

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:

400668702

Date Received:

08/20/2014

Oil and Gas Location Assessment

☐ New Location ☐ Refile ☒ Amend Existing Location Location#: 413754

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:

413754

Expiration Date:

10/24/2017

☒ 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: 10450
Name: EE3 LLC
Address: 4410 ARAPAHOE AVENUE #100
City: BOULDER State: CO Zip: 80303

Contact Information

Name: Paul Gottlob
Phone: (720) 420-5747
Fax: ()
email: paul.gottlob@iptenergyservices.com

RECLAMATION FINANCIAL ASSURANCE

☒ Plugging and Abandonment Bond Surety ID: 20130007 ☐ Gas Facility Surety ID: _____
☐ Waste Management Surety ID: _____

LOCATION IDENTIFICATION

Name: Marr Number: Pad
County: JACKSON
QuarterQuarter: NWNE Section: 7 Township: 7N Range: 80W Meridian: 6 Ground Elevation: 8130
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: 420 feet FNL from North or South section line
2361 feet FEL from East or West section line
Latitude: 40.598347 Longitude: -106.415444
PDOP Reading: 1.2 Date of Measurement: 11/21/2008
Instrument Operator's Name: UINTAH ENGINEERING & LAND SURVEYING

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 #

Well Site is served by Production Facilities

434014

FACILITIES

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

Wells	2	Oil Tanks		Condensate Tanks		Water Tanks		Buried Produced Water Vaults	
Drilling Pits		Production Pits		Special Purpose Pits		Multi-Well Pits		Temporary Large Volume Above Ground Tanks	
Pump Jacks		Separators		Injection Pumps		Cavity Pumps			
Gas or Diesel Motors		Electric Motors		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:

Intra-facility flow lines generally 4" fusion bonded schedule 160 steel from wellheads to onsite heater treater and then to existing offsite tank facility.
The Hebron 02-07H well is already drilled and producing to the nearby Hebron Central Facility - Location ID #434014.
The proposed Marr 06-07H well will be produced to the same facility.

CONSTRUCTION

Date planned to commence construction: 11/01/2014 Size of disturbed area during construction in acres: 5.11
Estimated date that interim reclamation will begin: 03/01/2015 Size of location after interim reclamation in acres: 1.51
Estimated post-construction ground elevation: 8130

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: Commercial Disposal

Cutting Disposal: OFFSITE Cuttings Disposal Method: Commercial Disposal

Other Disposal Description:

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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: Boyer Ridge Land, LLC

Phone: _____

Address: 27680 Beaver Ridge Rd

Fax: _____

Address: _____

Email: _____

City: Steamboat Springs State: CO Zip: 80487

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: No

The right to construct this Oil and Gas Location is granted by: Surface Use Agreement

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: 2190 Feet
Building Unit: 2190 Feet
High Occupancy Building Unit: 5280 Feet
Designated Outside Activity Area: 5280 Feet
Public Road: 1617 Feet
Above Ground Utility: 2219 Feet
Railroad: 5280 Feet
Property Line: 405 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: Bs-Bosler sandy loam

NRCS Map Unit Name: Gn-Girardot silty clay loam

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: See attachment - won't all fit.

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: 272 Feet

water well: 635 Feet

Estimated depth to ground water at Oil and Gas Location 5 Feet

Basis for depth to groundwater and sensitive area determination:

Static water level was determined from water well permit #242234- , located (SWSE) Sec. 6-T7N-R80W, approximately 635' northeast from location. This well pumped at a rate of 15 gpm with a static water level of 2'. There is no elevation listed for this well, but topographic maps show it as approximately 5' below location. Correcting for this difference results in an estimate of 7' to groundwater at location. This is what has been reported above. Location has been marked as a "sensitive area" due to proximity to surface waters and depth to groundwater.

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 This Form 2A Amendment is only being submitted to add 1 more well to the location, which will be produced to the already permitted, built and in service: Hebron Central Facility - Location ID#434014.

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

Signed: _____ Date: 08/20/2014 Email: paul.gottlob@iptenergyservices.com

Print Name: Paul Gottlob Title: Regulatory & Engin. Tech.

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: 10/25/2014

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.
	Notify the COGCC 48 hours prior to start of pad reconstruction/regrading, rig mobilization, spud, pipeline testing, start of hydraulic stimulation operations, and start of flowback operations (if different than hydraulic stimulation operations) using Form 42 (the appropriate COGCC individuals will automatically be email notified, including the LGD for hydraulic stimulation operations).
	<p>PREVIOUS FORM 2A#400392924, OGCC ID#413754 GENERAL SITE COAs:</p> <p>Notify the COGCC 48 hours prior to start of pad construction, rig mobilization, spud, and start of hydraulic stimulation operations using Form 42 (the appropriate COGCC individuals will automatically be email notified, including the LGD for hydraulic stimulation operations).</p> <p>Reserve pit, or any other pit used to contain/hold fluids, if constructed, must be lined or a closed loop system (as indicated by operator on the Form 2A Permit application) must be implemented during drilling.</p> <p>The access road will be constructed and maintained to prevent sediment migration from the access road to nearby surface water or any drainages leading to other nearby surface waters.</p> <p>Operator must implement best management practices to contain any unintentional release of fluids, including any fluids conveyed via temporary surface pipelines or buried permanent pipelines.</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 moisture content of any 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 the drill cuttings are to be left onsite, they must also meet the applicable standards of table 910-1.</p> <p>If the well is to be hydraulically stimulated, then 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 lined pit (only if an amended Form 2A has been submitted/approved and a Form 15 Earthen Pit Permitted has been submitted/approved) 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 with additional downgradient perimeter berming. The area where flowback fluids will be stored/reused must be constructed to be sufficiently impervious to contain any spilled or released material.</p> <p>Berms or other containment devices shall be constructed to be sufficiently impervious (preferably corrugated steel with poly liner) to contain any spilled or released material around crude oil, condensate, and produced water storage tanks.</p>

Best Management Practices

No	BMP/COA Type	Description
1	Traffic control	Access roads. The access road is already in place and will be maintained for access at all times.
2	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.
3	Wildlife	<p>1. Where oil and gas activities must occur within 4 miles of greater sage-grouse leks or within other mapped greater sage-grouse breeding or summer habitat, conduct these activities outside the period between March 1 and June 30.</p> <p>2. Use hospital grade mufflers for compressors, pump jacks, or other motors necessary to run operations at the site. Mufflers will be pointed upward to dissipate potential vibration.</p> <p>3. Establish company guidelines to minimize wildlife mortality from vehicle collisions on roads.</p>
4	Drilling/Completion Operations	Closed Loop Drilling Systems – Pit Restrictions. Not applicable; a closed-loop system will be used for drilling.
5	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.
6	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.
7	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.
8	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.
9	Drilling/Completion Operations	Guy line anchors. All guy line anchors shall be brightly marked pursuant to Rule 604.c (2)Q.
10	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.
11	Final Reclamation	Identification of plugged and abandoned wells. P&A’d wells shall be identified pursuant to 319.a.(5).

Total: 11 comment(s)

Attachment Check List

<u>Att Doc Num</u>	<u>Name</u>
2107113	MULTI-WELL PLAN
400668702	FORM 2A SUBMITTED
400668863	LOCATION DRAWING
400668875	LOCATION PICTURES
400668876	ACCESS ROAD MAP
400668878	HYDROLOGY MAP
400668881	NRCS MAP UNIT DESC
400668882	NRCS MAP UNIT DESC
400668884	NRCS MAP UNIT DESC
400668885	REFERENCE AREA MAP
400668886	REFERENCE AREA PICTURES
400668894	WASTE MANAGEMENT PLAN

Total Attach: 12 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Final Review Completed. No LGD or public comment received.	10/22/2014 8:19:42 AM
OGLA	Initiated/Completed OGLA Form 2A review on 09-17-14 by Dave Kubeczko; previously submitted and approved (07-21-13) Form 2A#400392924, OGCC ID#413754; same COAs apply - fluid containment, spill/release BMPs, tank berming, flowback to tanks, lined pit/closed loop, sediment control access road, cuttings low moisture, dust control, and notification; added notification and pipeline testing COAs; passed by CPW on 08-26-14 with previously operator agreed to BMPs acceptable; passed OGLA Form 2A review on 10-03-14 by Dave Kubeczko; fluid containment, spill/release BMPs, tank berming, flowback to tanks, lined pit/closed loop, sediment control access road, cuttings low moisture, dust control, notification, and pipeline testing COAs.	9/17/2014 9:30:59 AM
DOW	<p>This permit is to amend an existing, already permitted (Doc#: 400392924), pad location. CPW consulted with the operator on June 14, 2013 and provided the following wildlife BMPs, which the operator agreed to by email on June 26, 2013.</p> <ol style="list-style-type: none"> 1. Where oil and gas activities must occur within 4 miles of greater sage-grouse leks or within other mapped greater sage-grouse breeding or summer habitat, conduct these activities outside the period between March 1 and June 30. 2. Use hospital grade mufflers for compressors, pump jacks, or other motors necessary to run operations at the site. Mufflers will be pointed upward to dissipate potential vibration. 3. Establish company guidelines to minimize wildlife mortality from vehicle collisions on roads. <p>By: Taylor Elm, 8/26/2014, 15:23</p>	8/26/2014 3:24:54 PM
Permit	Form 2 for the new well is Doc 400594209 - Marr 06-07H and needs this 2A prior to approving.	8/22/2014 9:15:34 AM
Permit	Passed Completeness	8/21/2014 8:31:03 AM

Total: 5 comment(s)