

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:

400766478

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Date Received:

01/30/2015

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:

441121

Expiration Date:

03/18/2018

☐ 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: 8960
Name: BONANZA CREEK ENERGY OPERATING COMPANY LLC
Address: 410 17TH STREET SUITE #1400
City: DENVER State: CO Zip: 80202

Contact Information

Name: Julie L. Vigil
Phone: (303) 803-1718
Fax: (720) 279-2331
email: jvigil@bonanzacrk.com

RECLAMATION FINANCIAL ASSURANCE

☒ Plugging and Abandonment Bond Surety ID: 20120018 ☐ Gas Facility Surety ID: _____
☐ Waste Management Surety ID: _____

LOCATION IDENTIFICATION

Name: State Pronghorn Number: 44-32 Pad
County: WELD
QuarterQuarter: SESE Section: 32 Township: 5N Range: 61W Meridian: 6 Ground Elevation: 4530
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: 392 feet FSL from North or South section line
1123 feet FEL from East or West section line
Latitude: 40.351040 Longitude: -104.227360
PDOP Reading: 1.4 Date of Measurement: 11/17/2014
Instrument Operator's Name: Marc Mayer

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 #

Well Site is served by Production Facilities

438946

FACILITIES

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

Wells	8	Oil Tanks*	1	Condensate Tanks*		Water Tanks*		Buried Produced Water Vaults*	1
Drilling Pits		Production Pits*		Special Purpose Pits		Multi-Well Pits*		Modular Large Volume Tanks	1
Pump Jacks	8	Separators*	18	Injection Pumps*		Cavity Pumps*		Gas Compressors*	
Gas or Diesel Motors*	8	Electric Motors		Electric Generators*		Fuel Tanks*		LACT Unit*	
Dehydrator Units*		Vapor Recovery Unit*		VOC Combustor*		Flare*		Pigging Station*	3

OTHER FACILITIES*

Other Facility Type

Number

Temporary sand catchers	16
ECD	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) gas sales line connection: 6" coated steel
Two (2) oil gathering lines: 4" coated steel
Two (2) produced water gathering lines: 4" coated steel
Vent/VRU lines: 4@6", 4@10", 4@12" steel

Temporary Large Volume Above Ground Storage Tanks 40,000 bbl - 157' dia

CONSTRUCTION

Date planned to commence construction: 03/01/2015 Size of disturbed area during construction in acres: 6.30

Estimated date that interim reclamation will begin: 09/21/2015 Size of location after interim reclamation in acres: 4.00

Estimated post-construction ground elevation: 4528

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: Land application

Cutting Disposal: OFFSITE

Cuttings Disposal Method: Beneficial reuse

Other Disposal Description:

Beneficial reuse or land application plan submitted? Yes

Reuse Facility ID: 427606 or Document Number: _____

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

SURFACE & MINERALS & RIGHT TO CONSTRUCT

Name: State Land Board

Phone: 303-866-3454

Address: 1127 Sherman Street

Fax: _____

Address: _____

Email: _____

City: Denver State: CO Zip: 80203

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): _____

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:	5280 Feet	5280 Feet
Building Unit:	5280 Feet	5280 Feet
High Occupancy Building Unit:	5280 Feet	5280 Feet
Designated Outside Activity Area:	5280 Feet	5280 Feet
Public Road:	400 Feet	79 Feet
Above Ground Utility:	5280 Feet	5280 Feet
Railroad:	5280 Feet	5280 Feet
Property Line:	392 Feet	207 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: 70 Valent sand, 3 to 9 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: _____

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: 3155 Feet

water well: 7980 Feet

Estimated depth to ground water at Oil and Gas Location 250 Feet

Basis for depth to groundwater and sensitive area determination:

Closest water well that is not a monitoring well is Colorado Division of Water Resources Well Permit #227566
22 feet based on DWR Permit #64751

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 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

MLVT Manufacturer or vendor = HydroLogistics
Size of tanks = 42,000 bbl - 157' dia
Anticipated timeframe tanks will be on location = March 3, 2015 - December 12, 2015

Due to Bonanza's desire to permit efficiently while simultaneously minimizing surface disturbance and maximizing equipment utilization; we request a little flexibility and "overlap" in our process. Bonanza does not at this time intend to install all of the requested equipment. Operations are currently planned to be routed to a centralized production facility noted on the Location Identification Tab. Our plan for this location is to install the following equipment:
1 500 bbl oil tank, 1 60 bbl partially buried water vault, 1 ECD and 1 pig launcher.

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

Signed: _____ Date: 01/30/2015 Email: jvigil@bonanzacrk.com

Print Name: Julie L. Vigil Title: Sr. Regulatory Specialist

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: 3/19/2015

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	Construction	The following procedure describes BCEI standard construction practices for setting a partially buried pre-cast cement water vault and new tank battery construction. 1) The excavation will first be lined with 4" of clay or other low permeability soil. 2) A 30 mil liner will be installed on top of the low permeability soil. The 30 mil liner will be a contiguous liner which will underlay the entire tank battery. 3) The tank battery / water vault liner will be keyed into a galvanized steel containment ring installed surrounding the tank battery. 4) Sand bedding will be installed to protect the synthetic liner prior to placing equipment in the containment area.
2	Construction	Bonanza Creek Energy OC acknowledges and will comply with the "COGCC Policy On the Use of Modular Large Volume Tanks in Colorado" dated June 13, 2014.

Total: 2 comment(s)

Attachment Check List

<u>Att Doc Num</u>	<u>Name</u>
1009771	LOCATION DRAWING
1009772	CORRESPONDENCE
400766478	FORM 2A SUBMITTED
400770735	HYDROLOGY MAP
400770738	LOCATION PICTURES
400770739	REFERENCE AREA MAP
400770740	REFERENCE AREA PICTURES
400770741	MULTI-WELL PLAN
400772658	WASTE MANAGEMENT PLAN
400772660	NRCS MAP UNIT DESC
400772686	ACCESS ROAD MAP
400772691	CONST. LAYOUT DRAWINGS
400783908	FACILITY LAYOUT DRAWING

Total Attach: 13 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Final Review	COGCC in person conversation with Bonanza Creek 3/19/15 regarding plans for this Oil and Gas Location. At operators request, COGCC removed the ALL facilities originally proposed for this location for contingency planning purposes, and replaced with the following based on the planned use of offsite Centralized Production Facility (CPF) as referenced in Related Remote Locations section: 1 Oil Tank (down from 25), 1 Buried Produced Water Vault (down from 7), 1 ECD (down from 8 VOC combustor), 3 Pigging Stations (up from 1), 18 Separators (up from 8), 16 sand catchers (small and temporary – not previously listed). This change is consistent with the operators plan as stated on the submit tab.	3/19/2015 9:35:03 PM
Permit	BCEI has a valid lease on file with SLB; per Tim Kelly. Final Review Completed. No LGD or public comment received.	3/17/2015 11:00:51 AM
OGLA	Operator Concurrence received 03/16/2015. Attached.	3/17/2015 9:21:23 AM
OGLA	Location Drawing mislabeled at submittal. Received the Location Drawing on Friday 03/13/2015. Attached Location Drawing.	3/17/2015 9:18:20 AM
OGLA	Changed Estimated Depth to Groundwater to 22 feet based on DWR Permit #64751 and the proximity of the proposed Location to Riverside Reservoir. Changed Sensitive Area to YES based on potential shallow groundwater and the proximity to Riverside Reservoir. Operator BMPs regarding secondary containment are sufficient. No additional Conditions of Approval are warranted at this time.	3/13/2015 1:41:47 PM
Permit	Operator corrected drilling fluid disposal method from UIC disposal to Land Application	2/23/2015 11:30:12 AM
Permit	Drilling fluid disposal method does not match associated APD's. Emailed operator to correct.	2/23/2015 11:29:33 AM
Permit	-Emailed SLB to confirm state lease as right to construct.	2/20/2015 1:34:50 PM
Permit	Passed completeness.	2/3/2015 3:33:14 PM

Total: 9 comment(s)