

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:

401154146

(SUBMITTED)

Date Received:

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:

Expiration Date:

☒ 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: 47120

Name: KERR MCGEE OIL & GAS ONSHORE LP

Address: P O BOX 173779

City: DENVER State: CO Zip: 80217-3779

Contact Information

Name: SHAYELYN MARSHALL

Phone: (720) 929 6907

Fax: (720) 929 7907

email: SHAYELYN.MARSHALL@ANAD ARKO.COM

RECLAMATION FINANCIAL ASSURANCE

☒ Plugging and Abandonment Bond Surety ID: 20010124 ☐ Gas Facility Surety ID: _____

☐ Waste Management Surety ID: _____

LOCATION IDENTIFICATION

Name: CHICA Number: 4N2-23HZ

County: WELD

QuarterQuarter: NWNW Section: 35 Township: 3N Range: 67W Meridian: 6 Ground Elevation: 4844

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: 346 feet FNL from North or South section line

311 feet FWL from East or West section line

Latitude: 40.188222 Longitude: -104.866148

PDOP Reading: 1.3 Date of Measurement: 10/03/2016

Instrument Operator's Name: ROB WILSON

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 #

Well Site is served by Production Facilities

330111

FACILITIES

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

Wells	5	Oil Tanks*		Condensate Tanks*		Water Tanks*		Buried Produced Water Vaults*	
Drilling Pits		Production Pits*		Special Purpose Pits		Multi-Well Pits*		Modular Large Volume Tanks	
Pump Jacks	5	Separators*		Injection Pumps*		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

Flow Lines	15
Temp 500 bbl tanks w/optional ECDs	2

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:

Two 500 barrel skid-mounted frac tanks will be temporarily placed onsite for use of the pre-spud rig only. One tank will store water and the other will store water-based mud.

Please see Comments section for flow line description.

CONSTRUCTION

Date planned to commence construction: 02/01/2017

Size of disturbed area during construction in acres: 10.00

Estimated date that interim reclamation will begin: 05/01/2017

Size of location after interim reclamation in acres: 0.50

Estimated post-construction ground elevation: 4843

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? Yes

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:

Please see Comments section. Disposal description will not fit in space provided.

Beneficial reuse or land application plan submitted? Yes

Reuse Facility ID: or Document Number:

Centralized E&P Waste Management Facility ID, if applicable: 149021

SURFACE & MINERALS & RIGHT TO CONSTRUCT

Name: Kerr-McGee Gathering, LLC

Phone: 720.929.6519

Address: PO Box 173779

Fax: _____

Address: _____

Email: _____

City: Denver State: CO Zip: 80217

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 10/18/2016

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:	319 Feet	Feet
Building Unit:	558 Feet	Feet
High Occupancy Building Unit:	5280 Feet	Feet
Designated Outside Activity Area:	5280 Feet	Feet
Public Road:	292 Feet	Feet
Above Ground Utility:	273 Feet	Feet
Railroad:	5280 Feet	Feet
Property Line:	301 Feet	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: 11/03/2016

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.

The Chica pad will flow into the BBKB TB. BBKB siting rationale: The proposed facility is over 500' away from the nearest building unit. The location is classified as Exception Zone due to the proximity of the wells to the nearest building unit. The proposed facility was placed further away from the building unit in question than wells as per COGCC preference in siting. Kerr McGee has communicated with the nearest building unit owner as well as others in proximity of the proposed facility. In addition to this communication, NICO's were sent and no comments requiring additional mitigation were received. Moving the proposed facility to any other location on the subject parcel would move it closer to adjacent building units and increase the number of building units within 500' of the proposed facility. This location was chosen as it maximized cultural distances to the facility. A building unit on the subject parcel is shown on aerials but removed as it was uninhabitable.

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: 53—Otero sandy loam, 5 to 9 percent slopes

NRCS Map Unit Name: 72—Vona loamy sand, 0 to 3 percent slopes

NRCS Map Unit Name: 75—Vona sandy loam, 0 to 1 percent slopes

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: 10/20/2016

List individual species: Russian thistle-Salsola tragus, Cheatgrass-Bromus tectorum (NOXIOUS WEED-C-LIST), Prickly lettuce-Lactuca serriola, Burning-bush- Bassia sieversiana

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: 56 Feet

water well: 0 Feet

Estimated depth to ground water at Oil and Gas Location 32 Feet

Basis for depth to groundwater and sensitive area determination:

Ditch: 56' W Elev: 4838'
Ditch: 56' S Elev: 4843'
Ditch: 106' N Elev: 4838'
Loc Elev: 4843'
Nearest water wells:
0' E, Permit 256784-, depth unknown, Static Water Level 44', Elev 4841'
992' NNW, Permit 105036--A, depth unknown, Static Water Level 30', Elev 4841'
Sensitive Area Determination: SENSITIVE AREA, downgradient surface water feature within 1,000'

APC will work around the water well located within the disturbance area during operations.

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

WILDLIFE

☐ This location is included in a Wildlife Mitigation Plan

☐ This location was subject to a pre-consultation meeting with CPW held on

Operator Proposed Wildlife BMPs

No BMP

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	<p>The production from the Chica pad will flow into the BBKB Facility (Loc ID 330111).</p> <p>APC will work around the water well located within the disturbance area during operations.</p> <p>Drilling fluids disposal: KMG will reuse water-based drilling fluids to the maximum extent possible, at which point they will either be land applied or taken to a licensed, commercial disposal site; the decision will be based upon laboratory analysis of fluids. KMG will reuse oil-based drilling fluids to the maximum extent possible, at which point they will be returned to the fluids manufacturer for reconditioning or disposal at a licensed, commercial disposal site.</p> <p>Cuttings disposal: Water-based cuttings will be disposed of using a Centralized E&P Waste Management facility or a private spread field, depending on what is feasible at the time of drilling. Oil-based cuttings will be disposed of offsite and at a licensed, commercial disposal site.</p> <p>Pipelines: Buried pipelines will be utilized to gather the gas and oil product from the location (3 gas pipelines, 1 oil pipeline). Both gas and oil pipelines will be constructed from steel of suitable wall thickness and material grade to meet the respective gathering systems design pressure. Gas pipelines will range in diameter from 4" to 20"; oil pipelines from 4" to 12". Capacity of pipelines will vary based on diameter. Pipelines will begin at the location and terminate at larger trunk lines in the area. Temporary above ground polyethylene water pipelines (diameter 10" – 12" with a 60 BPM capacity) will deliver water to location operations from larger trunk lines.</p> <p>Flow Lines: Five flow lines will flow to the production facility location. During production, flow direction in the flow lines is from the well head to the production facility. The size of flow lines is typically 2". Flow lines will be constructed from steel pipe, buried, and will equal the distance between the well heads and the tank battery, approximately 500'.</p>
----------	--

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

Signed: _____ Date: _____ Email: SHAYELYN.MARSHALL@ANADARKO.COM

Print Name: SHAYELYN MARSHALL 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: _____ 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.

COA Type	Description

Best Management Practices

No	BMP/COA Type	Description
1	Planning	604c.(2).E. Multi-Well Pads: In order to reduce surface impact, this application is for a five-well pad.

2	Planning	604c.(2).Q. Guy Line Anchors: Guy line anchors will not be used. Base Beams will be used to stabilize the rig and removed after drilling.
3	Planning	604c.(2).R. Tank Specifications: Two 500 barrel skid-mounted frac tanks will be temporarily placed on-site for use of the pre-spud rig only. One tank will store water and the other will store water based mud.
4	Planning	604c.(2).S. Access Roads: KMG will utilize a lease access road from CR 28 for drilling, completions, and production operations, including maintenance equipment. The road will be properly constructed and maintained to accommodate for local emergency vehicle access.
5	Planning	604c.(2).V. Development From Existing Well Pads: Drilling from an existing well pad was not feasible for the development of the wells on this proposed oil and gas location; however, this well pad will be considered for future well locations.
6	Community Outreach and Notification	<p>305.a.(2) A Notice of Intent to Conduct Operations was sent to each building unit owner within the Exception Zone or Buffer Zone Setback. Richard Coufal called KMG's response line and his questions and concerns were addressed. Our stakeholder and surface land team have been in contact with him. KMG will also be holding a community forum for the the Chica, BBKB and S.S. Minnow pads on Friday, December 9th.</p> <p>As a part of planning this proposed location, Kerr-McGee held multi-disciplinary Surface Impact Planning Meetings regarding the impacts and mitigations associated with this proposed location. The toll-free hotline number and email for the Anadarko Colorado Response Line will be posted at the entrance to the lease access road for stakeholders during drilling and completion operations at this proposed location. Courtesy Notifications will be sent to impacted stakeholders prior to drilling operations and again prior to completions operations, providing contact information for the Anadarko Colorado Response Line and online resources.</p>
7	Traffic control	604c.(2).D. Traffic Plan: Prior to the commencement of operations, the operator will obtain access and ROW permits per Weld County Code and implement COAs or traffic control plans as required.
8	General Housekeeping	604c.(2).O. Loadlines: All loadlines shall be bullplugged or capped.
9	General Housekeeping	604c.(2).P. Removal of Surface Trash: A commercial size trash bin for removing debris will be located on site. This bin will be for use by all parties affiliated with the operation. Upon completion of operations, the commercial trash bin will be removed from the location and disposed of in an appropriate manner.
10	Storm Water/Erosion Control	604c.(2).G. Berm Construction: Kerr-McGee will create tertiary containment by construction of a berm or diversion dike, site grading, or other comparable measures sufficient to further protect the ditches located 56' W, 56' S, and 106' N of this proposed oil and gas location.
11	Storm Water/Erosion Control	604c.(2).W. Site-Specific Measures: KMG maintains a Storm Water Management Plan that assesses erosion control for every KMG operated location. This location will be added to this plan once construction begins. This site will be inspected every fourteen (14) days during construction activities, every twenty-eight (28) days after construction is completed, and after any major weather event.
12	Material Handling and Spill Prevention	604c.(2).N. Control of Fire Hazards: KMG and its contractors will employ best management practices during the drilling and production of its wells and facilities and will comply with appropriate COGCC rules concerning safety and fire. KMG will ensure that any material that might be deemed a fire hazard will remain no less than twenty-five (25) feet from the wellhead(s), tanks and separator(s).
13	Dust control	805.c. Dust: Water will be placed on dirt access roads to mitigate dust as needed. If feasible, magnesium chloride will also be used as needed on access roads to further abate dust.
14	Construction	604c.(2).M. Fencing Requirements: The completed wellsites will be surrounded with a fence and gate with adequate lock to restrict access to authorized personnel only. KMG personnel will monitor the wellsites regularly upon completion of the wells. Authorized representatives and/or KMG personnel shall be on-site during drilling and completion operations.

15	Noise mitigation	<p>604c.(2).A. Noise</p> <p>Drilling: Sound surveys have been conducted on each rig type and are utilized to anticipate any additional effective noise mitigation once a drilling rig is determined. During drilling operations, at a minimum, and pending a safety review after construction of the location, sound mitigation barriers (straw bales) will be placed along the North West corner in order to mitigate the building units to the North West (~558', ~760' and ~850'). The building unit to the West of the location (#8 on the location drawing) is owned by Richard Coufal and is currently vacant. If someone moves into the house before commencement of operations, we will re-evaluate mitigation if needed.</p> <p>Completions: During completion operations, at a minimum, and pending a safety review after construction of the location, sound mitigation barriers (straw bales) will be placed along the North West corner in order to mitigate the building units to the North West (~558', ~760' and ~850'). LED lights will be used during completion operations.</p> <p>Should technological advancements allow for better noise mitigation at the time of drilling and completion operations on this location, Kerr-McGee will re-evaluate the most effective method at that time.</p>
16	Drilling/Completion Operations	604c.(2).B. Closed Loop Drilling System: KMG will use a closed loop or "pitless" system for drilling and fluid management and will not construct a reserve pit.
17	Drilling/Completion Operations	604c.(2).C. Green Completions: Temporary above ground polyethylene water pipelines will deliver water to location operations from larger trunk lines to reduce truck traffic and minimize air pollution. Pipeline infrastructure is in place prior to completions operations to ensure saleable gas, once hydrocarbons are cut, is sent directly to sales without flaring during flowback.
18	Final Reclamation	604c.(2).T. Well Site Cleared: The wellsite will be cleared of all non-essential equipment within ninety (90) days after all wells associated with the pad have been plugged and abandoned.
19	Final Reclamation	604c.(2).U. Identification of Plugged and Abandoned Wells: Pursuant to rule 319.a.(5)., once the well has been plugged and abandoned, KMG will identify the location of the wellbore with a permanent monument that will detail the well name and date of plugging.

Total: 19 comment(s)

Attachment Check List

<u>Att Doc Num</u>	<u>Name</u>
401154501	LOCATION DRAWING
401154502	WELL LOCATION PLAT
401154504	LOCATION PICTURES
401154505	MULTI-WELL PLAN
401154506	ACCESS ROAD MAP
401154507	NRCS MAP UNIT DESC
401154508	REFERENCE AREA PICTURES
401154517	FACILITY LAYOUT DRAWING
401154521	30 DAY NOTICE LETTER
401154523	WASTE MANAGEMENT PLAN
401156059	REFERENCE AREA MAP
401162458	HYDROLOGY MAP

Total Attach: 12 Files

General Comments

User Group

Comment

Comment Date

		Stamp Upon Approval
--	--	------------------------

Total: 0 comment(s)



Public Comments

No public comments were received on this application during the comment period.

