

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>37</u>	Oil Tanks*	<u> </u>	Condensate Tanks*	<u>4</u>	Water Tanks*	<u>12</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>36</u>	Injection Pumps*	<u>1</u>	Cavity Pumps*	<u> </u>	Gas Compressors*	<u> </u>
Gas or Diesel Motors*	<u>1</u>	Electric Motors	<u> </u>	Electric Generators*	<u>1</u>	Fuel Tanks*	<u> </u>	LACT Unit*	<u> </u>
Dehydrator Units*	<u> </u>	Vapor Recovery Unit*	<u> </u>	VOC Combustor*	<u>1</u>	Flare*	<u>1</u>	Pigging Station*	<u> </u>

OTHER FACILITIES*

Other Facility Type

Number

<u>Other Facility Type</u>	<u>Number</u>

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:

Sub surface flow-lines for new wells from wellhead to separators and from separators to water and oil tanks will be 2" steel. A 6" gas sales line and 6" water pipeline were previously installed.

CONSTRUCTION

Date planned to commence construction: 06/06/2016 Size of disturbed area during construction in acres: 7.20
Estimated date that interim reclamation will begin: 12/05/2016 Size of location after interim reclamation in acres: 2.06
Estimated post-construction ground elevation: 8960

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: ONSITE Drilling Fluids Disposal Method: Recycle/reuse

Cutting Disposal: ONSITE Cuttings Disposal Method: Beneficial reuse

Other Disposal Description:

Waste Management Plan attached to Form 2A.

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: Caerus Piceance LLC

Phone:

Address: 600 17th St., Suite 1600N

Fax: _____

Address: _____

Email: _____

City: Denver State: CO Zip: 80202

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): Existing Pad
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): Existing Pad
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:	5005 Feet	5079 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:	4601 Feet	4569 Feet
Above Ground Utility:	5149 Feet	5206 Feet
Railroad:	5280 Feet	5280 Feet
Property Line:	2329 Feet	2188 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: Torriorthents - Rock outcrop complex, steep - Map Unit Description # 67

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: _____

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: 4075 Feet

water well: 4028 Feet

Estimated depth to ground water at Oil and Gas Location 25 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 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 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 This pad was previously built and has existing producing wells. Caerus Piceance LLC plans for minimal construction and will not do any expansion beyond the proposed area of disturbance.

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

Signed: _____ Date: _____ Email: rhaddock@caerusoilandgas.com

Print Name: Reed Haddock Title: Sr. 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: _____ Director of COGCC _____ Date: _____

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>

Best Management Practices

No	BMP/COA Type	Description
1	Planning	<p>Minimize the number, length, and footprint of oil and gas development roads. Use existing roads where possible.</p> <p>Maximize the use of directional drilling to minimize habitat loss/fragmentation.</p> <p>Maximize use of long-term centralized tank batteries to minimize traffic.</p> <p>Maximize use of remote completion/frac operations to minimize traffic.</p> <p>Maximize use of remote telemetry for well monitoring to minimize traffic.</p>
2	General Housekeeping	<p>Caerus will comply with Rule 609 Statewide Groundwater Baseline Sampling and Monitoring</p> <p>Caerus will comply with Rule 603.f statewide equipment, weeds, waste, and trash requirements.</p>
3	Wildlife	<p>March 2015 - Caerus Piceance LLC (Caerus) formally requested and received authorization from Colorado Parks and Wildlife (CPW) to transfer the Noble Energy, Inc. (Noble) Wildlife Mitigation Plan Agreement (WMPA) to Caerus' existing WMPA. Caerus is currently adhering to all aspects of both WMPAs through Caerus' current best management practices.</p> <p>All garbage and any food items will be placed in bear proof trash containers.</p>
4	Storm Water/Erosion Control	<p>Stormwater is addressed under a field-wide Stormwater Management Plan (CDPHE Certification #COR039527).</p> <p>Run-on protection and run-off controls will be installed prior to the beginning of construction activities, as practicable, with consideration given to worker safety, wildlife, and site access.</p>
5	Construction	<p>Stockpiles for topsoil and excess cut material will be located in work areas surrounded by a BMP.</p> <p>Stormwater BMPs will be installed per details in the Stormwater Management Plan (SWMP).</p> <p>Disturbed area of site will be left in a surface roughened condition when feasible.</p> <p>BMPs will be protected, inspected and repaired as necessary.</p> <p>Dust mitigation practices will be utilized.</p> <p>New flowline installations will be performed in accordance with new flowline guidance provided by the COGCC concerning Rules 1101 and 1102.</p> <p>Berms or other containment devices shall be constructed to be sufficiently impervious (corrugated steel with synthetic liner) to adequately contain any spilled or released material around crude oil, condensate, and produced water storage tanks, while also ensuring the adequate prevention of significant adverse environmental impacts.</p>
6	Drilling/Completion Operations	<p>Closed loop system will be used. No pits will be built.</p> <p>Completion operations will be performed to ensure adequate prevention of significant adverse environmental impacts.</p> <p>Caerus will ensure 110 percent secondary containment for any potential volume of fluids that may be released.</p>
7	Interim Reclamation	<p>Once all topsoil has been distributed across the site, the location is then seeded by drill seeding methods or broadcast seeding.</p> <p>Re-vegetation is accomplished as soon as practical following the preparation of a site for final stabilization. Seeding will be done when seasonal or weather conditions are most favorable.</p> <p>On terrain where drill seeding is appropriate, seed may be planted using a drill equipped with a depth regulator to ensure proper depth of planting.</p>
8	Final Reclamation	<p>Re-contouring: The disturbed areas surrounding the well location, including the access road will be re-contoured to blend as nearly possible with the natural topography. Final grading of back-filled and cut slopes will be done to prevent erosion and encourage establishment of vegetation. Existing drainages will be re-established.</p> <p>Re-vegetation: The long term objective is to establish a self-perpetuating plant community that is compatible with and capable of supporting the identified land use. Noxious weeds will be treated in accordance with applicable COGCC rules.</p>

Total: 8 comment(s)

Attachment Check List

<u>Att Doc Num</u>	<u>Name</u>
400945215	ACCESS ROAD MAP
400945216	NRCS MAP UNIT DESC
400945238	CONST. LAYOUT DRAWINGS
400945243	HYDROLOGY MAP
400945244	PROPOSED BMPS
400945247	LOCATION PICTURES
400945248	LOCATION DRAWING
400945249	MULTI-WELL PLAN
400945250	REFERENCE AREA PICTURES
400945252	REFERENCE AREA MAP
400945262	WASTE MANAGEMENT PLAN
400945385	OTHER
400945386	OTHER

Total Attach: 13 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>

Total: 0 comment(s)