

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:

401066087

Date Received:

06/24/2016

Oil and Gas Location Assessment

New Location Refile Amend Existing Location Location#: _____

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:

447892

Expiration Date:

09/27/2019

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: 10261
 Name: BAYSWATER EXPLORATION AND PRODUCTION LLC
 Address: 730 17TH ST STE 610
 City: DENVER State: CO Zip: 80202

Contact Information

Name: Jeff Annable
 Phone: (303) 928-7128
 Fax: (303) 218-5678
 email: regulatory@petro-fs.com

RECLAMATION FINANCIAL ASSURANCE

- Plugging and Abandonment Bond Surety ID: 20080034 Gas Facility Surety ID: _____
- Waste Management Surety ID: _____

LOCATION IDENTIFICATION

Name: Ward Number: 20-M Facility
 County: WELD
 Quarter: SESE Section: 20 Township: 6N Range: 66W Meridian: 6 Ground Elevation: 4736

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: 117 feet FSL from North or South section line
969 feet FEL from East or West section line

Latitude: 40.466691 Longitude: -104.795872

PDOP Reading: 1.9 Date of Measurement: 06/10/2016

Instrument Operator's Name: Alan Hnizdo

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)

401021302

FACILITIES

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

Wells	<u> </u>	Oil Tanks*	<u>10</u>	Condensate Tanks*	<u> </u>	Water Tanks*	<u>2</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>5</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>2</u>	VOC Combustor*	<u> </u>	Flare*	<u> </u>	Pigging Station*	<u> </u>

OTHER FACILITIES*

Other Facility Type

Number

Emission Control Device	<u>3</u>
Meter	<u>2</u>
Vapor Recovery Tower	<u>2</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:

12 - 2" welded steel flowlines from wellheads to separators carrying oil, gas and water.
2" welded steel gas supply line from compressors to wellheads.

Facility Layout attached.

CONSTRUCTION

Date planned to commence construction: 09/15/2016 Size of disturbed area during construction in acres: 1.21

Estimated date that interim reclamation will begin: 03/15/2017 Size of location after interim reclamation in acres: 1.21

Estimated post-construction ground elevation: 4736

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? _____

Reuse Facility ID: _____ or Document Number: _____

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

SURFACE & MINERALS & RIGHT TO CONSTRUCT

Name: Sherri A. Hood

Phone: _____

Address: 32171 CR 29

Fax: _____

Address: _____

Email: _____

City: Greeley State: CO Zip: 80631-9349

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: 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:	_____ Feet	<u>1027</u> 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 Unit:	_____	Feet	_____	Feet
High Occupancy Building Unit:	_____	Feet	_____	Feet
Designated Outside Activity Area:	_____	Feet	_____	Feet
Public Road:	_____	Feet	_____	Feet
Above Ground Utility:	_____	Feet	_____	Feet
Railroad:	_____	Feet	_____	Feet
Property Line:	_____	Feet	_____	Feet

- 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.
 - Large UMA Facility - 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 (onl 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: 32 - Kim 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: _____
 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: 289 Feet

water well: 1110 Feet

Estimated depth to ground water at Oil and Gas Location 15 Feet

Basis for depth to groundwater and sensitive area determination:

Distance to nearest downgradient water feature is a Pond.

Nearest water well is CDWR Permit #35-RD-R.

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 _____

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 a Building Unit) and is in an Urban Mitigation Area
- 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

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

Signed: _____ Date: 06/24/2016 Email: regulatory@petro-fs.com

Print Name: Jeff Annable 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: Matthew Lee Director of COGCC Date: 9/28/2016

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.

<u>COA Type</u>	<u>Description</u>

Best Management Practices

<u>No</u>	<u>BMP/COA Type</u>	<u>Description</u>
1	Planning	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. A meeting with the surface owner will determine the fencing plan.
2	Traffic control	Access Roads: Bayswater plans to utilize an existing farm field entrance. The access can be improved upon to accommodate drilling and completions operations trucks as well as local emergency vehicles. Bayswater has implemented traffic signs at our entrances and exits from pads to suggest traffic patterns and also for speed control. Traffic from this pad will be directed west.
3	General Housekeeping	Visual Impacts: Equipment, regardless of construction date, which are observable from any public highway shall be painted with uniform, non-contrasting, non-reflective color tones (similar to the Munsell Soil Color Coding System), and with colors matched to, but slightly darker than, the surrounding landscape. 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. Operator shall keep the Surface Use Area as well as any roads or other areas used by Operator safe and in good order, including control of noxious weeds litter and debris.

4	Storm Water/Erosion Control	Use water bars, and other measures to prevent erosion and non-source pollution. Implement and maintain BMPs to control stormwater runoff in a manner that minimizes erosion, transport of sediment offsite, and site degradation. Co-locate gas and water gathering lines whenever feasible, and mitigate any erosion problems that arise due to the construction of any pipeline(s).
5	Material Handling and Spill Prevention	<p>Leak Detention Plan: Operator will monitor production facilities on a regular schedule to identify fluid leaks, including, but not limited to, visually inspecting all wellheads, tanks and fittings. Additionally annual SPCC inspections will be conducted and documented. Annual flowline testing will also occur according to COGCC rules 1101 and 1102.</p> <p>Control of fire hazards: All material that is considered a fire hazard shall be a minimum of 25' from the wellheads, tanks or separators. Electrical equipment shall comply with API IRP 500 and will comply with the current national electrical code.</p> <p>Operator shall comply with state and federal laws, rules and regulations governing the presence of any petroleum products, toxic or hazardous chemicals or wastes on the Subject lands.</p>
6	Dust control	Operator shall employ practices for control of fugitive dust caused by their operations. Such practices shall include but are not limited to the use of speed restrictions, regular road maintenance, restriction of construction activity during high- wind days, and silica dust controls when handling sand used in hydraulic fracturing operations. Additional management practices such as road surfacing, wind breaks and barriers may be used.
7	Construction	<p>Berm Construction- Tanks 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.</p> <p>Containment berms shall be constructed and designed to prevent leakage and resist degradation from erosion or routine operation. Tertiary containment, such as an earthen berm, will be installed as required for Production Facilities within 500 feet of a downgradient surface water feature. All berms will be visually checked periodically to ensure proper working condition.</p>
8	Emissions mitigation	Green Completions - Emission Control System: Test separators and associated flow lines and sand traps shall be installed to accommodate green completions techniques pursuant to COGCC Rules. Operator is working with midstream operators in the area. Operator will connect to a gas sales line prior to flowback and immediately direct salable quality gas down line. The flowback gas shall be thermally oxidized in an emissions control device (ECD), which will be installed and kept in operable condition for at 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 combustion where non-combustible gases are present.
9	Odor mitigation	<p>Equipment shall be operated in such a manner that odors and dust do not constitute a nuisance or hazard to public welfare.</p> <p>Oil and gas operations shall be in compliance with the Department of Public Health and Environment, Air Quality Control Commission, Regulation No. 2 Odor Emission, 5 C.C.R. 1001-4, Regulation No. 3 (5 C.C.R. 1001-5), and Regulation No. 7 Section XVII.B.1 (a-c) and Section XII.</p>
10	Interim Reclamation	Operator shall be responsible for segregating the topsoil, backfilling, repacking, reseeding, and recontouring the surface of any disturbed area so as not to interfere with Owner's operations and shall reclaim such area to be returned to pre-existing conditions as best as possible with control of all weeds.
11	Final Reclamation	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. The Operator shall restore the surface of the Land affected by such terminated operations as near as possible to the previous state that existed prior to operations.
12	Construction	Operator will post a copy of the approved Form 2A and associated Form 4s on location.

13	Construction	Operator will survey the wells after construction to ensure COGCC setbacks have been maintained.
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Total: 13 comment(s)

Attachment Check List

<u>Att Doc Num</u>	<u>Name</u>
2477949	CORRESPONDENCE
401066087	FORM 2A SUBMITTED
401066195	NRCS MAP UNIT DESC
401067332	SURFACE AGRMT/SURETY
401068443	ACCESS ROAD MAP
401068444	FACILITY LAYOUT DRAWING
401068445	HYDROLOGY MAP
401068446	LOCATION DRAWING
401068447	LOCATION PICTURES

Total Attach: 9 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
OGLA	Operator provided revised BMPs concerning construction and Emissions mitigation.	9/23/2016 1:30:00 PM
Permit	Final Review Completed.	8/30/2016 3:40:38 PM
OGLA	IN PROCESS - Operator revised the distance to the nearest water well, revised the estimated depth to groundwater, and changed the Sensitive Area designation from NO to YES. OGLA review complete and task passed.	7/28/2016 11:06:13 AM
OGLA	ON HOLD - Requested operator revise the distance to the nearest water well, revise the estimated depth to groundwater, and change the Sensitive Area designation from NO to YES. Due by 8/28/16.	7/28/2016 10:32:47 AM
LGD	This proposed oil and gas facility is located in unincorporated Weld County. The County expects operators and land owners to work together to ensure that a diligent effort has been made to conserve prime agricultural land. As of today's date, July 19, 2016, the Weld County Oil and Gas Liaison/LGD has not been contacted by any nearby resident(s) regarding this proposed location. The County will respond to legitimate concerns or issues regarding a proposed location and attempt to facilitate a solution with the operator. Oil and Gas Exploration and Production activities are currently considered a Use by Right in the Agricultural Zoned District and no land use permitting is required by the County. A building permit is required for the production facilities (tank battery, separators, pump jacks, compressors, etc.) from the Department of Planning Services. Access points from a County road require an Access Permits from the Department of Public Works, which include any necessary traffic control plans. The use of a right-of-way requires a Right-Of-Way Permit from the Department of Public Works. Troy Swain, Weld Oil and Gas Liaison and LGD (970) 400-3579.	7/19/2016 10:21:22 AM
Permit	Passed completeness.	6/29/2016 1:05:18 PM

Total: 6 comment(s)