

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:

400623785

Date Received:

09/10/2014

Oil and Gas Location Assessment

New Location Refile Amend Existing Location Location#: 334401

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:

334401

Expiration Date:

11/15/2017

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: SG Number: 22-32
 County: GARFIELD
 Quarter: SENW Section: 32 Township: 7S Range: 96W Meridian: 6 Ground Elevation: 5166

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: 2401 feet FNL from North or South section line
 2198 feet FWL from East or West section line
 Latitude: 39.393606 Longitude: -108.134840
 PDOP Reading: 2.4 Date of Measurement: 07/21/2014
 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 # FORM 2A DOC #



FACILITIES

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

Wells	<u>3</u>	Oil Tanks	<u> </u>	Condensate Tanks	<u>2</u>	Water Tanks	<u>6</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> </u>	Injection Pumps	<u>1</u>	Cavity Pumps	<u> </u>		
Gas or Diesel Motors	<u> </u>	Electric Motors	<u>3</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

<u>Other Facility Type</u>	<u>Number</u>

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

Injection pad - There will be temporary injection equipment located on this location once the rig leaves for injection operations. (Two water tanks, one pump, and a filter pod). This equipment will be removed once the permanent facility is installed near the Smith Gulch Completions Pit (Pit 31-32-796).

1-10" temporary surface poly frac line from the Smith Gulch Completions Pit (Pit 31-32-796) to pad.

1 - 6" buried flex steel injection line from the Smith Gulch Completions Pit (Pit 31-32-796) to pad.

Flowline from the wellhead to the produced water tanks will be 2" steel. All disturbance will be within pad boundaries. The flowline will be buried 4' deep.

CONSTRUCTION

Date planned to commence construction: 11/10/2014 Size of disturbed area during construction in acres: 8.31

Estimated date that interim reclamation will begin: 10/01/2015 Size of location after interim reclamation in acres: 1.07

Estimated post-construction ground elevation: 5166

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? _____

Reuse Facility ID: _____ or Document Number: _____

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

SURFACE & MINERALS & RIGHT TO CONSTRUCT

Name: WPX Energy

Phone: _____

Address: 1001 17th Street, Suite 1200

Fax: _____

Address: _____

Email: _____

City: Denver State: CO Zip: 80202

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: applicant is owner

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: 1002 Feet
Above Ground Utility: 1976 Feet
Railroad: 3051 Feet
Property Line: 877 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: 47-Nihill channery loam, 6 to 25 percent slopes

NRCS Map Unit Name: 66-Torriorthents-Camborthids-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: 07/29/2014

List individual species: Cheatgrass, Slender wheatgrass, Russian Thistle, Saltbush, Common Sunflower, Galletagrass

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: 688 Feet

water well: 4130 Feet

Estimated depth to ground water at Oil and Gas Location 40 Feet

Basis for depth to groundwater and sensitive area determination:

Sensitive Area Determination 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

This location is for an injection well.

Note: WPX Energy has temporary injection equipment shown on the construction lay-out plat. This includes two water tanks, one pump, and a filter pod. This equipment is temporary and once the rig leaves the location for injection operations, it will be removed at the time the permanent facility is installed near the Smith Gulch Completions Pit (Sec. 31, 32, T7S, R96W).

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

Signed: _____ Date: 09/10/2014 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: 11/16/2014

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.

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. The operator shall maintain records of inspections, findings and repairs, if necessary, for the life of the pipelines. 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.

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.

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. This will reduce surface disturbance and fragmentation in the area.

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.

Operator must submit an as-built drawing (plan view and cross-sections) of the injection well pad and associated equipment within 30 calendar days of construction.

Operator must implement best management practices to contain any unintentional release of fluids, including any fluids conveyed via temporary surface or buried pipelines.

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, 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.

Operator will use qualified containment devices for all appropriate chemicals/hazardous materials used onsite during the operation of the injection well.

All tanks and aboveground vessels containing fluids must have secondary containment structures. All secondary containment structures/areas must be lined. Operator must ensure a minimum of 110 percent secondary containment for the largest structure containing fluids within each bermed area the facility during operations. The construction and lining of the secondary containment structures/areas shall be supervised by a professional engineer or their agent.

Operator shall equip and maintain on all tanks an electronic level monitoring device.

Operator shall install a steel containment ring around tank batteries to provide secondary containment and install a synthetic liner that underlies the entire battery and is keyed into the top of the containment ring.

Approval of this Form 2A does not authorize operator the right to inject. Authorization to inject into the selected Formation(s) requires approval of both the Form 31 and the Form 33.

If required by COGCC for the Form 31 and Form 33 permits, before hydraulic stimulation of the well, operator shall collect a groundwater sample from the Iles Formation and analyze for total dissolved solids (TDS).

Potential odors associated with the completions process and/or with long term production operations must be controlled/mitigated.

	<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 after precipitation events), 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>Notify the COGCC 48 hours prior to start of pad reconstruction/regrading, rig mobilization, spud, pipeline testing, start of hydraulic stimulation operations, start of flowback operations, and start of injecting 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	Planning	<p>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 and share roads to minimize habitat fragmentation.</p>
2	Interim Reclamation	<p>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: 2 comment(s)

Attachment Check List

Att Doc Num	Name
2107122	CORRESPONDENCE PIPELINE COA
2107133	CORRESPONDENCE
400623785	FORM 2A SUBMITTED
400654903	ACCESS ROAD MAP
400654905	HYDROLOGY MAP
400654906	LOCATION DRAWING
400654909	REFERENCE AREA MAP
400654914	REFERENCE AREA PICTURES
400654915	FACILITY LAYOUT DRAWING
400654918	NRCS MAP UNIT DESC
400654919	NRCS MAP UNIT DESC
400654920	OTHER
400654922	LOCATION PICTURES
400654923	SENSITIVE AREA DATA
400654924	PROPOSED BMPS
400664299	MULTI-WELL PLAN
400668161	CONST. LAYOUT DRAWINGS
400681997	OIL & GAS LEASE

Total Attach: 18 Files

General Comments

User Group	Comment	Comment Date
Permit	Final review complete	11/12/2014 2:56:23 PM
Permit	Ready to pass.	10/27/2014 9:27:27 AM
OGLA	Initiated/Completed OGLA Form 2A review on 10-20-14 by Dave Kubeczko; requested acknowledgement of notification, fluid containment, spill/release BMPs, tank berming, flowback to tanks, cuttings low moisture content, secondary containment, tank level monitoring, and injection formation TDS sampling COAs from operator on 10-21-14; received acknowledgement of COAs from operator on 10-22-14; no CPW; passed OGLA Form 2A review on 11-04-14 by Dave Kubeczko; notification, fluid containment, spill/release BMPs, tank berming, flowback to tanks, cuttings low moisture content, secondary containment, tank level monitoring, and injection formation TDS sampling COAs.	10/20/2014 4:10:55 PM
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.	10/2/2014 1:03:09 PM
Permit	Corrected # of wells to 3.	9/30/2014 10:09:38 AM
Permit	Please review the excess soil stock area. Compare Google Earth with our 2013 aerial photos. Possible waste management area versus well pad. WPX surface and minerals.	9/25/2014 10:26:00 AM
Permit	Passed Completeness	9/12/2014 9:42:55 AM

Total: 7 comment(s)