

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:

400626471

Date Received:

06/18/2014

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:

**439762**

Expiration Date:

**11/06/2017**

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: 74290

Name: RETAMCO OPERATING INC

Address: PO BOX 790

City: RED LODGE    State: MT    Zip: 59068

Contact Information

Name: RHONDA TIGNER

Phone: (307) 4312291

Fax: (307) 3474276

email: greenacres@rtconnect.net

RECLAMATION FINANCIAL ASSURANCE

Plugging and Abandonment Bond Surety ID: \_\_\_\_\_

Gas Facility Surety ID: \_\_\_\_\_

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

LOCATION IDENTIFICATION

Name: Retamco Federal

Number: 3-104-26-9

County: RIO BLANCO

Quarter: NESE    Section: 26    Township: 3N    Range: 104W    Meridian: 6    Ground Elevation: 5817

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: 1866 feet FSL from North or South section line

811 feet FEL from East or West section line

Latitude: 40.198750    Longitude: -109.030090

PDOP Reading: 0.9    Date of Measurement: 04/29/2014

Instrument Operator's Name: NEIL HILLS



## SURFACE & MINERALS & RIGHT TO CONSTRUCT

Name: James & Jenna Gates

Phone: 970-374-2008

Address: PO Box 979

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

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

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

City: Dinosaur State: CO Zip: 81610

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): \_\_\_\_\_

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: 5280 Feet  
Above Ground Utility: 3082 Feet  
Railroad: 5280 Feet  
Property Line: 500 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: 19: Chipeta-Walknolls complex, 5-15% slopes

NRCS Map Unit Name: 123: Tabyago-Cedarknolls association, 2-8% 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: 05/15/2014

List individual species: Wyoming Sagebrush / RABR (low density) / Cheatgrass dominates test site and adjacent areas

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: 820 Feet

water well: 11676 Feet

Estimated depth to ground water at Oil and Gas Location 98 Feet

Basis for depth to groundwater and sensitive area determination:

Permitted water well located in the NWSW Sec. 29-3N-103W; Permit #32265-F is the closest water well source to our proposed location.  
Northing (UTMy): 4457334.2 / Easting (UTM x): 160494.0

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

1. Designation of Federal Unit #COC76572X "North Rangely Unit" was approved on 06/13/14. At the time the Federal APD was submitted the unit was being requested and reviewed by the Colorado State BLM office and has since been approved.
2. Drilling fluids & cuttings will be disposed of on-site in the proposed pit. The fluids will be evaporated and once the fluids are gone and cuttings are dry, the pit liner will be removed and the cuttings will be backfilled with topsoil and spoil dirt currently stored on location from construction. No new pit permit (Form #15) will be required as no oil based drilling fluids will be used during drilling operations and the pit will not be used for production.
3. The well will be completed open hole from 2000' to TD of 3700'. If the electric logs indicate the Niobrara is productive, casing will be ran 35' below the Niobrara formation and completed. If found non-productive a cement plug will be set @ 2500' and the Mancos B will be completed with production casing set 50' below the Mancos B per log evaluation @ 2000' +/-.

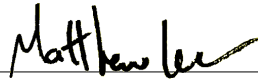
I hereby certify that the statements made in this form are, to the best of my knowledge, true, correct and complete.

Signed: \_\_\_\_\_ Date: 06/18/2014 Email: greenacres@rtconnect.net

Print Name: RHONDA TIGNER Title: Permit Agent

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: 11/7/2014

### 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>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. After drilling and completion operations have been completed, the drill cuttings that will remain on the well pad location (cuttings management area, the cut portion of the pad, cuttings trench, dry cuttings drilling pit), must meet the applicable standards of Table 910-1. After the drill cuttings have been amended (if necessary) and placed on the well pad, sampling frequency of the drill cuttings (to be determined by the operator) shall be representative of the material left on location. No offsite disposal of cuttings to another oil and gas location shall occur without prior approval of a Waste Management Plan (submitted via a Form 4 Sundry Notice) specifying disposal location and waste characterization method. Commercial disposal of drill cuttings will only require notification to COGCC via a Form 4 Sundry Notice.</p> <p>If the well is to be hydraulically stimulated, 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 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 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 constructed and 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>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 permanent crude oil, condensate, and produced water storage tanks.</p>
	<p>Notify the COGCC 48 hours prior to start of pad construction, rig mobilization, spud, start of hydraulic stimulation operations, and start of flowback operations using Form 42 (the appropriate COGCC individuals will automatically be email notified, including the LGD for hydraulic stimulation operations).</p>

## Best Management Practices

<u>No</u>	<u>BMP/COA Type</u>	<u>Description</u>
1	General Housekeeping	CLEANUP WILL CONSIST OF PATROLLING THE ROADWAYS, ACCESS AREAS, AND OTHER WORK AREAS TO PICK UP TRASH, SCRAP DEBRIS, OTHER DISCARDED MATERIALS, AND ANY CONTAMINATED SOIL. THESE MATERIALS WILL BE DISPOSED OF PROPERLY.
2	Storm Water/Erosion Control	STORMWATER MANAGEMENT PLANS (SWMP) WILL BE IN PLACE TO ADDRESS CONSTRUCTION, DRILLING AND OPERATIONS ASSOCIATED WITH OIL AND GAS DEVELOPMENT THROUGHOUT THE STATE OF COLORADO IN ACCORDANCE WITH COLORADO DEPARTMENT OF PUBLIC HEALTH (CDPHE). BMPS WILL BE CONSTRUCTED AROUND THE PERIMETER OF THE SITE PRIOR TO OR AT THE BEGINNING OF CONSTRUCTION. BMPS USED WILL VARY ACCORDING TO THE LOCATION AND WILL REMAIN IN PLACE UNTIL THE PAD REACHES FINAL RECLAMATION.
3	Construction	TWO CATTLE GUARDS WILL BE PLACED TO PREVENT LIVESTOCK FROM ENTERING ONTO HIGHWAY 64 AND ONTO LOCATION. THE LOCATION WILL BE FENCED TO KEEP LIVESTOCK OFF LOCATION AND TO BETTER ENHANCE RECLAMATION ONCE INITIAL SEEDING TAKES PLACE. FIVE CULVERTS WILL BE PLACED ALONG EXISITING ACCESS ROAD AND UPGRADES WILL BE MADE TO ROADWAYS WHERE NECESSARY AND AGREED UPON BETWEEN SURFACE OWNER AND OPERATOR. DIVERSION DITCHES WILL BE CONSTRUCTED AS NECESSARY TO HELP DIVERT WATER AWAY FROM WELLPAD AND SOIL STOCKPILES.
4	Interim Reclamation	SEED MIX USED WILL BE APPROVED BY SURFACE OWNER AND BLM WILL PROVIDE ITS RECOMMENDATION PRIOR TO RE-SEEDING. INTERIM CONSTRUCTION WILL BEGIN WITHIN ONE YEAR FOLLOWING DRILLING/COMPLETION OF WELL; AS WEATHER PERMITS. SURFACE OWNER WILL APPROVE COLORS USED TO PAINT PRODUCTION FACILITIES AND BLM WILL PROVIDE ITS RECOMMENDATIONS FOR WHAT IS BEING USED IN THE AREA.

Total: 4 comment(s)

## Attachment Check List

<u>Att Doc Num</u>	<u>Name</u>
2107070	CORRESPONDENCE
400626471	FORM 2A SUBMITTED
400626591	NRCS MAP UNIT DESC
400626616	CONST. LAYOUT DRAWINGS
400626631	SURFACE OWNER CONSENT
400627958	SURFACE PLAN
400627983	ACCESS ROAD MAP
400628600	MINERAL LEASE MAP
400628603	REFERENCE AREA MAP
400628610	REFERENCE AREA PICTURES
400628624	TOPO MAP
400628793	HYDROLOGY MAP
400629906	LOCATION PICTURES
400630092	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.	3/5/2014 9:52:26 AM
OGLA	Initiated/Completed OGLA Form 2A review on 07-16-14 by Dave Kubeczko, placed notification, fluid containment, sediment control access road, dust control, spill/release BMPs, flowback to tanks, cuttings low moisture content, and tank berming COAs; sent email indicating COAs to operator on 07-16-14 and received concurrence on 07-18-14; passed by CPW on 07-02-14 with BLM EA acceptable; passed OGLA Form 2A review on 07-23-14 by Dave Kubeczko; notification, fluid containment, sediment control access road, dust control, spill/release BMPs, flowback to tanks, cuttings low moisture content, and tank berming COAs.	7/16/2014 1:44:32 PM
DOW	The Bureau of Land Management is conducting an Environmental Assessment to identify and address potential impacts to wildlife resulting from the proposed development.  Approved: Taylor Elm, 7/2/2014, 10:14	7/2/2014 10:15:52 AM
Permit	Passed completeness. Water well sampling rule selected and location drawing and pictures attached.	6/19/2014 4:22:40 PM
Permit	Return to draft: 1. Water well sampling rule blank 2. Location drawing attachment missing 3. Location pictures attachment missing	6/19/2014 12:52:16 PM

Total: 5 comment(s)