

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:

400891158

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Date Received:

09/16/2015

Oil and Gas Location Assessment

☐ New Location ☐ Refile ☒ Amend Existing Location Location#: 309984

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:

309984

Expiration Date:

02/04/2019

☐ 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 Apollo Facility Number: _____
County: WELD
QuarterQuarter: NENE Section: 18 Township: 6N Range: 63W Meridian: 6 Ground Elevation: 4669
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: 1203 feet FNL from North or South section line
881 feet FEL from East or West section line
Latitude: 40.490399 Longitude: -104.473507
PDOP Reading: 1.6 Date of Measurement: 08/28/2015
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 #

Production Facilities Location serves Well(s)

443273

400857316

FACILITIES

Indicate the number of each type of oil and gas facility planned on location

| | | | | | | | | |
|-----------------------|----------------------|---|----------------------|---|------------------|---|-------------------------------|--|
| Wells | Oil Tanks* | 6 | Condensate Tanks* | | Water Tanks* | 8 | Buried Produced Water Vaults* | |
| Drilling Pits | Production Pits* | | Special Purpose Pits | | Multi-Well Pits* | | Modular Large Volume Tanks | |
| Pump Jacks | Separators* | | Injection Pumps* | 1 | Cavity Pumps* | | Gas Compressors* | |
| Gas or Diesel Motors* | Electric Motors | | Electric Generators* | | Fuel Tanks* | | LACT Unit* | |
| Dehydrator Units* | Vapor Recovery Unit* | | VOC Combustor* | | Flare* | | Pigging Station* | |

OTHER FACILITIES*

Other Facility Type

Number

| | |
|------------------------------------|---|
| 1000 Gal. Unloading Pad Slop Tank | 1 |
| 800 Bbl Produced H2O Flat Tank | 1 |
| 800 Bbl Unloading Separ. Flat Tank | 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:

Intra-facility flow lines generally 4" fusion bonded schedule 160 steel from WH to Facility Tanks on location.

CONSTRUCTION

Date planned to commence construction: 09/17/2015 Size of disturbed area during construction in acres: 2.57

Estimated date that interim reclamation will begin: 09/30/2015 Size of location after interim reclamation in acres: 2.57

Estimated post-construction ground elevation: 4668

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: Drilling Fluids Disposal Method:

Cutting Disposal: Cuttings Disposal Method:

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: NGL Water Solutions DJ, L

Phone: 303-815-1010

Address: 3773 Cherry Creek North Drive
#1000

Fax: _____

Address: _____

Email: _____

City: Denver State: CO Zip: 80209

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: 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: | Feet | 470 Feet |
| Building Unit: | Feet | 603 Feet |
| High Occupancy Building Unit: | Feet | 5280 Feet |
| Designated Outside Activity Area: | Feet | 5280 Feet |
| Public Road: | Feet | 438 Feet |
| Above Ground Utility: | Feet | 752 Feet |
| Railroad: | Feet | 5280 Feet |
| Property Line: | Feet | 165 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: 07/26/2015

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 (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: #73, Vona loamy sand, 3 to 5% 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: _____

List individual species: Prairie sandreed, Switchgrass, Sand bluestem, Needleandthread, Western wheatgrass, Sideoats grama, Sand sagebrush, Little bluestem, 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: 2665 Feet

water well: 427 Feet

Estimated depth to ground water at Oil and Gas Location 2 Feet

Basis for depth to groundwater and sensitive area determination:

Distance to nearest downgradient surface water feature is 2665' NE to a pond - as measured from NE corner of North Tank Battery. Nearest Water Well is 427' west to Permit #224010 - as measured from the SW corner of the South Tank Battery. (There are Monitoring wells on the facility pad which were not included). Within a 1 Mile Radius there are 2 Water Wells showing a Static Water Level of 2': Permit #0010578-F & Permit #0013195-F. Because of the vicinity depth to ground water this is deemed a sensitive area.

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: _____

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

☐ Federal (FEMA)

☒ State

☒ County

☐ Local

☒ Other 1. Colorado Water Conservation Board - Colorado Risk Map
2. Weld County - Department of Planning Services

GROUNDWATER BASELINE SAMPLING AND MONITORING AND WATER WELL SAMPLING

Water well sampling required per Rule N/A

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 Permit is being submitted at COGCC's - John Noto & Doug Andrews request due to the fact that the recently acquired Surface Facility was not on record with COGCC, since it was permitted prior to the current Form 2A guidelines. This Facility was servicing the recently PA Synergy Disposal 15-18 I well (API 05-123-25694). Attached is Rule 604.b Exception Request since this Facility was built in 2008. The BMP's being submitted are adjusted to acknowledge this Facility is already built and operational since 2008-2009. With this Form 2A we are changing the name of the Facility to be more in line with NGL's associated well permit in process - the NGL Apollo 11. A Form 10 has been submitted, Doc # 400894238, to Change the Operator for this Location ID 309984, from Synergy Resources to NGL Water Solutions DJ, LLC. A copy of the Bill of Sale is attached showing NGL Water Solutions DJ, LLC as surface owners. This Facility was permitted before the new Form 2A was instituted and this Amended Form 2A is being submitted to establish the facility details with COGCC records.

An Exception letter to Rule 604.b is attached as requested and No Notifications required per John Noto and Doug Andrews. Dates are entered on the Cultural Setbacks tab for the Rule 502.a.(2) Buffer Zone Notification to clear the flagging system of the e-Form, as well as the Dates on the Construction tab for planned construction and reclamation. The closest "Building" that is not a part of the actual Facility is SE 470' and is a wooden shack, not permitted, and not occupied. To clarify: the measurement to the "Building" to the SE at 470' as noted on the Location Drawing is measured from the SE Corner of the South Tank Battery (the nearest equipment) - as opposed to the Notification Zone being measured from the SW Corner of the South Tank Battery, which makes this particular building just outside the 500' Exception Zone.

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

Signed: _____ Date: 09/16/2015 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: 2/5/2016

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

| | |
|--|--|
| | |
|--|--|

Best Management Practices

| No | BMP/COA Type | Description |
|-----------|--|--|
| 1 | Planning | 604.c(2)M. Fencing: A meeting with the surface owner will determine a fencing plan. The Surface Owner is also the Operator - Facility was built in 2008. |
| 2 | 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. Facility was built in 2008. |
| 3 | 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. |
| 4 | 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. Access road is built and maintained for access at all times. |
| 5 | 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. |
| 6 | 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 will be visually inspected once a day for issues, and recorded inspections are conducted once a month. Facility was built in 2008. |
| 7 | 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. Facility was built in 2008. |
| 8 | Construction | 803 Light sources during all phases of operations will be directed downwards and away from occupied structures where possible. 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. Facility was built in 2008. |
| 9 | Odor mitigation | 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. |

Total: 9 comment(s)

Attachment Check List

| <u>Att Doc Num</u> | <u>Name</u> |
|---------------------------|---------------------------|
| 2477734 | REFERENCE AREA MAP |
| 2477735 | REFERENCE AREA PICTURES |
| 2477736 | RULE 306.E. CERTIFICATION |
| 24777958 | LOCATION PICTURES |
| 400891158 | FORM 2A SUBMITTED |
| 400894678 | EXCEPTION LOC REQUEST |
| 400894881 | WASTE MANAGEMENT PLAN |
| 400894883 | FACILITY LAYOUT DRAWING |
| 400894884 | FACILITY LAYOUT DRAWING |
| 400894885 | HYDROLOGY MAP |
| 400894886 | LOCATION DRAWING |
| 400894887 | OTHER |
| 400894888 | ACCESS ROAD MAP |
| 400894889 | ACCESS ROAD MAP |
| 400894890 | OTHER |
| 400894896 | NRCS MAP UNIT DESC |
| 400894897 | NRCS MAP UNIT DESC |

Total Attach: 17 Files

General Comments

| <u>User Group</u> | <u>Comment</u> | <u>Comment Date</u> |
|-------------------|--|---------------------------|
| Permit | 2A #400857316 for the related location has been approved. Form 10, #400894238, for change of operator from Synergy to NGL has been approved. Existing well on this location has been plugged. | 1/18/2016 11:58:49 AM |
| OGLA | Operator provided updated Location Pictures. No Public Comments. OGLA task passed. | 1/15/2016 8:54:56 AM |
| OGLA | Sent follow-up correspondence regarding the Location Pictures. Operator indicated because sound wall is still up to drill and complete the adjacent injection well, they want to wait to take Location Pictures when the view is unobstructed. | 12/15/2015 12:05:17 PM |
| OGLA | Operator is submitting this Amended Form 2A at the request of the OGLA staff as they have recently purchased this existing location from Synergy and the COGCC database has no info on the location. The Facility has been in operation for several years which is why the construction dates are in the past and the size of the location is the same during construction as after interim reclamation. The former Synergy injection well on the location well has been P&Ad and no wells are currently on the location. NGL has their own permitted injection well adjacent to this location (NGL Apollo 11). Waiting on Location Pictures. Operator provided Reference Area Map and Pictures attachment and agreed to having the Drilling Waste Program section cleared and the Groundwater Baseline Sampling Rule cleared. Operator requested the Rule 604.b.(1)A Exception box be checked as they have included the Exception Request Letter. Waiting on current Location Pictures. | 10/19/2015 3:20:23 PM |
| Permit | Passed completeness. | 9/30/2015 8:19:18 AM |
| Permit | Returned to Draft: QTR/Qtr Lot on Location Identification tab not consistent with latitude and longitude. | 9/29/2015 12:36:22 PM |
| OGLA | Passed Buffer Zone completeness review. Items to address during technical review - Designated Setback Location Exceptions box not checked, Rule 305.a(2) Buffer Zone notification certification or waiver letter not attached. | 9/29/2015 9:32:30 AM |
| Permit | Refer to John Noto for buffer zone review. | 9/22/2015 9:18:00 AM |

Total: 8 comment(s)