

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:

400706275

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Date Received:

10/14/2014

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:

440092

Expiration Date:

11/20/2017

☐ 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: 10373

Name: NGL WATER SOLUTIONS DJ LLC

Address: 3773 CHERRY CRK NORTH DR #1000

City: DENVER State: CO Zip: 80209

Contact Information

Name: Paul Gottlob

Phone: (720) 420-5747

Fax: ()

email: paul.gottlob@iptenergyservices.com

RECLAMATION FINANCIAL ASSURANCE

☒ Plugging and Abandonment Bond Surety ID: 20110128 ☐ Gas Facility Surety ID: _____

☐ Waste Management Surety ID: _____

LOCATION IDENTIFICATION

Name: NGL FACILITY Number: C5

County: WELD

QuarterQuarter: SWSW Section: 29 Township: 2N Range: 64W Meridian: 6 Ground Elevation: 4937

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: 1166 feet FSL from North or South section line

710 feet FWL from East or West section line

Latitude: 40.105521 Longitude: -104.581750

PDOP Reading: 2.2 Date of Measurement: 10/03/2014

Instrument Operator's Name: Bradley Laman

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 #

400702651

FACILITIES

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

| | | | | | | | | |
|-----------------------|----------------------|---|----------------------|---|------------------|----|-------------------------------|--|
| Wells | Oil Tanks* | 6 | Condensate Tanks* | | Water Tanks* | 14 | Buried Produced Water Vaults* | |
| Drilling Pits | Production Pits* | | Special Purpose Pits | | Multi-Well Pits* | | Modular Large Volume Tanks | |
| Pump Jacks | Separators* | | Injection Pumps* | 2 | Cavity Pumps* | | Gas Compressors* | |
| Gas or Diesel Motors* | Electric Motors | | Electric Generators* | | Fuel Tanks* | | LACT Unit* | |
| Dehydrator Units* | Vapor Recovery Unit* | | VOC Combustor* | | Flare* | | Pigging Station* | |

OTHER FACILITIES*

Other Facility Type

Number

Those facilities indicated by an asterisk () shall be used to determine the distance from the Production Facility to the nearest cultural feature on the Cultural Setbacks Tab.

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 (2), to be permitted, UIC wells to Facility Tanks on location.

CONSTRUCTION

Date planned to commence construction: 11/20/2014 Size of disturbed area during construction in acres: 8.50
Estimated date that interim reclamation will begin: 04/20/2015 Size of location after interim reclamation in acres: 8.50
Estimated post-construction ground elevation: 4937

DRILLING PROGRAM

Will a closed loop system be used for drilling fluids: _____

Is H₂S anticipated? _____

Will salt sections be encountered during drilling: _____

Will salt based mud (>15,000 ppm Cl) be used? _____

Will oil based drilling fluids be used? _____

DRILLING WASTE MANAGEMENT PROGRAM

Drilling Fluids Disposal: _____ Drilling Fluids Disposal Method: _____

Cutting Disposal: _____ Cuttings Disposal Method: _____

Other Disposal Description:

This permit is just for a Facility.

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: NGL Water Solutions DJLLC

Phone: _____

Address: 3773 Cherry Creek Dr. North, Suite
1000

Fax: _____

Address: _____

Email: _____

City: Denver State: CO Zip: 80209

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): UIC Facility

Subdivided: ☐ Industrial ☐ Commercial ☐ Residential

CULTURAL DISTANCE INFORMATION

Provide the distance to the nearest cultural feature as measured from Wells or Production Facilities onsite.

| | From WELL | From PRODUCTION FACILITY |
|-----------------------------------|-----------|--------------------------|
| Building: | Feet | 1137 Feet |
| Building Unit: | Feet | 1182 Feet |
| High Occupancy Building Unit: | Feet | 5280 Feet |
| Designated Outside Activity Area: | Feet | 5280 Feet |
| Public Road: | Feet | 709 Feet |
| Above Ground Utility: | Feet | 418 Feet |
| Railroad: | Feet | 628 Feet |
| Property Line: | Feet | 525 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.
- For measurement purposes only, Production Facilities should only include those items with an asterisk(*) on the Facilities Tab.

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: _____

FOR MULTI-WELL PADS AND PRODUCTION FACILITIES WITHIN DESIGNATED SETBACK LOCATIONS ONLY:

- ☐ Check this box if this Oil and Gas Location has or will have Production Facilities that serve multiple wells (onll or offsite) and the Production Facilities are proposed to be located less than 1,000 feet from a Building Unit. *(Pursuant to Rule 604.c.(2)E.i., the operator must evaluate alternative locations for the Production Facilities that are farther from the Building Unit, and determine whether those alternative locations were technically feasible and economically practicable for the same proposed development.)*
- ☐ By checking this box, I certify that no alternative placements for the Production Facilities, farther from the nearest Building Unit, were available based on the analysis conducted pursuant to Rule 604.c.(2)E.i.

In the space below, explain rationale for siting the multi-well Production Facility(ies) that supports your Rule 604.c.(2)E.i determination. Attach documentation that supports your determination to this Form 2A.

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: Colby loam #15

NRCS Map Unit Name: Colby loam #16

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: 1400 Feet

water well: 482 Feet

Estimated depth to ground water at Oil and Gas Location 389 Feet

Basis for depth to groundwater and sensitive area determination:

Distance to nearest downgradient surface water feature is the Jim Creek to the south west. Nearest Water Well is Permit # 43538 -MH, 482' south, does not show a static water level. Next nearest Water Well is Permit # 231051, 1492' to the north west, with a static water level of 389'.

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 N/A

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

Location is currently covered in 8' to 10' of corn, expect harvesting in the next couple of weeks - will submit Location Pictures once corn is harvested.

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

Signed: _____ Date: 10/14/2014 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: 11/21/2014

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 provide notice to COGCC 48 hours prior to commencing construction of this Oil and Gas Location via Form 42. |
|--|--|

Best Management Practices

| <u>No</u> | <u>BMP/COA Type</u> | <u>Description</u> |
|------------------|--|--|
| 1 | Planning | This UIC Facility is for the separation of hydrocarbons and waste, the separated produced water shall be filtered prior to injection. Facility will serve 2 nearby wells. |
| 2 | Traffic control | Access road: The access road will be constructed to accommodate local emergency vehicles. This road will be maintained for access at all times. |
| 3 | General Housekeeping | Fencing requirements. A permanent fencing plan will be reviewed by the surface owner, & the applicant. |
| 4 | General Housekeeping | Removal of surface trash. All trash, debris and material not intrinsic to the operation of a UIC Facility shall be removed and legally disposed of as is applicable. |
| 5 | Material Handling and Spill Prevention | Leak Detection Plan. Pumper will visit the location daily and visually inspect all tanks and fittings for leaks. Additionally, monthly documented SPCCP inspections are conducted pursuant to 40 CFR §112. |
| 6 | Material Handling and Spill Prevention | Berm construction. Tank berms shall be constructed of steel rings with a synthetic or engineered liner and designed to contain 150% of the capacity of the largest tank. All berms will be visually checked periodically to ensure proper working condition. |
| 7 | Material Handling and Spill Prevention | Load-lines. All load-lines shall be bull-plugged or capped. |
| 8 | Material Handling and Spill Prevention | Tank specifications. Tanks will be designed, constructed and maintained in accordance with NFPA Code 30. The tanks are visually inspected once a day for issues, and recorded inspections are conducted once a month. |
| 9 | Odor mitigation | Per Rule 805: Oil & gas facilities and equipment shall be operated in such a manner that odors and dust do not constitute a nuisance or hazard to public welfare. |

Total: 9 comment(s)

Attachment Check List

| <u>Att Doc Num</u> | <u>Name</u> |
|---------------------------|-------------------------|
| 1668602 | LOCATION PICTURES |
| 1668605 | CORRESPONDENCE |
| 400706275 | FORM 2A SUBMITTED |
| 400707212 | HYDROLOGY MAP |
| 400707229 | NRCS MAP UNIT DESC |
| 400707231 | NRCS MAP UNIT DESC |
| 400707236 | WASTE MANAGEMENT PLAN |
| 400710246 | ACCESS ROAD MAP |
| 400710248 | FACILITY LAYOUT DRAWING |
| 400710340 | LOCATION DRAWING |

Total Attach: 10 Files

General Comments

| <u>User Group</u> | <u>Comment</u> | <u>Comment Date</u> |
|-------------------|--|---------------------------|
| Permit | Final Review Completed. No LGD or public comment received. | 11/18/2014 3:54:41 PM |
| OGLA | OGLA review is complete. No public comments received. OGLA task passed. | 11/12/2014 4:01:23 PM |
| OGLA | Sent email to IPT regarding remote location for injection well associated with facility location, cultural distances not in a buffer zone, plant community cropland and does not need to be completed, and location pictures not attached. Responded concurring with changes and sent pictures attached. email attached. | 11/12/2014 2:38:33 PM |
| Permit | ok to pass. | 11/4/2014 1:23:56 PM |
| Permit | Passed Completeness | 10/17/2014 12:43:00 PM |
| Permit | Requested OGLA clarification on Facility layout drawing as access road map and location drawing. -update- Returned to draft: The operator needs to submit a separate Location Drawing and a separate Access Road Map. A Facility Layout Drawing is only required if a Building Unit is at/less than 1,000 feet. | 10/16/2014 11:43:24 AM |

Total: 6 comment(s)