

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:

400711489

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Date Received:

01/07/2015

Oil and Gas Location Assessment

☐ New Location ☐ Refile ☒ Amend Existing Location Location#: 159787

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:

159787

Expiration Date:

03/02/2018

☐ 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: 46290
Name: K P KAUFFMAN COMPANY INC
Address: 1675 BROADWAY, STE 2800
City: DENVER State: CO Zip: 80202

Contact Information

Name: Susana Lara-Mesa
Phone: (303) 825-4822
Fax: (303) 825-4825
email: Slaramesa@kpk.com

RECLAMATION FINANCIAL ASSURANCE

☒ Plugging and Abandonment Bond Surety ID: 20010023 ☐ Gas Facility Surety ID: _____
☐ Waste Management Surety ID: _____

LOCATION IDENTIFICATION

Name: Facility _____ Number: #5 _____
County: WELD
QuarterQuarter: NESE Section: 4 Township: 1N Range: 67W Meridian: 6 Ground Elevation: 4976
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: 1861 feet FSL from North or South section line
782 feet FEL from East or West section line
Latitude: 40.077890 Longitude: -104.889130
PDOP Reading: 1.4 Date of Measurement: 10/18/2014
Instrument Operator's Name: E. Davis

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:

Production Facilities Location serves Well(s)

LOCATION ID

FORM 2A DOC

317687

318295

318305

318264

317690

318389

410186

318223

317651

318307

318263

311353

317664

317643

317737

317684

317660

317653

332960

318310

318309

317665

318262

317666

318438

318501

318377

317649

318323

318447

318638

317650

311304

318376

318308

317652

410187

FACILITIES

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

Wells _____	Oil Tanks* _____ 3	Condensate Tanks* _____	Water Tanks* _____ 2	Buried Produced Water Vaults* _____
Drilling Pits _____	Production Pits* _____	Special Purpose Pits _____	Multi-Well Pits* _____	Modular Large Volume Tanks _____
Pump Jacks _____	Separators* _____ 2	Injection Pumps* _____	Cavity Pumps* _____	Gas Compressors* _____ 1
Gas or Diesel Motors* _____	Electric Motors _____	Electric Generators* _____	Fuel Tanks* _____	LACT Unit* _____
Dehydrator Units* _____	Vapor Recovery Unit* _____	VOC Combustor* _____ 5	Flare* _____	Pigging Station* _____

OTHER FACILITIES*

Other Facility Type

Number

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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:

Proposed compressor is 50 hp and therefore exempt from setback requirement
3 oil pipelines, 3 gas pipelines, 3 water pipelines

CONSTRUCTION

Date planned to commence construction: 02/01/2015 Size of disturbed area during construction in acres: 1.50
Estimated date that interim reclamation will begin: 06/01/2015 Size of location after interim reclamation in acres: 1.25
Estimated post-construction ground elevation: 4976

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: _____ Drilling Fluids Disposal Method: _____

Cutting Disposal: _____ Cuttings Disposal Method: _____

Other Disposal Description:

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: Haake Family

Phone: _____

Address: 5387 County Road 19

Fax: _____

Address: _____

Email: _____

City: Fort Lupton State: CO Zip: 80621

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: Surface Use Agreement

Surface damage assurance if no agreement is in place: _____ Surface Surety ID: _____

Date of Rule 306 surface owner consultation 12/23/2014

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

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

	From WELL	From PRODUCTION FACILITY
Building:	Feet	574 Feet
Building Unit:	Feet	664 Feet
High Occupancy Building Unit:	Feet	5280 Feet
Designated Outside Activity Area:	Feet	5280 Feet
Public Road:	Feet	745 Feet
Above Ground Utility:	Feet	96 Feet
Railroad:	Feet	5280 Feet
Property Line:	Feet	745 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: 10/21/2014

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.

K.P. Kauffman Company, Inc. has mutually agreed with the surface owner that this is the best location for the existing production facility. K.P. Kauffman Company, Inc. has also mutually agreed with the surface owner to add the new VOC Combustors to the south side of the existing production facility. All existing equipment will remain in place.

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: 78 Weld loam, 0 to 1 percent slopes

NRCS Map Unit Name: _____

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: 10/23/2014

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: 162 Feet

water well: 2927 Feet

Estimated depth to ground water at Oil and Gas Location 133 Feet

Basis for depth to groundwater and sensitive area determination:

Estimated depth to ground water is based on multiple water well permits. Multiple water wells had static water levels of around 150'. The shallowest water well showed 133', ANDERSEN WELL 1-43769, Permit #43769.

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

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 318A

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: K.P. Kauffman Company, Inc. is adding 5 new VOC Combustors and a 50 hp compressor to overcome line pressure to this existing location.

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

Signed: _____ Date: 01/07/2015 Email: Slaramesa@kpk.com

Print Name: Susana Lara-Mesa Title: VP Engineering

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: 3/3/2015

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.
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Best Management Practices**No BMP/COA Type****Description**

1	Planning	604c.(2).I. BOPE Testing: KPK will subcontract a testing company to test the BOPE and pipe once every 30 days or once per well for high pressure. Once installed, KPK will test the BOPE and ancillary equipment to 400 psi and 10% maximum leak off.
2	Planning	604c.(2).U. – Abandoned Wells: All abandoned wells will be marked per Rule 319.a.(5)
3	Planning	604c.(2).W. – Site-specific measures: A lighting plan will be used in order to minimize impact on any buildings if night operations are required.
4	Traffic control	604c.(2).D. – Traffic: KPK obtains required permits from Weld County and the City of Ft. Lupton.
5	General Housekeeping	Housekeeping will consist of neat and orderly storage of materials and fluids. Wastes will be temporarily stored in sealed containers and regularly collected and disposed of at offsite suitable facilities according to WMP. If spills occur prompt cleanup is required to minimize any commingling of waste materials with storm water runoff. Routine maintenance will be limited to fueling and lubrication of equipment. Drip pans will be used during routine fueling and maintenance to contain spills or leaks. Any waste product from maintenance will be containerized and transported offsite for disposal at a certified facility. There will be no major equipment overhauls conducted onsite. Equipment will be transported offsite for major overhauls. Cleanup of trash and discarded materials will be conducted at the end of each workday. Cleanup will consist of patrolling the roadway, access areas, and other work areas to pick up trash, scrap debris, other discarded materials, any contaminated soil, and dust control on location. Materials will be disposed of properly.
6	General Housekeeping	604c.(2).N. – Fire Hazards: KPK will remove unused flammable material and stored at least 25' from the wellhead or electrical equipment.

7	General Housekeeping	604c.(2).P. – Trash: All unused material, trash, debris, etc. will be hauled off location during production operations. A commercial bin will be installed on location during drilling and completion operations.
8	General Housekeeping	604c.(2).T. – Abandoned Wellsite: Within 90 days after abandonment activities, all equipment, trash, debris, etc. will be removed from location.
9	Storm Water/Erosion Control	Storm water Management Plan (SWMP) will be in place to address construction and operations associated with oil and gas development throughout the state of Colorado in accordance with Colorado Department of Public Health and Environment (CDPHE) General Permit rules.
10	Material Handling and Spill Prevention	Spill Prevention Control and countermeasure plan (SPCC) is in place to address construction, drilling and operations associated with oil and gas development throughout the state of Colorado in accordance with CFR 112.
11	Material Handling and Spill Prevention	604c.(2).F. – Leak Detection Plan: Leak detection plan is developed based on CDPHE Reg 3 and Reg 7 with a AVO inspection performed.
12	Construction	Secondary containment will be built with steel berms and liner for flood control. Location is built sloped in the opposite direction of the river. Containment berms will be placed around tanks.
13	Construction	604c.(2).G. – Berms: All berms will be lined with a geosynthetic liner and metal berms capable of containing 150% of the largest tank installed. The production facility will be built sloped in the opposite direction of the river.
14	Construction	604c.(2).Q. – Line Anchors: All anchors used for surface rigs will be flagged no less than 4' in height.
15	Construction	604c.(2).R. – Tanks: All new storage tanks will be installed based on NFPA Code 30. KPK will maintain records to verify proper design, construction and maintenance and will be made available upon request by the Director.
16	Construction	604c.(2).S. – Access Roads: The existing access road will be improved to accommodate local emergency vehicle access requirements if necessary.
17	Noise mitigation	Production activities that are known to produce higher than normal noise levels, will be carried out during the day in order to minimize disturbance to neighboring houses. The separation equipment will be installed as far as possible from the residence building, as agreed with the surface owner.
18	Drilling/Completion Operations	604c.(2).O. – Loadlines: All loadlines will be bullplugged or capped.

Total: 18 comment(s)

Attachment Check List

<u>Att Doc Num</u>	<u>Name</u>
1668665	OTHER
1668666	CORRESPONDENCE
1668667	RULE 306.E. CERTIFICATION
1668668	OTHER
400711489	FORM 2A SUBMITTED
400721147	ACCESS ROAD MAP
400721149	WELL LOCATION PLAT
400721151	EXCEPTION LOC REQUEST
400721152	30 DAY NOTICE LETTER
400721156	FACILITY LAYOUT DRAWING
400721157	HYDROLOGY MAP
400721159	LOCATION PICTURES
400721162	NRCS MAP UNIT DESC
400766336	SURFACE AGRMT/SURETY
400772782	LOCATION DRAWING

Total Attach: 15 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
OGLA	Attached Inspection SOP includes leak detection procedures	3/3/2015 11:58:41 AM
OGLA	Operator sent SOP for facility inspection. Attached as OTHER.	3/3/2015 11:07:49 AM
OGLA	Talked to operator on the phone to remove 604.c.(2)V. BMP based on not drilling any new wells. Sending additional information regarding leak detection, and not adding any new tanks or replacing, but BMP 604.c.(2).R. is for how tanks will be replaced if needed in the future.	3/2/2015 12:26:39 PM
OGLA	Changed name of Const. Layout Drawings attachment to Facility Layout Drawing - This attachment is required by rule and the attached drawing shows Production Facilities. Less than 10% slope at proposed location.	3/2/2015 11:16:41 AM
Permit	Final Review Completed. No LGD or public comment received.	3/2/2015 10:34:10 AM
Permit	Changed Right-to-Construct from Oil & Gas Lease to SUA per operator. Permitting Review Complete.	3/2/2015 10:34:09 AM
Permit	ON HOLD: requesting change Right-to-Construct.	3/2/2015 10:04:36 AM
OGLA	OGLA review is complete. No public comments received. OGLA task passed.	2/24/2015 12:38:46 PM
OGLA	In buffer zone and surface owner is the nearest building unit.	2/24/2015 12:38:13 PM
OGLA	Email correspondence with operator regarding facility ID, confirmed gas wells to this facility. O&G wells are small, only producing a few barrels a day, set up by previous operator. Amended surface water distance to match hydrology map. Revised BMPs per operators email - as an attachment under Other and email under correspondence.	2/20/2015 1:37:01 PM
Permit	Passed completeness.	1/26/2015 9:31:40 AM
OGLA	Passed Buffer Zone completeness - address these issues during the technical review. Drilling program information should not be filled out, new Location ID created for this Tank Battery is #159787 - change from #317643 to Amend to #159787.	1/26/2015 9:08:12 AM
Permit	Located within buffer zone; sent to OGLA for further review.	1/20/2015 7:41:18 AM
OGLA	Buffer Zone completeness review - issues identified - Amended location does not list Location ID, should be nearby Well ID #317643, update Facilities Count to include well, drilling program information should not be filled out, include existing well on cultural distance information, Rule 604.b.(1)A request letter attached, box not checked on Form. Location Drawing does not show features at 500 foot radius. Pushed to DRAFT - communicated with Operator	1/14/2015 8:45:52 AM
Permit	Located within buffer zone; sent to OGLA for further review.	1/9/2015 8:11:03 AM

Total: 15 comment(s)