

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:

400726570

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Date Received:

02/25/2015

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:

441696

Expiration Date:

05/03/2018

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: 10311
 Name: SYNERGY RESOURCES CORPORATION
 Address: 20203 HIGHWAY 60
 City: PLATTEVILLE State: CO Zip: 80651

Contact Information

Name: Alyssa Andrews
 Phone: (720) 420-5749
 Fax: (720) 420-5800
 email: alyssa.andrews@iptenergyservice.com

RECLAMATION FINANCIAL ASSURANCE

- Plugging and Abandonment Bond Surety ID: 20090043 Gas Facility Surety ID: _____
- Waste Management Surety ID: _____

LOCATION IDENTIFICATION

Name: SRC Evans Number: PAD
 County: WELD
 Quarter: SWNE Section: 26 Township: 5N Range: 66W Meridian: 6 Ground Elevation: 4742

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: 2021 feet FNL from North or South section line
2589 feet FEL from East or West section line

Latitude: 40.372222 Longitude: -104.744166

PDOP Reading: 1.4 Date of Measurement: 06/04/2014

Instrument Operator's Name: Brett Birch

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>22</u>	Oil Tanks*	<u>44</u>	Condensate Tanks*	<u> </u>	Water Tanks*	<u>18</u>	Buried Produced Water Vaults*	<u> </u>
Drilling Pits	<u> </u>	Production Pits*	<u> </u>	Special Purpose Pits	<u> </u>	Multi-Well Pits*	<u> </u>	Modular Large Volume Tanks	<u> </u>
Pump Jacks	<u> </u>	Separators*	<u>22</u>	Injection Pumps*	<u> </u>	Cavity Pumps*	<u> </u>	Gas Compressors*	<u> </u>
Gas or Diesel Motors*	<u> </u>	Electric Motors	<u> </u>	Electric Generators*	<u> </u>	Fuel Tanks*	<u> </u>	LACT Unit*	<u> </u>
Dehydrator Units*	<u> </u>	Vapor Recovery Unit*	<u> </u>	VOC Combustor*	<u> </u>	Flare*	<u> </u>	Pigging Station*	<u> </u>

OTHER FACILITIES*

Other Facility Type

Number

<u>ECD</u>	<u>6</u>
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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:

Intra flowlines are generally 3" (although may be 2") fusion bonded scheduled 40 steel.

CONSTRUCTION

Date planned to commence construction: 05/01/2015 Size of disturbed area during construction in acres: 16.40

Estimated date that interim reclamation will begin: 11/01/2015 Size of location after interim reclamation in acres: 4.50

Estimated post-construction ground elevation: 4747

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? No

Reuse Facility ID: or Document Number:

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

SURFACE & MINERALS & RIGHT TO CONSTRUCT

Name: Synergy Resources Corpora Phone: 970-737-1073

Address: 20203 Highway 60

Fax: _____

Address: _____

Email: _____

City: Platteville State: CO Zip: 80651

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: applicant is owner

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:	1202 Feet	1071 Feet
Building Unit:	1202 Feet	1071 Feet
High Occupancy Building Unit:	3273 Feet	3702 Feet
Designated Outside Activity Area:	5280 Feet	5280 Feet
Public Road:	1135 Feet	1047 Feet
Above Ground Utility:	244 Feet	434 Feet
Railroad:	5280 Feet	5280 Feet
Property Line:	250 Feet	413 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: 73 Vona loamy sand, 3 to 5 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: _____

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: 695 Feet

water well: 2660 Feet

Estimated depth to ground water at Oil and Gas Location 12 Feet

Basis for depth to groundwater and 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 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 -The SRC Evans P-26-23-14NHZ has been chosen as the point of reference for the Evans Pad.

I hereby certify that the statements made in this form are, to the best of my knowledge, true, correct and complete.
Signed: _____ Date: 02/25/2015 Email: alyssa.andrews@iptenergyservices.com

Print Name: Alyssa Andrews Title: Operations Engineer

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: 5/4/2015

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. Please note that this notice is now required under Rule 316C.c.
	<p>Per the COGCC's Standard Operating Procedure for Rejecting Permits, the referenced Form 2A Oil & Gas Location Assessment is being rejected for the following criteria: A Form 2A that requires 3 or more attachments to be added or replaced will be rejected. The following is a summary of the issues discovered with the attachments.</p> <p>Location Drawing - There are several visible surface improvements within 500' of the edge of the disturbance that are not identified on the Location Drawing. These appear to be production facilities associated with nearby oil and gas operations to the northeast and southeast and a long rectangular structure immediately to the north. Additionally the Location Drawing only shows a 500' improvement radius around the proposed wellpad, but not the proposed Production facility area. In fact, no Production Facility Area (64 tanks, 22 separators) is shown on the Location Drawing at all.</p> <p>Facility Layout Drawing - This drawing, labelled also as the Notification Zone Drawing, does not show the existing producing Noble well on the location. It may be that the proposed Production Facilities will not meet our safety setback to the existing Noble well. Also, the nearest Building Unit (BU3) is listed twice but the distance differs (919' and 932') and also doesn't match what is listed in the Cultural section of the 2A (854').</p> <p>Hydrology Map - Like the Location Drawing, the Hydrology Map only shows a 500' improvement radius around the wells, but not the Production facility area.</p> <p>This location is in a Buffer Zone, yet the Buffer Zone box was not checked and the date the Rule 305.a. pre-application Notices were sent to Building Unit Owners is not given. Also, as required when a location is within a Designated Setback, there is no required Waste Management Plan nor evidence that all Building Unit Owners within the Buffer Zone received the 305.a. pre-application Notice. These two attachments are required per COGCC Rule 303.b.(3)J.</p>

Best Management Practices

No	<u>BMP/COA Type</u>	<u>Description</u>
1	Planning	804. Visual Impacts: All long term facility structures will be painted a color that enables the facilities to blend in with the natural background color of the landscape, as seen from a viewing distance and location typically used by the public. 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.
2	Planning	604.c.(2)J.i 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.
3	Planning	604.c.(2)J.ii Backup stabbing valves be required on well servicing operations during reverse circulation. Valves shall be pressure tested before each well servicing operation using both low-pressure air and high-pressure fluid.
4	Planning	604.c.(2)N. Control of fire hazards: All material that is considered a fire hazard shall be a minimum of 25' from the wellhead tanks or separators. Electrical equipment shall comply with API IRP 500 and will comply with the current national electrical code.
5	Traffic control	604.c.(2)S. 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. Dust control measures will also be utilized
6	Traffic control	RULE 604.c.(2)D: If required by the local government, a traffic plan shall be coordinated with the local jurisdiction prior to commencement of move in and rig up. Any subsequent modification to the traffic plan must be coordinated with the local jurisdiction.
7	General Housekeeping	604.c.(2)P. Trash Removal: All trash, debris and material not intrinsic to the operation of the oil and gas facility shall be removed and legally disposed of as applicable
8	Material Handling and Spill Prevention	604.c.(2)F. Leak Detention Plan: Pumper will visit the location daily and visually inspect all tanks and fittings for leaks. Additionally, monthly documented SPCCP inspections are conducted pursuant to 40 CFR 112
9	Material Handling and Spill Prevention	604.c.(2)R Tank Specifications: Tanks will be designed, constructed and maintained in accordance with NFPA Code 30. The tanks are visually inspected once a day for issues, and recorded inspections are conducted once a month.
10	Construction	604.c.(3)B. Berm Construction. Tank berms shall be constructed of steel rings with a synthetic or engineered liner and designed to contain 150% of the capacity of the largest tank. All berms will be visually checked periodically to ensure proper working condition. Secondary containment devices shall be sufficiently impervious to contain any spilled or released material. Tertiary containment, such as an earthen berm, will be installed around production facilities.
11	Construction	803 Light sources during all phases of operations will be directed downwards and away from occupied structures where possible. Once the drilling and completion rigs leave the site, there will be no permanently installed lighting on site. Lighting shall be mounted at compressor stations on a pole or building and directed downward to illuminate key areas within the facility, while minimizing the amount of light projected outside the facility.
12	Construction	604.c.(2).Q. All guy line anchors left buried for future use shall be identified by a marker of bright color not less than four (4) feet in height and not greater than one (1) foot east of the guy line anchor.
13	Construction	604.c.(2).E. This will be a multi-well pad
14	Noise mitigation	604.c.(2)A. Sound walls and/or hay bales will be used where necessary to surround the well site during drilling operations

15	Emissions mitigation	<p>604.c.(2)C.i. Green Completions - Emission Control System: Test separators and associated flow lines and sand traps shall be installed on-site 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 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> <p>We will have a gas sales line installed prior to the wells completion, flow back and production.</p>
16	Odor mitigation	Rule 805: Oil & gas facilities and equipment shall be operated in such a manner that odors and dust do not constitute a nuisance or hazard to public welfare
17	Drilling/Completion Operations	RULE 604.c.I: Upon initial rig-up and at least once every thirty (30) days during drilling operations thereafter, pressure testing of the casing string and each component of the blowout prevention equipment including flange connections shall be performed to seventy percent (70%) of working pressure or seventy percent (70%) of the internal yield of casing, whichever is less. Pressure testing shall be conducted and the documented results shall be retained by the operator for inspection by the Director for a period of one (1) year. Activation of the pipe rams for function testing shall be conducted on a daily basis when practicable.
18	Drilling/Completion Operations	604.c.(2)L. Closed chamber drill stem tests shall be allowed. All other drill stem tests shall require approval by the Director. None planned for this well.
19	Drilling/Completion Operations	604.c.(2).K. Drilling and Completion- Pit level Indicators shall be used on location
20	Drilling/Completion Operations	604.c.(2).O. Drilling and Completion-All loadlines shall be bullplugged or capped.
21	Drilling/Completion Operations	604.c.(2)B.i Operator will be utilizing a closed loop system
22	Final Reclamation	604.c.(2)T. 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. Identification of plugged and abandoned wells will be identified pursuant to 319.a.(5)
23	Final Reclamation	604.c.(2).U. Final Reclamation-The operator shall identify the location of the wellbore with a permanent monument as specified in Rule 319.a.(5). The operator shall also inscribe or imbed the well number and date of plugging upon the permanent monument.

Total: 23 comment(s)

Attachment Check List

<u>Att Doc Num</u>	<u>Name</u>
2477600	MULTI-WELL PLAN
2477605	CORRESPONDENCE
400726570	FORM 2A SUBMITTED
400813914	FORM 2A SUBMITTED
400813915	FORM 2A REJECTED
400816519	NRCS MAP UNIT DESC
400816520	NRCS MAP UNIT DESC
400816521	FACILITY LAYOUT DRAWING
400816522	HYDROLOGY MAP
400816523	LOCATION DRAWING
400816524	LOCATION PICTURES
400816525	ACCESS ROAD MAP
400816550	FORM 2A SUBMITTED

Total Attach: 13 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
OGLA	Synergy has indicated that a gas sales line will be installed prior to well completion, flow back, and production. This has been added to the Green Completions BMP.	5/4/2015 11:46:46 AM
Permit	Final Review Completed. No LGD or public comment received.	5/1/2015 1:48:43 PM
OGLA	IN PROCESS - Operator provided revised distances to the nearest High Occupancy Building Unit and agreed to changing the Sensitive Area designation. No Public Comments. OGLA task passed.	5/1/2015 1:42:27 PM
OGLA	ON HOLD - Operator indicated the existing Noble Energy well will be P&A after Synergy builds the location to hold the lease until Synergy's new HZ wells spud. Requested revising the distance to the nearest High Occupancy Building Unit. Ann K. Heiman Elementary School identified approxiamtely 3,200 feet from nearest well and 3,600 from nearest production facility. Change Sensitive Area designation to YES due to possible shallow groundwater. Due by 5/28/15.	4/28/2015 10:07:57 AM
OGLA	Spoke with Derek Petrie at IPT Energy Services about the existing Noble Energy well on this location. He will find out from Synergy what their intentions are with this well.	4/20/2015 9:02:13 AM
Permit	Passed completeness.	4/6/2015 8:05:39 AM
Permit	Passed completeness.	3/2/2015 11:57:23 AM
Permit	Missing Otero NRCS attachment. Return to draft.	2/27/2015 8:42:01 AM

Total: 8 comment(s)