

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:

400768770

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Date Received:

03/04/2015

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:

441528

Expiration Date:

04/15/2018

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: 10261
Name: BAYSWATER EXPLORATION AND PRODUCTION LLC
Address: 730 17TH ST STE 610
City: DENVER State: CO Zip: 80202

Contact Information

Name: Jeff Annable
Phone: (303) 928-7128
Fax: (303) 218-5678
email: regulatory@petro-fs.com

RECLAMATION FINANCIAL ASSURANCE

Plugging and Abandonment Bond Surety ID: 20080034 Gas Facility Surety ID: _____
 Waste Management Surety ID: _____

LOCATION IDENTIFICATION

Name: Walton Number: 25-D Pad
County: WELD
Quarter: NENE Section: 25 Township: 7N Range: 67W Meridian: 6 Ground Elevation: 4980

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: 797 feet FNL from North or South section line
252 feet FEL from East or West section line

Latitude: 40.550309 Longitude: -104.832878

PDOP Reading: 2.9 Date of Measurement: 12/12/2014

Instrument Operator's Name: Bryan Johnson

Name: Elizabeth B Walton Phone: _____
 Address: 133 W 9th St. Fax: _____
 Address: _____ Email: _____
 City: Bayard State: NE Zip: 69334
 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:	324 Feet	_____ Feet
Building Unit:	501 Feet	_____ Feet
High Occupancy Building Unit:	5280 Feet	_____ Feet
Designated Outside Activity Area:	5280 Feet	_____ Feet
Public Road:	725 Feet	_____ Feet
Above Ground Utility:	254 Feet	_____ Feet
Railroad:	5280 Feet	_____ Feet
Property Line:	156 Feet	_____ 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: 01/02/2015

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 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: 51 - Otero sandy loam, 1 to 3 percent slopes
 NRCS Map Unit Name: 52 - Otero sandy loam, 3 to 5 percent slopes
 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: 12/12/2014

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: 1178 Feet

water well: 1389 Feet

Estimated depth to ground water at Oil and Gas Location 21 Feet

Basis for depth to groundwater and sensitive area determination:

Distance to nearest downgradient water feature is a Concrete Ditch.

There is an Ephemeral Stream located on the COGCC website, but per field verification this stream does not exist in this location.

Nearest water well is CDWR Permit # 280011, however the nearest water well with a recorded SWL is CDWR Permit #288368 which is 1786' SW.

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 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 Letter to Director for COGCC Rule 303b.(3)J.iii. is attached as Correspondance.

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

Signed: _____ Date: 03/04/2015 Email: regulatory@petro-fs.com
Print Name: Jeff Annable Title: Regulatory Technician

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: 4/16/2015

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.

<u>COA Type</u>	<u>Description</u>
	Operator shall provide notice to COGCC 48 hours prior to commencing construction of this Oil and Gas Location via Form 42.
	The Operator shall prepare and submit a Land Application Plan and Checklist via a Form 4 Sundry Notice for approval prior to drilling any oil and gas wells at this location.

Best Management Practices

<u>No</u>	<u>BMP/COA Type</u>	<u>Description</u>
1	Planning	Multi-well Pads are located in a manner which allows for resource extraction while maintaining the highest distances possible from the offsetting residential areas and complies with the wishes of the surface owner. A meeting with the surface owner will determine the fencing plan.
2	Pre-Construction	Anti-collision: Operator will perform an anti-collision evaluation of all active (producing, shut in, or temporarily abandoned) offset wellbores that have the potential of being within 150 feet of a proposed well prior to drilling operations for the proposed well. Notice shall be given to all offset operators prior to drilling. Identification of plugged and abandoned wells will be identified pursuant to 319.a.(5)
3	Traffic control	Access Roads: The access road will be constructed to accommodate local emergency vehicles. This road will be maintained for access at all times. Traffic will be routed to minimize local interruption.

4	General Housekeeping	<p>Visual Impacts: Equipment, regardless of construction date, which are observable from any public highway shall be painted with uniform, non-contrasting, non-reflective color tones (similar to the Munsell Soil Color Coding System), and with colors matched to, but slightly darker than, the surrounding landscape.</p> <p>Maintain appearance with garbage clean-up; a trash bin will be located on site to accumulate waste by the personnel drilling the wells. Site will have unused equipment, trash and junk removed immediately. Operator shall keep the Surface Use Area as well as any roads or other areas used by Operator safe and in good order, including control of noxious weeds litter and debris.</p>
5	Material Handling and Spill Prevention	<p>Leak Detention Plan: Pumper will visit the location daily and visually inspect all wellheads and fittings for leaks. Additionally, monthly documented SPCCP inspections are conducted pursuant to 40 CFR 112.</p> <p>Control of fire hazards: All material that is considered a fire hazard shall be a minimum of 25' from the wellhead. Electrical equipment shall comply with API IRP 500 and will comply with the current national electrical code.</p> <p>Operator shall comply with state and federal laws, rules and regulations governing the presence of any petroleum products, toxic or hazardous chemicals or wastes on the Subject lands.</p>
6	Dust control	<p>Operator shall employ practices for control of fugitive dust caused by their operations. Such practices shall include but are not limited to the use of speed restrictions, regular road maintenance, restriction of construction activity during high- wind days, and silica dust controls when handling sand used in hydraulic fracturing operations. Additional management practices such as road surfacing, wind breaks and barriers, or automation of wells to reduce truck traffic may also be required if technologically feasible and economically reasonable to minimize fugitive dust emissions.</p>
7	Construction	<p>Guy line anchors: All guy line anchors shall be brightly marked pursuant to Rule 604.c. (2)Q.</p>
8	Noise mitigation	<p>A baseline sound study will be obtained prior to drilling operations and recommendations from such study will be implemented to reduce the noise impact on the surrounding neighbors. Sound walls will be installed where necessary to stay under the noise compliance levels allowed by the state.</p>
9	Emissions mitigation	<p>Green Completions - Emission Control System: Test separators and associated flow lines and sand traps shall be installed to accommodate green completions techniques pursuant to COGCC Rules. In the anticipated absence of a viable gas sales line, the flowback gas shall be thermally oxidized in an emissions control device (ECD), which will be installed and kept in operable condition for at least the first 90-days of production pursuant to CDPHE rules. This ECD shall have an adequate capacity for 1.5 times the largest flowback within a 10 mile radius, will be flanged to route gas to other or permanent oxidizing equipment and shall be provided with the equipment needed to maintain combustions where non-combustible gases are present.</p>
10	Odor mitigation	<p>Equipment shall be operated in such a manner that odors and dust do not constitute a nuisance or hazard to public welfare.</p> <p>Oil and gas operations shall be in compliance with the Department of Public Health and Environment, Air Quality Control Commission, Regulation No. 2 Odor Emission, 5 C.C.R. 1001-4, Regulation No. 3 (5 C.C.R. 1001-5), and Regulation No. 7 Section XVII.B.1 (a-c) and Section XII.</p>

11	Drilling/Completion Operations	<p>A closed –loop system will be used for drilling operations.</p> <p>Blowout Prevention Equipment (“BOPE”): A double ram and annular preventer will be used during drilling. Stabbing valves shall be installed in the event of reverse circulation and shall be prior tested with low and high pressure fluid.</p> <p>Lighting: Site lighting shall be directed downward and inward and shielded so as to avoid glare on public roads and Building Units within one thousand (1000) feet where possible. Once the drilling and completion rigs leave the site, there will be no permanently installed lighting on site.</p> <p>Bradenhead Monitoring: Operator acknowledges and will comply with COGCC Policy for Bradenhead Monitoring during Hydraulic Fracturing Treatments in the Greater Wattenberg Area dated May 29, 2012.</p> <p>Open hole resistivity and gamma logs shall be run to describe the stratigraphy of the entire well bore and to adequately verify the setting depth of surface casing and aquifer coverage. On a multi-well pad, these open hole logs are only required on one of the first wells drilled on the pad and the Drilling Completion Report - Form 5 for every well on the pad shall identify which well was logged.</p>
12	Interim Reclamation	Operator shall be responsible for segregating the topsoil, backfilling, repacking, reseeding, and recontouring the surface of any disturbed area so as not to interfere with Owner’s operations and shall reclaim such area to be returned to pre-existing conditions as best as possible with control of all weeds.
13	Final Reclamation	Within 90 days subsequent to the time of plugging and abandonment of the entire site, superfluous debris and equipment shall be removed from the site. The Operator shall restore the surface of the Land affected by such terminated operations as near as possible to the previous state that existed prior to operations.

Total: 13 comment(s)

Attachment Check List

<u>Att Doc Num</u>	<u>Name</u>
2477576	RULE 306.E. CERTIFICATION
2477577	CORRESPONDENCE
400768770	FORM 2A SUBMITTED
400794438	ACCESS ROAD MAP
400794450	LOCATION PICTURES
400794452	REFERENCE AREA MAP
400794455	REFERENCE AREA PICTURES
400801127	MULTI-WELL PLAN
400801130	NRCS MAP UNIT DESC
400801132	NRCS MAP UNIT DESC
400801149	CORRESPONDENCE
400803131	WASTE MANAGEMENT PLAN
400803262	LOCATION DRAWING
400803263	HYDROLOGY MAP

Total Attach: 14 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Final Review Completed. No LGD or public comment received.	4/14/2015 4:02:54 PM
OGLA	IN PROCESS - Operator agreed to a Condition of Approval for submitting a Land Application Plan, provided a more specific noise mitigation measure Best Management Practice, and the Rule 306.e. Certification. No Public Comments. OGLA task passed.	4/2/2015 9:35:31 AM
Permit	Permit review complete.	3/26/2015 10:32:01 AM
OGLA	ON HOLD - Requested Operator concurrence for a Condition of Approval on submitting a Land Application Plan prior to drilling the wells and a more specific noise mitigation measure Best Management Practice. Due by 4/25/15.	3/25/2015 2:49:34 PM
Permit	Passed completeness.	3/12/2015 12:53:44 PM
OGLA	Passed Buffer Zone completeness review	3/12/2015 12:13:20 PM
Permit	Located within buffer zone; referred to OGLA for further review.	3/5/2015 9:40:58 AM

Total: 7 comment(s)