

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:

400633362

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Date Received:

01/30/2015

Oil and Gas Location Assessment

☐ New Location ☐ Refile ☒ Amend Existing Location Location#: 335873

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:

335873

Expiration Date:

03/27/2018

☒ 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: 96850
Name: WPX ENERGY ROCKY MOUNTAIN LLC
Address: 1001 17TH STREET - SUITE #1200
City: DENVER State: CO Zip: 80202

Contact Information

Name: Angela Neifert-Kraiser
Phone: (303) 606-4398
Fax: ()
email: Angela.Neifert-Kraiser@WPXEnergy.com

RECLAMATION FINANCIAL ASSURANCE

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

LOCATION IDENTIFICATION

Name: FEDERAL Number: RGU 12-1-298
County: RIO BLANCO
QuarterQuarter: SWNW Section: 1 Township: 2S Range: 98W Meridian: 6 Ground Elevation: 6623
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: 1348 feet FNL from North or South section line
740 feet FWL from East or West section line
Latitude: 39.908812 Longitude: -108.347961
PDOP Reading: 2.7 Date of Measurement: 04/23/2007
Instrument Operator's Name: GRIFFEN & ASSOCIATES

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

316598

FACILITIES

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

| | | | | | | | | | |
|-----------------------|----|----------------------|----|----------------------|---|------------------|---|-------------------------------|--|
| Wells | 20 | Oil Tanks* | | Condensate Tanks* | 3 | Water Tanks* | 5 | Buried Produced Water Vaults* | |
| Drilling Pits | | Production Pits* | | Special Purpose Pits | | Multi-Well Pits* | | Modular Large Volume Tanks | |
| Pump Jacks | | Separators* | 23 | Injection Pumps* | | Cavity Pumps* | | Gas Compressors* | |
| Gas or Diesel Motors* | | Electric Motors | | Electric Generators* | | Fuel Tanks* | | LACT Unit* | |
| Dehydrator Units* | | Vapor Recovery Unit* | | VOC Combustor* | 1 | 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:

An existing 4" buried steel gas will be upsized to an 8" line. This line will come from the separators and tie into an existing 16" line in the access road. There exists 4" and 8" gas lines that Williams will re-route, in the road, around this pad. An existing 4" buried water line will be re-routed around the west side of the pad.

CONSTRUCTION

Date planned to commence construction: 06/15/2015

Size of disturbed area during construction in acres: 6.88

Estimated date that interim reclamation will begin: 07/15/2017

Size of location after interim reclamation in acres: 1.07

Estimated post-construction ground elevation: 6623

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:

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: BUREAU OF LAND MANAGEMENT

Phone: 970-878-3800

Address: WHITE RIVER FIELD OFFICE

Fax: 970-878-3805

Address: 220 EAST MARKET STREET

Email: _____

City: MEEKER State: CO Zip: 81641

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: | 2956 Feet | 2573 Feet |
| Above Ground Utility: | 4529 Feet | 4861 Feet |
| Railroad: | 5280 Feet | 5280 Feet |
| Property Line: | 3464 Feet | 3816 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: 73 Rentsac channery loam, 5 to 50 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: 11/06/2014

List individual species: Pinyon Pine, Utah Juniper, Mountain Mahogany, Antelope Bitterbrush, Sagebrush, Junegrass, Slender wheatgrass

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: 670 Feet

water well: 5359 Feet

Estimated depth to ground water at Oil and Gas Location 50 Feet

Basis for depth to groundwater and sensitive area determination:

See Sensitive Area Determination

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

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: Angela.Neifert-Kraiser@WPXEnergy.com

Print Name: Angela Neifert-Kraiser Title: 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: Matthew Lee Director of COGCC Date: 3/28/2015

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 |
|----------|--|
| | <p>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.</p> <p>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. 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.</p> |
| | <p>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.</p> <p>If the wells are 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 or storage vessel 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 constructed to be sufficiently impervious to contain any spilled or released material.</p> |
| | <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 per CDPHE regulations and after significant precipitation events), and maintained in good condition.</p> |
| | <p>Notify the COGCC 48 hours prior to start of pad reconstruction/regrading (if necessary), rig mobilization, spud, start of hydraulic stimulation operations, start of flowback operations (if different than hydraulic stimulation), and pipeline testing 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 | <ul style="list-style-type: none"> Minimize well pad density to the extent possible |
| 2 | Planning | WPX will run triple-combo open hole logs from well TD up to base of surface casing on one of the first wells drilled on a multi-well pad. Remaining wells on the pad will be logged with either cased hole pulsed neutron or triple-combo open hole. Every well will also have a CBL log from well TD up through well surface. Form 5 Completion Reports will identify wells on the pad with triple-combo open hole logs. |
| 3 | Construction | <ul style="list-style-type: none"> Surface roads to ensure that the anticipated volume of traffic and the weight and speed of vehicles using the road do not cause environmental damage, including generation of fugitive dust and contribution of sediment to downstream areas. Salvage topsoil from all road construction and other rights-of-way and re-apply during interim and final reclamation. |
| 4 | Drilling/Completion Operations | <ul style="list-style-type: none"> Limit parking to already disturbed areas that have not yet been reclaimed |
| 5 | Interim Reclamation | <ul style="list-style-type: none"> Install automated emergency response systems (e.g., high tank alarms, emergency shut-down systems, etc.). Implement fugitive dust control program Evaluate the utility of soil amendment application to achieve effective reclamation. Use appropriately diverse reclamation seed mixes that mirror an appropriate reference area for the site being reclaimed where approved by landowner. Seed during appropriate season to increase likelihood of reclamation success Apply certified weed free mulch and crimp or tacy to remain in place to reclaim areas for seed preservation and moisture retention |

Total: 5 comment(s)

Attachment Check List

| <u>Att Doc Num</u> | <u>Name</u> |
|---------------------------|-------------------------|
| 2107310 | CORRESPONDENCE |
| 400633362 | FORM 2A SUBMITTED |
| 400784103 | SENSITIVE AREA DATA |
| 400784104 | NRCS MAP UNIT DESC |
| 400784107 | LOCATION PICTURES |
| 400784109 | ACCESS ROAD MAP |
| 400784110 | CONST. LAYOUT DRAWINGS |
| 400784111 | HYDROLOGY MAP |
| 400784112 | LOCATION DRAWING |
| 400784114 | MULTI-WELL PLAN |
| 400784115 | REFERENCE AREA MAP |
| 400784117 | OTHER |
| 400784121 | REFERENCE AREA PICTURES |
| 400784123 | REFERENCE AREA PICTURES |

Total Attach: 14 Files

General Comments

| <u>User Group</u> | <u>Comment</u> | <u>Comment Date</u> |
|-------------------|---|--------------------------|
| Permit | Final review complete. | 3/27/2015 10:52:25 AM |
| OGLA | Initiated OGLA Form 2A review on 03-11-15 by Dave Kubeczko; Completed OGLA Form 2A review on 03-12-15 by Dave Kubeczko; requested acknowledgement of fluid containment, spill/release BMPs, flowback to tanks only, cuttings management, cuttings low moisture content, notification, and pipeline testing COAs from operator on 03-12-15; received acknowledgement of COAs from operator on 03-13-15; corrected qtr/qtr from SWNW to Lot 25; corrected distances from WELL to above ground utility from 4591' to 4529' and property line from 3537' to 3463' based on Location Drawing spreadsheet; passed by CPW on 02-03-15 with WMP BMPs acceptable; passed OGLA Form 2A review on 03-13-15 by Dave Kubeczko; fluid containment, spill/release BMPs, flowback to tanks only, cuttings management, cuttings low moisture content, notification, and pipeline testing COAs. | 3/18/2015 4:53:53 PM |
| Permit | Corrected Well location from Lot 25 to SWNW and notified Opr. Pad currently had two producing wells and one AL. Now adding 18 wells. Ready to pass. | 2/6/2015 1:57:35 PM |
| DOW | The proposed wells (20) will be drilled from an existing pad, and the existing pad falls within an area that is categorized by Colorado Parks and Wildlife (CPW) as Mule Deer Critical Winter Range (MDCWR). The Ryan Gulch Wildlife Mitigation Plan was developed in cooperation with the operator for this area. Moreover, the Ryan Gulch WMP provides guidance that, if implemented, should reduce anticipated impacts to big game and other non-game species, and the operator is encouraged to refer to this plan when planning additional oil and gas exploration and production infrastructure in the area. BRETT SMITHERS, 2/3/2015 13:07 | 2/3/2015 1:08:29 PM |
| Permit | Passed completeness. | 2/3/2015 11:09:51 AM |

Total: 5 comment(s)