

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:

400836091

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Date Received:

08/26/2015

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:

443339

Expiration Date:

09/24/2018

☒ 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: 10373

Name: NGL WATER SOLUTIONS DJ LLC

Address: 3773 CHERRY CRK NORTH DR #1000

City: DENVER State: CO Zip: 80209

Contact Information

Name: Paul Gottlob

Phone: (720) 420-5747

Fax: ()

email: paul.gottlob@iptenergyservices.com

RECLAMATION FINANCIAL ASSURANCE

☒ Plugging and Abandonment Bond Surety ID: 20110128 ☐ Gas Facility Surety ID: _____

☐ Waste Management Surety ID: _____

LOCATION IDENTIFICATION

Name: NGL MAJOR FACILITY Number: C2

County: WELD

QuarterQuarter: SENE Section: 28 Township: 1N Range: 67W Meridian: 6 Ground Elevation: 5015

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: 2473 feet FNL from North or South section line

235 feet FEL from East or West section line

Latitude: 40.022538 Longitude: -104.886924

PDOP Reading: 1.5 Date of Measurement: 04/27/2015

Instrument Operator's Name: Monty Wallace

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>2</u>	Oil Tanks*	<u>6</u>	Condensate Tanks*	<u> </u>	Water Tanks*	<u>14</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> </u>	Injection Pumps*	<u>2</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

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-facility flow lines generally 4" fusion bonded schedule 160 steel from WH to Facility Tanks adjacent to wellpad. This Facility will replace the current facility owned and operated by NGL Water Solutions DJ, LLC at the NGL Major Facility C2 # 330267 located in the SESE of this same section. Once this new facility is operational the current one (C2) will be closed, leaving just the wellhead of the NGL C2 - API 05-123-18763. Flow lines will run from north to south - from the new facility to the C2 Injection well to the south and a ROW Agreement with Encana is attached. The planned 2nd UIC well for this location will be permitted in aprx. 30 days.

CONSTRUCTION

Date planned to commence construction: 09/30/2015 Size of disturbed area during construction in acres: 7.74
Estimated date that interim reclamation will begin: 02/29/2016 Size of location after interim reclamation in acres: 3.54
Estimated post-construction ground elevation: 5015

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: D&C Farms LLLP

Phone: _____

Address: 8709 CR 4

Fax: _____

Address: _____

Email: _____

City: Brighton State: CO Zip: 80603

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: No

The right to construct this Oil and Gas Location is granted by: Surface Use Agreement

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:	1147 Feet	1136 Feet
Building Unit:	1348 Feet	1434 Feet
High Occupancy Building Unit:	5280 Feet	5280 Feet
Designated Outside Activity Area:	5280 Feet	5280 Feet
Public Road:	235 Feet	414 Feet
Above Ground Utility:	1081 Feet	1116 Feet
Railroad:	5280 Feet	5280 Feet
Property Line:	171 Feet	68 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: Olney fine sandy loam, 3% to 5% slopes, # 48

NRCS Map Unit Name: Olney fine sandy loam, 1% to 3% slopes, # 47

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: 04/27/2015

List individual species: Sideoats grama, Snad dropseed, Thickspike wheatgrass, Prairie snadreed, Blue grama.

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: 31 Feet

water well: 74 Feet

Estimated depth to ground water at Oil and Gas Location 8 Feet

Basis for depth to groundwater and sensitive area determination:

Distance to nearest downgradient surface water feature is 1200' North, which is a Levee. Nearest surface water is ditch which is along the north edge of the location.
Nearest Water Well is 74' SW (supposedly a monitoring well - surveyor could not locate any on planned pad when staking).
Estimated depth to groundwater and sensitive area determination: depth of 8' is taking into account all water wells within a 1 mile radius.

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: No

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 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

According to the COGCC Mapping Tool: Water Resources / Lakes layer - shows a "pond" at this site. But IPT and Acklam Surveying have both inspected this site during a stretch of 2 weeks of heavy rains and on 5/20/15 there was no standing water anywhere on this proposed facility and well pad site. Evidently, over the years, the farmers via plowing & re-contouring have made this area high ground which drops off just north of this site going further north and downhill to a levee and then a stream. Attached is a diagram listed as "Other" regarding this issue. Even USGS topos still show a pond - but there definitely is no longer a possibility of one at this location - even after heavy rains. Based upon this data we request this site not be listed in a riparian area. The COGCC Water Resources / Water Wells layer also shows 2 Monitoring Wells on this location - which were not able to be located - this is also addressed on the same diagram. Some of the supposed Monitoring Wells show as being on the County Road just to the east of this site? With all this in mind, NGL Water Solutions DJ, LLC requests this site not be considered a riparian area or considered too close to a water well.

There are 2 UIC wells planned for this surface area - but just one is being permitted at this time.

Forms 31 & 33 with attachments will be hand delivered 8/26/15 - same day as this Form 2 is submitted.

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

Signed: _____ Date: 08/26/2015 Email: paul.gottlob@iptenergyservices.com

Print Name: Paul Gottlob Title: Regulatory & Engin. Tech.

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: 9/25/2015

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 per Rule 316C.c.
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Best Management Practices

No	BMP/COA Type	Description
1	Traffic control	RULE 604.c.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.
2	Traffic control	RULE 604.c.S: At the time of construction, all leasehold roads shall be constructed to accommodate local emergency vehicle access requirements, and shall be maintained in a reasonable condition.
3	General Housekeeping	RULE 604.c.P: All surface trash, debris, scrap or discarded material connected with the operations of the property shall be removed from the premises or disposed of in a legal manner.
4	Material Handling and Spill Prevention	RULE 604.c.F: The Operator shall develop a plan to monitor Production Facilities on a regular schedule to identify fluid leaks.
5	Material Handling and Spill Prevention	RULE 604.c.G: Berms or other secondary containment devices in Designated Setback Locations shall be constructed around crude oil, condensate, and produced water storage tanks and shall enclose an area sufficient to contain and provide secondary containment for one- hundred fifty percent (150%) of the largest single tank. Berms or other secondary containment devices shall be sufficiently impervious to contain any spilled or released material. All berms and containment devices shall be inspected at regular intervals and maintained in good condition. No potential ignition sources shall be installed inside the secondary containment area unless the containment area encloses a fired vessel. Refer to API Bulletin D16: Suggested Procedure for Development of a Spill Prevention Control and Countermeasure Plan.
6	Material Handling and Spill Prevention	RULE 604.c.R: All newly installed or replaced crude oil and condensate storage tanks shall be designed, constructed, and maintained in accordance with National Fire Protection Association (NFPA) Code 30 (2008 version). The operator shall maintain written records verifying proper design, construction, and maintenance, and shall make these records available for inspection by the Director. Only the 2008 version of NFPA Code 30 applies to this rule. This rule does not include later amendments to, or editions of, the NFPA Code 30. NFPA Code 30 may be examined at any state publication depository library. Upon request, the Public Room Administrator at the office of the Commission, 1120 Lincoln Street, Suite 801, Denver, Colorado 80203, will provide information about the publisher and the citation to the material.
7	Construction	RULE 604.c.E: This will be a single well pad adjacent to a permanent UIC Facility.
8	Construction	RULE 604.c.M: Unless otherwise requested by the Surface Owner, well sites constructed within Designated Setback Locations, shall be adequately fenced to restrict access by unauthorized persons.
9	Construction	RULE 604.c.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.
10	Construction	RULE 604.c.V: Where possible, operators shall provide for the development of multiple reservoirs by drilling on existing pads or by multiple completions or commingling in existing wellbores (see Rule 322). If any operator asserts it is not possible to comply with, or requests relief from, this requirement, the matter shall be set for hearing by the Commission and relief granted as appropriate.
11	Noise mitigation	RULE 604.c.(2)A: Operations involving pipeline or gas facility installation or maintenance, or the use of a drilling rig, are subject to the maximum permissible noise levels for Light Industrial Zones, as measured at the nearest Building Unit. Short-term increases shall be allowable as described in 802.c. Stimulation or re-stimulation operations and Production Facilities are governed by Rule 802.
12	Noise mitigation	Rule 802: Oil and gas operations at any well site, production facility, or gas facility shall comply with the Rule 802 permissible noise levels.

13	Noise mitigation	RULE 604.c.A: If determined necessary, lighting abatement measures shall be implemented, including the installation of lighting shield devices on all of the more conspicuous lights, low density sodium lighting where practicable; the nearest building unit is 1,348' to the NE, at its election the operator may install temporary engineering controls consisting of perimeter sound walls during drilling and completion activities to provide noise relief. Permanent equipment on location shall be muffled to reduce noise, or shall be appropriately buffered. Rule 803: To the extent practicable, 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.
14	Odor mitigation	Per 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.
15	Drilling/Completion Operations	RULE 604.c.N: Any material not in use that might constitute a fire hazard shall be removed a minimum of twenty-five (25) feet from the wellhead, tanks and separator. Any electrical equipment installations inside the bermed area shall comply with API RP 500 classifications and comply with the current national electrical code as adopted by the State of Colorado. An emergency response plan has been generated for this site.
16	Final Reclamation	RULE 604.c.T: Within ninety (90) days after a well is plugged and abandoned, the well site shall be cleared of all non-essential equipment, trash, and debris. For good cause shown, an extension of time may be granted by the Director.
17	Final Reclamation	RULE 604.c.U: 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: 17 comment(s)

Attachment Check List

<u>Att Doc Num</u>	<u>Name</u>
1668821	CORRESPONDENCE
1668822	FACILITY DRAWING
1668823	HYDROLOGY MAP
1696609	MULTI-WELL PLAN
400836091	FORM 2A SUBMITTED
400836262	NRCS MAP UNIT DESC
400841744	NRCS MAP UNIT DESC
400841746	NRCS MAP UNIT DESC
400844485	ACCESS ROAD MAP
400844488	LOCATION PICTURES
400844492	LOCATION PICTURES
400844494	FACILITY LAYOUT DRAWING
400844499	LOCATION DRAWING
400844500	LOCATION PICTURES
400844501	REFERENCE AREA PICTURES
400844502	ACCESS ROAD MAP
400844503	ACCESS ROAD MAP
400844506	LOCATION DRAWING
400844507	LOCATION PICTURES
400844508	OTHER
400844520	ACCESS ROAD MAP
400844571	30 DAY NOTICE LETTER
400844581	WASTE MANAGEMENT PLAN
400846449	OTHER
400889591	SURFACE AGRMT/SURETY

Total Attach: 25 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Final Review Completed. No LGD or public comment received.	9/24/2015 3:06:34 PM
OGLA	OGLA review is complete. No public comments received. OGLA task passed.	9/24/2015 2:42:46 PM
OGLA	Operator sent new total disturbance area and interim reclamation as well as surface water information. Also concurred that area is cropland and not rangeland. COGCC updated attachments with facility map of interim reclamation area, hydrology map and correspondence. Removed old hydrology map, reference area map and reference area pictures. Because wells are separated by facility, Operator sent drawings of each well.	9/24/2015 2:36:48 PM
OGLA	Talked to Operator on the phone regarding not needing reference area pictures and understanding of well locations and disturbance area with interim reclamation. Sent email to Operator regarding as stated plus surface water and groundwater to sensitive environment.	9/22/2015 3:29:12 PM
Permit	Attached Multi-Well Plan. Permit Review Complete.	9/22/2015 12:55:28 PM
Permit	ON HOLD: missing Multi-Well Plan.	9/22/2015 8:36:49 AM
Permit	Pass completeness	8/31/2015 9:50:23 AM

Total: 7 comment(s)