Buchanan (mother) she said she would try to get a hold of him.

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

Signed: _____ Date: 08/08/2014 Email: ldavis@augustusenergy.com

Print Name: Loni Davis Title: Oper Acctg & Reg Spec

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: 10/9/2014

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>
	Operator shall comply with Buffer Zone Move-In, Rig-Up Notice Rule 305.h (effective 9/30/2014).
	Operator shall submit a Form 42 to the COGCC 48 hours prior to the commencement of construction activities.

Best Management Practices

<u>No</u>	<u>BMP/COA Type</u>	<u>Description</u>
1	Drilling/Completion Operations	<p>Best Management Practices Northern Yuma County, Colorado</p> <p>To address construction during drilling and all other operations associated with Oil and Gas development throughout Northern Yuma County, Colorado area StormWater Management Plans(SWMP) are in place and in compliance with the Colorado Department of Health and Environment (CDPHE) under Permit # COR-039921.</p> <p>Best Management Practices (BMP's) will be reviewed and maintained prior to, during and after construction of drilling site, laying of flowlines, installation of surface equipment and reclamation of site. Each location's BMP's will vary according to terrain and phase of construction and will be implemented in accordance to SWMP.</p> <p>Regular location inspections will be performed and any BMP's not effectively working will be documented and resolved in a timely manner.</p> <p>Spill Prevention, Control and Countermeasures will be implemented. Should any spills occur they will be cleaned up immediately and effectively to minimize any integration with storm water runoff. General good housekeeping practices will be performed to keep spills at a minimum.</p>

Total: 1 comment(s)

Attachment Check List

<u>Att Doc Num</u>	<u>Name</u>
1009676	306.e CORRESPONDENCE
1009698	OTHER
1009699	OTHER
1009700	SUA
400658641	FORM 2A SUBMITTED
400658892	ACCESS ROAD MAP
400658894	OTHER
400658895	HYDROLOGY MAP
400658897	LOCATION DRAWING
400658900	NRCS MAP UNIT DESC
400658901	LOCATION PICTURES
400658903	PROPOSED BMPS
400658905	CORRESPONDENCE

Total Attach: 13 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
OGLA	SUA has been submitted and attached Changed Disposal statement to "Cuttings will be disposed of in a at a location outside of the Buffer Zone. Cuttings will be disposed of in an offsite Drilling Pit provided cuttings analysis are below Table 910-1 standars. See the attached Surface Owner Agreement and disposal Location."	10/9/2014 8:47:31 AM
Permit	Final review completed; no LGD or public comment received.	10/8/2014 7:25:25 AM
OGLA	Attached Surface Owner Agreement and disposal location Map	10/7/2014 2:38:33 PM
OGLA	Corrected typo in Basis for Estimated Depth to Groundwater statement	9/5/2014 10:25:36 AM
OGLA	Changed statement under pipeline onformation "Please see attached construction layout drawing for details" to Please see attached document titled "Other" for details. Changed document name.	9/5/2014 10:09:23 AM
Permit	Rule 306.e certification letter should not be submitted prior to 20day comment period. Removed.	8/12/2014 1:27:18 PM

Total: 6 comment(s)