

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:

400653954

(SUBMITTED)

Date Received:

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:

Expiration Date:

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: 77330
 Name: SG INTERESTS I LTD
 Address: 100 WAUGH DR SUITE 400
 City: HOUSTON State: TX Zip: 77007

Contact Information

Name: Catherine Dickert
 Phone: (970) 3850696
 Fax: (970) 3850636
 email: cdickert@sginterests.com

RECLAMATION FINANCIAL ASSURANCE

- Plugging and Abandonment Bond Surety ID: 20030098 Gas Facility Surety ID: _____
- Waste Management Surety ID: _____

LOCATION IDENTIFICATION

Name: Falcon Seaboard 11-90-12 Number: 3
 County: GUNNISON
 Quarter: NESW Section: 12 Township: 11S Range: 90W Meridian: 6 Ground Elevation: 7530

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: 1847 feet FSL from North or South section line
1848 feet FWL from East or West section line

Latitude: 39.112410 Longitude: -107.399380

PDOP Reading: 1.4 Date of Measurement: 08/27/2014

Instrument Operator's Name: M. Denison

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>4</u>	Oil Tanks*	<u>0</u>	Condensate Tanks*	<u>1</u>	Water Tanks*	<u>6</u>	Buried Produced Water Vaults*	<u>0</u>
Drilling Pits	<u>0</u>	Production Pits*	<u>0</u>	Special Purpose Pits	<u>0</u>	Multi-Well Pits*	<u>0</u>	Modular Large Volume Tanks	<u>0</u>
Pump Jacks	<u>0</u>	Separators*	<u>4</u>	Injection Pumps*	<u>0</u>	Cavity Pumps*	<u>0</u>	Gas Compressors*	<u>0</u>
Gas or Diesel Motors*	<u>0</u>	Electric Motors	<u>0</u>	Electric Generators*	<u>0</u>	Fuel Tanks*	<u>0</u>	LACT Unit*	<u>0</u>
Dehydrator Units*	<u>0</u>	Vapor Recovery Unit*	<u>0</u>	VOC Combustor*	<u>0</u>	Flare*	<u>1</u>	Pigging Station*	<u>0</u>

OTHER FACILITIES*

Other Facility Type

Number

Water Transfer

1

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:

One (1) 2-4-inch water pipeline and one (1) 3-6-inch gas pipeline will be installed on the pad for each well on location and tied into existing pipelines off the well pad location. Temporary poly pipeline may be used on the surface at times to bring completion water to location from the McIntyre Flowback Pits 3 and 4. Flowback will return to the pits via this temporary pipeline system as well.

CONSTRUCTION

Date planned to commence construction: 07/15/2015

Size of disturbed area during construction in acres: 2.74

Estimated date that interim reclamation will begin: 09/15/2015

Size of location after interim reclamation in acres: 2.29

Estimated post-construction ground elevation: 7530

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:

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: Falcon Seaboard Diversifi

Phone: 713-622-0055

Address: 109 N Post Oak LN STE 540

Fax: _____

Address: _____

Email: _____

City: Houston State: TX Zip: 77024

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: oil and gas lease

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 cleared well 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): _____

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:	1800 Feet	1870 Feet
Building Unit:	1800 Feet	1870 Feet
High Occupancy Building Unit:	5280 Feet	5280 Feet
Designated Outside Activity Area:	5280 Feet	5280 Feet
Public Road:	3450 Feet	3500 Feet
Above Ground Utility:	2025 Feet	2175 Feet
Railroad:	5280 Feet	5280 Feet
Property Line:	1420 Feet	1265 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 (on 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 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: Fughes Loam, 5%-15% Slopes

NRCS Map Unit Name: Cryoborolls, very stony

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: 09/01/2014

List individual species: Canada Thistle

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): Existing well pad, pasture grass surrounding area is timothy, orchardgrass and smooth brome

WATER RESOURCES

Is this a sensitive area: No Yes

Distance to nearest

downgradient surface water feature: 0 Feet

water well: 2770 Feet

Estimated depth to ground water at Oil and Gas Location 10 Feet

Basis for depth to groundwater and sensitive area determination:

This well is located above an irrigated pasture. Ditches will be re-routed per landowner direction in order to expand the well pad. Well permit #264800 is approximately 0.5 miles from the well head. The depth of this well is 10'. Well permit #265700 is just over 0.5 mile from the well head. It is also 10' deep. Both of these wells are to the northeast of the planned gas well. Another water well (permit #267736), about 8/10 mile to the southeast of the planned location, is 10' deep.

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 zone: No

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 was originally permitted under document #1219104 (location ID number not known). The well pad was built, however the well was not drilled at that time. This location will now include four wells, the Falcon Seaboard 11-90-12 #3, Falcon Seaboard 11-90-12 #5, Falcon Seaboard 11-90-12 #6 and Falcon Seaboard 11-90-12 #7.

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

Signed: _____ Date: _____ Email: cdickert@sginterests.com

Print Name: Catherine Dickert Title: Env & Permit Manager

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: _____

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.

Best Management Practices

No BMP/COA Type Description

<u>No BMP/COA Type</u>	<u>Description</u>

Attachment Check List

<u>Att Doc Num</u>	<u>Name</u>
400654241	NRCS MAP UNIT DESC
400689895	LOCATION PICTURES
400694558	ACCESS ROAD MAP
400775176	SENSITIVE AREA DATA
400775193	CONST. LAYOUT DRAWINGS
400775201	HYDROLOGY MAP
400783463	MULTI-WELL PLAN
400783467	LOCATION DRAWING

Total Attach: 8 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>

Total: 0 comment(s)