

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:

400625657

Date Received:

08/05/2014

Oil and Gas Location Assessment

New Location Refile Amend Existing Location Location#: 323894

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:

323894

Expiration Date:

11/03/2017

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: Reed Haddock
 Phone: (303) 606-4086
 Fax: (303) 629-8268
 email: reed.haddock@wpxenergy.com

RECLAMATION FINANCIAL ASSURANCE

- Plugging and Abandonment Bond Surety ID: 20030107 Gas Facility Surety ID: _____
- Waste Management Surety ID: _____

LOCATION IDENTIFICATION

Name: RMV Number: 20-35
 County: GARFIELD
 Quarter: NWSE Section: 35 Township: 6S Range: 94W Meridian: 6 Ground Elevation: 5836

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: 1580 feet FSL from North or South section line
 2223 feet FEL from East or West section line
 Latitude: 39.478979 Longitude: -107.853870
 PDOP Reading: 1.8 Date of Measurement: 01/14/2014
 Instrument Operator's Name: J. Kirkpatrick

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 # 323868 **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>13</u>	Oil Tanks	_____	Condensate Tanks	_____	Water Tanks	<u>1</u>	Buried Produced Water Vaults	_____
Drilling Pits	_____	Production Pits	_____	Special Purpose Pits	_____	Multi-Well Pits	_____	Temporary Large Volume Above Ground Tanks	_____
Pump Jacks	_____	Separators	<u>13</u>	Injection Pumps	_____	Cavity Pumps	_____		
Gas or Diesel Motors	_____	Electric Motors	_____	Electric Generators	_____	Fuel Tanks	_____	Gas Compressors	_____
Dehydrator Units	_____	Vapor Recovery Unit	_____	VOC Combustor	<u>1</u>	Flare	_____	LACT Unit	_____
								Pigging Station	_____

OTHER FACILITIES

Other Facility Type

Number

Other Facility Type	Number

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

1- 10" buried steel gas line - tie into existing infrastructure in CR 325
1- 4" buried poly water line - tie into existing infrastructure in CR 325
1 - 2" buried condensate line - follow above gas line to CR 325 then continues up road to the RWF 11-35 pad and will tie into existing lines there.
3 - 4.5" temporary surface steel frac lines in existing ROW from the Juhan frac pad then follow above gas line route.
Flowlines from the wellheads to the separators will be 2" steel. The produced water flowlines from the separators to the water tank will be 2" steel. All disturbance will be within pad boundaries. All flowlines will be buried 4' deep.

CONSTRUCTION

Date planned to commence construction: 11/03/2014 Size of disturbed area during construction in acres: 4.82
Estimated date that interim reclamation will begin: 06/15/2015 Size of location after interim reclamation in acres: 1.00
Estimated post-construction ground elevation: 5836

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 at well pad 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: Rex and Maxine Huggard Phone: _____

Address: 80 Hillcrest Drive Fax: _____

Address: _____ Email: _____

City: Basalt State: CO Zip: 81621

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: 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): Existing Drill Pad

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): Existing Drill Pad

Subdivided: Industrial Commercial Residential

CULTURAL DISTANCE INFORMATION

Distance to nearest:

Building: 1297 Feet
Building Unit: 1470 Feet
High Occupancy Building Unit: 5280 Feet
Designated Outside Activity Area: 5280 Feet
Public Road: 1667 Feet
Above Ground Utility: 1699 Feet
Railroad: 5280 Feet
Property Line: 213 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: 58-Potts-ildefonso complex, 12 to 25 percent slopes

NRCS Map Unit Name: 67-Torriorthents-Rock outcrop complex, steep

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: 04/02/2014

List individual species: cheatgrass, sage, wheatgrass, juniper, pinyon

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, Chokeycherry)
 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: 540 Feet

water well: 964 Feet

Estimated depth to ground water at Oil and Gas Location 85 Feet

Basis for depth to groundwater and sensitive area determination:

Sensitive Area Determination and depth to groundwater evaluation is attached.

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: 08/05/2014 Email: reed.haddock@wpenergy.com

Print Name: Reed Haddock Title: Regulatory Specialist Sta

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: 11/4/2014

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

	<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>
	<p>The moisture content of drill cuttings managed onsite shall be kept as low as practicable to prevent accumulation of liquids greater than de minimis amounts. Drill cuttings disposed of onsite shall meet the applicable standards of table 910-1. No offsite disposal of cuttings shall occur without prior approval of a Waste Management Plan (submitted via Form 4 Sundry Notice) specifying disposal location and waste characterization method.</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 or storage vessel 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 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> <p>Operator must routinely inspect the entire length of the surface pipeline to ensure integrity. Operator shall conduct daily inspections of surface poly pipeline routes for leaks during active transfer of fluids and implement best management practices to contain any unintentional release of fluids along all portions of the surface pipeline route where temporary pumps and other necessary equipment are located. Inspections shall be conducted by viewing the length of the pipeline; operator will endeavor to minimize surface disturbance during pipeline monitoring. In addition, pump stations along the surface poly or steel pipeline route will be continuously monitored when operating in order to swiftly respond to such a failure.</p> <p>Operator will implement BMPs necessary to mitigate a potential for a release of fluids to impact streams, intermittent streams, ditches, and drainage crossings. For these crossings: if poly pipe is used on the surface, operator will ensure appropriate containment by either installing over-sized pipe "sleeves" which extend the length of the crossing and beyond to a distance deemed adequate to capture (catchment basins) and/or divert any possible release of fluids and prevent fluids from reaching the stream or drainage; installing over-sized pipe "sleeves" which extend the length of the crossing and installing shut off valves on either side of crossing instead of catchment basins; or develop an alternative means for containment. For all other pipeline materials, operator will implement BMPs necessary to mitigate a potential for E&P fluids to reach groundwater or flowing surface water.</p> <p>Operator will utilize, to the extent practical, all existing access and other public roads, and/or existing pipeline right-of-ways, when placing/routing the surface pipelines.</p>
	<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, and pipeline testing using Form 42 (the appropriate COGCC individuals will automatically be email notified, including the LGD for hydraulic stimulation operations).</p>

Best Management Practices

No	BMP/COA Type	Description
1	Planning	<p>Share/consolidate corridors for pipeline ROWs to the maximum extent possible. Maximize the utility of surface facilities by developing multiple wells from a single pad (directional drilling), and by co-locating multipurpose facilities (for example, well pads and compressors) to avoid unnecessary habitat fragmentation and disturbance of additional geographic areas. Locate roads outside of drainages where possible and outside of riparian habitat. Avoid constructing any road segment in the channel of an intermittent or perennial stream. 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 long-term centralized tank batteries to minimize traffic. Maximize use of remote completion/frac operations to minimize traffic. Maximize use of remote telemetry for well monitoring to minimize traffic . Maintain undeveloped areas within development boundaries sufficient to allow wildlife to persist within development boundaries during all phases of construction, drilling, and production.</p>
2	Construction	<p>Structures for perennial or intermittent stream channel crossings should be constructed using appropriately sized bridges or culverts.</p>
3	Drilling/Completion Operations	<p>Use centralized hydraulic fracturing operations. Conduct well completions with drilling operations to limit the number of rig moves and traffic.</p>
4	Interim Reclamation	<p>Restore both form and function of impacted wetlands and riparian areas and mitigate erosion. Remove well pad and road surface materials that are incompatible with post-production land use and re-vegetation requirements. 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.</p>

Total: 4 comment(s)

Attachment Check List

<u>Att Doc Num</u>	<u>Name</u>
2107120	CORRESPONDENCE
2107122	CORRESPONDENCE PIPELINE COA
400625657	FORM 2A SUBMITTED
400628366	SENSITIVE AREA DATA
400628367	NRCS MAP UNIT DESC
400628369	NRCS MAP UNIT DESC
400628371	ACCESS ROAD MAP
400628372	CONST. LAYOUT DRAWINGS
400628375	HYDROLOGY MAP
400628376	LOCATION DRAWING
400628379	REFERENCE AREA MAP
400628380	OTHER
400628381	LOCATION PICTURES
400628382	REFERENCE AREA PICTURES
400644963	MULTI-WELL PLAN
400644964	CONST. LAYOUT DRAWINGS
400644965	FACILITY LAYOUT DRAWING
400656864	SURFACE AGRMT/SURETY

Total Attach: 18 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Final review complete.	10/28/2014 2:10:48 PM
OGLA	Initiated/Completed OGLA Form 2A review on 09-15-14 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 09-15-14; received acknowledgement of COAs from operator on 09-16-14; passed by CPW on 08-08-14 with WMP acceptable; passed OGLA Form 2A review on 10-28-14 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.	9/12/2014 11:15:00 AM
LGD	Pass, GDB: Please note any location with greater than 5,000 barrels of total storage capacity (pits/tanks) would require a Garfield County land use change permit.	8/25/2014 8:57:45 AM
DOW	The proposed amendments for this location are within the approved South of the River Wildlife Mitigation Plan (WMP) agreed upon by Colorado Parks and Wildlife and the operator. The conditions and BMPs contained within the WMP are sufficient to address wildlife concerns at this location. By: Taylor Elm, 8/8/2014, 8:39	3/8/2014 8:40:33 AM
Permit	Passed Completeness	8/7/2014 11:58:08 AM

Total: 5 comment(s)