

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:

400835175

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Date Received:

05/11/2015

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:

442580

Expiration Date:

07/20/2018

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: 10000

Name: BP AMERICA PRODUCTION COMPANY

Address: 501 WESTLAKE PARK BLVD

City: HOUSTON State: TX Zip: 77079

Contact Information

Name: Patti Campbell

Phone: (970) 335-3828

Fax: ()

email: patricia.campbell@bp.com

RECLAMATION FINANCIAL ASSURANCE

Plugging and Abandonment Bond Surety ID: 20010158 Gas Facility Surety ID: _____

Waste Management Surety ID: _____

LOCATION IDENTIFICATION

Name: Seibel B Number: 2

County: ARCHULETA

Quarter: SENE Section: 17 Township: 32N Range: 5W Meridian: N Ground Elevation: 6143

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: 1495 feet FNL from North or South section line

174 feet FEL from East or West section line

Latitude: 37.021295 Longitude: -107.406928

PDOP Reading: 1.5 Date of Measurement: 12/12/2014

Instrument Operator's Name: Brian Boniface

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>1</u> | Oil Tanks* | <u> </u> | Condensate Tanks* | <u> </u> | Water Tanks* | <u>1</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>1</u> | Separators* | <u>1</u> | Injection Pumps* | <u> </u> | Cavity Pumps* | <u> </u> | Gas Compressors* | <u> </u> |
| Gas or Diesel Motors* | <u>1</u> | Electric Motors | <u>1</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

Electronic Control Box

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:

2 steel flowlines a maximum of 4" in diameter from the wellhead to the separator skid.
A 3" in diameter steel line from the below grade tank to the main water gathering line.
A 4" diameter steel line from the separator to the main gas gathering line.

CONSTRUCTION

Date planned to commence construction: 08/16/2015 Size of disturbed area during construction in acres: 1.32

Estimated date that interim reclamation will begin: 08/16/2016 Size of location after interim reclamation in acres: 0.94

Estimated post-construction ground elevation: 6143

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: OFFSITE

Cuttings Disposal Method: Commercial Disposal

Other Disposal Description:

Beneficial reuse or land application plan submitted?

Reuse Facility ID: or Document Number:

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

SURFACE & MINERALS & RIGHT TO CONSTRUCT

Name: Kenneth W & Jane M Seibel Phone: (970) 883-2336
 Address: 256 Milton Lane Fax: _____
 Address: _____ Email: _____
 City: Ignacio State: CO Zip: 81137
 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: | 1672 Feet | 1560 Feet |
| Building Unit: | 1827 Feet | 1800 Feet |
| High Occupancy Building Unit: | 5280 Feet | 5280 Feet |
| Designated Outside Activity Area: | 5280 Feet | 5280 Feet |
| Public Road: | 448 Feet | 535 Feet |
| Above Ground Utility: | 268 Feet | 290 Feet |
| Railroad: | 5280 Feet | 5280 Feet |
| Property Line: | 153 Feet | 110 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 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: R6B: Wetherill loam, 1 to 3 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: 05/06/2015

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): Dry Land, non-improved

WATER RESOURCES

Is this a sensitive area: No Yes

Distance to nearest

downgradient surface water feature: 215 Feet

water well: 717 Feet

Estimated depth to ground water at Oil and Gas Location 30 Feet

Basis for depth to groundwater and sensitive area determination:

Determined to be a sensitive area due to proximity to intermittent drainage and static water level in nearby water wells (24' bgs to 42' bgs).

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: _____

Is the Location within a Floodplain? No Yes Floodplain Data Sources Reviewed (check all that apply)

- Federal (FEMA)
- State
- County
- Local
- Other

GROUNDWATER BASELINE SAMPLING AND MONITORING AND WATER WELL SAMPLING

Water well sampling required per Rule 608

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 DPW consultation is via the BP San Juan Colorado Wildlife Mitigation Plan (WMP) dated March 2011.
The attached SUA contains waivers to the 30 day notice (Rule 305) and consultation (Rule 306).

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

Signed: _____ Date: 05/11/2015 Email: patricia.campbell@bp.com

Print Name: Patti Campbell Title: Regulatory Analyst

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: 7/21/2015

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 |
|-----------------|---|
| | Notify the COGCC 48 hours prior to start of pad construction, rig mobilization, spud, start of hydraulic stimulation operations, start of flowback operations (if different than start of hydraulic stimulation operations), and pipeline testing using Form 42 (the appropriate COGCC individuals will automatically be email notified, including the LGD for hydraulic stimulation operations). |
| | Operator must ensure secondary containment for any volume of fluids contained at well site during drilling and completion operations (as shown on the Proposed BMPs and Facility Layout Drawing attachments); 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 requirements and after significant precipitation events), and maintained in good condition. Berms or other containment devices shall be constructed to be sufficiently impervious to contain any spilled or released material around permanent crude oil, condensate, and produced water storage tanks. |
| | 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. Flowback and stimulation fluids must be sent to tanks, separators, or other containment/filtering equipment before the fluids can be placed into any pipeline, storage vessel, or lined pit (only if an amended Form 2A has been submitted/approved and a Form 15 Earthen Pit Permitted has been submitted/approved) 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. Potential odors associated with the completions process and/or with long term production operations must be controlled/mitigated. |
| | 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. |

Best Management Practices

| No | BMP/COA Type | Description |
|-----------|-----------------------------|--|
| 1 | Wildlife | Covered by the BP San Juan Basin Colorado Wildlife Mitigation Plan (WMP) dated March 2011. |
| 2 | Storm Water/Erosion Control | Covered in the Field Wide Storm Water Management Plan. Site specific SWMPs have been developed for this site during the construction and interim reclamation phases. Please see the attached drawings for Best Management Practices. |
| 3 | Interim Reclamation | Re-seed as soon as possible following the reclamation of the pad provided the season and weather permits and cover with weed free straw mulch. Noxious weeds are controlled by an ongoing weed control program. |

Total: 3 comment(s)

Attachment Check List

| <u>Att Doc Num</u> | <u>Name</u> |
|--------------------|-------------------------|
| 2107628 | OPERATOR CORRESPONDENCE |
| 400835175 | FORM 2A SUBMITTED |
| 400837273 | HYDROLOGY MAP |
| 400837274 | ACCESS ROAD MAP |
| 400837275 | LOCATION PICTURES |
| 400837276 | NRCS MAP UNIT DESC |
| 400837458 | LOCATION DRAWING |
| 400837922 | PROPOSED BMPS |
| 400837923 | PROPOSED BMPS |
| 400840831 | SURFACE AGRMT/SURETY |

Total Attach: 10 Files

General Comments

| <u>User Group</u> | <u>Comment</u> | <u>Comment Date</u> |
|-------------------|--|--------------------------|
| Permit | Final Review Completed. No LGD or public comment received. | 7/21/2015 10:04:02 AM |
| OGLA | Initiated/Completed OGLA Form 2A review on 07-14-15 by Dave Kubeczko, requested acknowledgement of notification, fluid containment, spill/release BMPs, flowback to tanks, odor control, cuttings low moisture content, pipeline testing, and tank berming COAs from operator on 07-14-15; received acknowledgement of COAs from operator on 07-16-15; passed by CPW on 06-25-15 with operator WMP BMPs acceptable; passed OGLA Form 2A review on 07-21-15 by Dave Kubeczko; notification, fluid containment, spill/release BMPs, flowback to tanks, odor control, cuttings low moisture content, pipeline testing, and tank berming COAs. | 7/14/2015 12:29:19 PM |
| DOW | The Operator has agreed to incorporate this well into BPs existing San Juan Basin Colorado Wildlife Mitigation Plan (dated March 2011). The well will be subject to the BMPs specified in the Plan, including pre-construction biological surveys, compliance with raptor nest guidelines, and screening of planned day rig activity for conflicts with known eagle nests and roosts prior to commencing rig work. In addition, any new surface disturbance associated with this well pad, access road, and gathering pipeline will be incorporated into Tables 1 and 2 of the Plan and mitigated off-site per the standards identified in the plan. | 6/25/2015 4:47:05 PM |
| Permit | Passed completeness. | 5/18/2015 12:47:54 PM |
| Permit | 1.) Please highlight the portion of the Surface Use Agreement that pertains to Rules 305 & 306. Returned to draft. | 5/14/2015 10:47:01 AM |

Total: 5 comment(s)