

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:

401069927

Date Received:

06/30/2016

Oil and Gas Location Assessment

☐ New Location ☒ Refile ☐ Amend Existing Location Location#: 437664

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:

**437664**

Expiration Date:

**11/09/2019**

☒ 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: 10492  
Name: AGAVE OIL & GAS LLC  
Address: 512 MAIN STREET #600  
City: FORT WORTH State: TX Zip: 76102

Contact Information

Name: Andrea Gross  
Phone: (303) 942-0506  
Fax: ( )  
email: agross@upstreampm.com

RECLAMATION FINANCIAL ASSURANCE

☒ Plugging and Abandonment Bond Surety ID: 20140025 ☐ Gas Facility Surety ID: \_\_\_\_\_  
☐ Waste Management Surety ID: \_\_\_\_\_

LOCATION IDENTIFICATION

Name: Herrick Number: 1-8  
County: ELBERT  
QuarterQuarter: SESE Section: 8 Township: 9S Range: 62W Meridian: 6 Ground Elevation: 6100  
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: 871 feet FSL from North or South section line  
833 feet FEL from East or West section line  
Latitude: 39.276260 Longitude: -104.350010  
PDOP Reading: 1.1 Date of Measurement: 02/04/2014  
Instrument Operator's Name: Rob Daley

## 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>4</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>1</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>1</u>	Fuel Tanks*	<u>2</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

Meter

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:

Agave does not foresee any pipeline installation until the wells have been drilled, tested, completed and if any production volumes exist, the facilities will be engineered on the pressures and volumes determined by the well. As, this is a rank wildcat well, Agave will utilize tanks to hold all oil and water which will be collected transported via truck. Infrastructure for salable quality gas is not available in the vicinity of the Location and flaring will be required until such infrastructure is available.

Additional Info:

Lines from wellhead to separator/treater will probably be 2" Schedule 40 steel epoxy coated. Lines from separator/treater: oil dump lines will be 3" SDR-11 polypipe, water dump lines will be 2" SDR-11 poly. All lines will be buried 48" deep.

## CONSTRUCTION

Date planned to commence construction: 12/01/2016

Size of disturbed area during construction in acres: 3.30

Estimated date that interim reclamation will begin: 06/01/2017

Size of location after interim reclamation in acres: 1.10

Estimated post-construction ground elevation: 6099

## DRILLING PROGRAM

Will a closed loop system be used for drilling fluids: Yes

Is H<sub>2</sub>S 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:

Drilling fluids will be disposed of at a commercial landfarming facility.

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: Steve Herrick

Phone: 303-621-2191

Address: 28425 Freese Road

Fax: \_\_\_\_\_

Address: \_\_\_\_\_

Email: \_\_\_\_\_

City: Calhan State: CO Zip: 80808

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 01/14/2014

## 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:	1245 Feet	1004 Feet
Building Unit:	1245 Feet	1004 Feet
High Occupancy Building Unit:	5280 Feet	5280 Feet
Designated Outside Activity Area:	5280 Feet	5280 Feet
Public Road:	268 Feet	94 Feet
Above Ground Utility:	658 Feet	485 Feet
Railroad:	5280 Feet	5280 Feet
Property Line:	833 Feet	909 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.
- 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 (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: 5-Bresser sandy loam, 0 to 4 percent slopes

NRCS Map Unit Name: 30-Kutch clay loam, 4 to 8 percent slopes

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, Blue grama, Sideoats grama, Little bluestem, Needleandthread, Prairie junegrass, Western wheatgrass, Sand dropseed, Sand bluestem, Prairie sagewort, Fendler threeawn, Sedge, Green needlegrass, Rubber rabbitbrush, Fourwing saltbrush

### 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: 830 Feet

water well: 1450 Feet

Estimated depth to ground water at Oil and Gas Location 220 Feet

Basis for depth to groundwater and sensitive area determination:

Nearest water well is water well permit 175697. Depth to groundwater was determined from water well permit 280704. The location was marked sensitive due to proximity of surface water and the location lies in the Kiowa Bijou designated water basin.

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 609

## 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

This location has not been built. No information has changed since the original submission. BMPs have been added due to new Elbert County regulations since the original submission. The BMPs had been added to the original OGLA via Sundry Noticed and were approved on 08/29/2014. A revised location drawing has been attached with cultural distances from the production facilities due to new COGCC regulations. Reference Area Photos and Map have been attached as they were not attached in the original submission as it was not the growing season.

Per Elbert County MOU:

Baseline Water Quality Testing: Agave will comply with COGCC Rule 609 and Elbert County MOU requirements.

Agave will paint all new production facilities with uniform, non-contrasting, nonreflective color tones and with colors matched to, but slightly darker, than surrounding landscapes.

Lighting: All permanent lighting of oil and gas well sites shall be directed downward and internally.

Agave Oil and Gas is concurrently working with Elbert County and will be submitting an Elbert County Oil and Gas Application once all pre-application meetings have taken place.

Water Supply and Quality: To reduce truck traffic, where feasible, temporary surface water lines are encouraged and will be utilized. If necessary, Agave will bury temporary water lines at existing driveway and gravel road crossings, or utilized existing culverts, if available.

Private Roads: Agave will construct and maintain an access road designed to accommodate emergency response vehicles. All newly constructed roads will be built to Elbert County Driveway Standards.

Weed Control and Maintenance: Agave will be responsible for noxious weed control on any disturbed area for the life of the well.

Berms: Agave will inspect berms on a weekly basis for evidence of discharge and within 48 hours of a precipitation event. Inspection and maintenance records will be provided to Elbert County upon request. Agave will implement a storm water and erosion plan to prevent sedimentation and erosion.

Spill and Release Maintenance: Agave will submit copies of any Form 19 filed with COGCC to the Elbert County LGD.

Noise: Agave will provide the Elbert County LGDA 24 hour/7 days a week contact information to respond to all noise complaints arising from the oil and gas location. Agave will post this information on a sign at the entrance to the access road.

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

Signed: \_\_\_\_\_ Date: 06/30/2016 Email: agross@upstreampm.com

Print Name: Andrea Gross Title: Permit Agent

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: 11/10/2016

### **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**

	Permanent flares controlling separators will be an enclosed combustion device with a 98% design destruction efficiency for hydrocarbons and will have an adequate shield capacity to block source from the nearby residence located to the northwest.
	Based on the proximity of the production facility to the nearest Building Unit, Operator shall submit an As-Built Survey showing the distance from the nearest Building Unit to the nearest production facility, upon completion of the pad construction.

### **Best Management Practices**

#### **No BMP/COA Type**

#### **Description**

1	Dust control	Agave will only use fresh water on roads or land surfaces for dust mitigation.
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Total: 1 comment(s)

### **Attachment Check List**

#### **Att Doc Num**

#### **Name**

1010122	CORRESPONDENCE
401069927	FORM 2A SUBMITTED
401069965	LOCATION DRAWING
401084762	REFERENCE AREA MAP
401084764	REFERENCE AREA PICTURES

Total Attach: 5 Files

### **General Comments**

#### **User Group**

#### **Comment**

#### **Comment Date**

Permit	Final Review Completed. No LGD or public comment received.	11/10/2016
OGLA	Verbal concurrence to all Conditions of Approval and Comments received from Operator via telephone - 11/04/2016.	11/04/2016
OGLA	Location lies within proximity to a Building Unit and is subject to the Residential/Agricultural/Rural permissible noise levels pursuant to Rule 802.b.	11/03/2016
OGLA	Per Operator request, changed Estimated Date of Construction to 12/01/2016 and Estimated Date of Interim Reclamation to 06/01/2017.	11/03/2016

OGLA	<p>Per Operator request, added one VOC Combustor.</p> <p>Per Operator request, changed the distance from the well to the nearest building to 1245 feet and from the production facility to the nearest building to 1004 feet as the nearest Building Unit is the nearest building also.</p> <p>Per Operator request, changed Estimated Depth to Groundwater to 200 feet bgs based on the reported static water level at DWR Permit #280704. Added permit #280704 to the basis statement. Also, changed the basis statement to reflect the nearest water well as water well permit 175697.</p> <p>Per Operator request, removed "Any gas will be flared under Colorado air quality regulations" and replaced it with "Infrastructure for salable quality gas is not available in the vicinity of the Location and flaring will be required until such infrastructure is available."</p>	11/02/2016
OGLA	<p>Per Operator and Elbert County LGD concurrence, moved the following BMPs to the Submit Tab:</p> <p>Baseline Water Quality Testing: Agave will comply with COGCC Rule 609 and Elbert County MOU requirements.</p> <p>Agave will paint all new production facilities with uniform, non-contrasting, nonreflective color tones and with colors matched to, but slightly darker, than surrounding landscapes.</p> <p>Lighting: All permanent lighting of oil and gas well sites shall be directed downward and internally.</p> <p>Agave Oil and Gas is concurrently working with Elbert County and will be submitting an Elbert County Oil and Gas Application once all pre-application meetings have taken place.</p> <p>Water Supply and Quality: To reduce truck traffic, where feasible, temporary surface water lines are encouraged and will be utilized. If necessary, Agave will bury temporary water lines at existing driveway and gravel road crossings, or utilize existing culverts, if available.</p> <p>Private Roads: Agave will construct and maintain an access road designed to accommodate emergency response vehicles. All newly constructed roads will be built to Elbert County Driveway Standards.</p> <p>Weed Control and Maintenance: Agave will be responsible for noxious weed control on any disturbed area for the life of the well.</p> <p>Berms: Agave will inspect berms on a weekly basis for evidence of discharge and within 48 hours of a precipitation event. Inspection and maintenance records will be provided to Elbert County upon request. Agave will implement a storm water and erosion plan to prevent sedimentation and erosion.</p> <p>Spill and Release Maintenance: Agave will submit copies of any Form 19 filed with COGCC to the Elbert County LGD.</p> <p>Noise: Agave will provide the Elbert County LGDA 24 hour/7 days a week contact information to respond to all noise complaints arising from the oil and gas location. Agave will post this information on a sign at the entrance to the access road.</p>	10/25/2016
OGLA	<p>Can not Pass with the current BMPs. BMPs are based on the signed MOU. Referred to the LGL.</p> <p>LGL attempting to contact LGD for discussion.</p> <p>No response from LGD - 09/21/2016 - MMH</p> <p>Emailed LGD - 10/03/2016 - MMH</p>	08/22/2016
Permit	Passed completeness.	07/29/2016
Permit	Note - Required Location Pictures, Hydrology Map, Access Road Map and NRCS documents are found in existing well file. Other required documents are attached to this APD.	07/29/2016
Permit	<p>Returned to draft:</p> <p>-- missing Reference Area Map</p> <p>-- missing Reference Area Pictures</p>	07/05/2016

Total: 10 comment(s)