

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:

401099632

Date Received:

01/06/2017

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:

449925

Expiration Date:

04/05/2020

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: 10548
Name: HRM RESOURCES II LLC
Address: 410 17TH STREET #1600
City: DENVER State: CO Zip: 80202

Contact Information

Name: PAUL GOTTLÖB
Phone: (720) 420-5747
Fax: ()
email: paul.gottlob@iptenergyservices.com

RECLAMATION FINANCIAL ASSURANCE

- Plugging and Abandonment Bond Surety ID: 20150070 Gas Facility Surety ID: _____
- Waste Management Surety ID: _____

LOCATION IDENTIFICATION

Name: ALMA Number: 1S-66-2524 PAD
County: ADAMS
Quarter: SWSE Section: 25 Township: 1S Range: 66W Meridian: 6 Ground Elevation: 5181

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: 337 feet FSL from North or South section line
1844 feet FEL from East or West section line

Latitude: 39.929770 Longitude: -104.721160
PDOP Reading: 1.9 Date of Measurement: 07/28/2016

Instrument Operator's Name: BRIAN ROTTINGHAUS

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>20</u>	Oil Tanks*	<u>21</u>	Condensate Tanks*	<u> </u>	Water Tanks*	<u>7</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>20</u>	Injection Pumps*	<u> </u>	Cavity Pumps*	<u> </u>	Gas Compressors*	<u>7</u>
Gas or Diesel Motors*	<u>9</u>	Electric Motors	<u>5</u>	Electric Generators*	<u>2</u>	Fuel Tanks*	<u> </u>	LACT Unit*	<u>1</u>
Dehydrator Units*	<u> </u>	Vapor Recovery Unit*	<u>4</u>	VOC Combustor*	<u>8</u>	Flare*	<u> </u>	Pigging Station*	<u>2</u>

OTHER FACILITIES*

Other Facility Type

Number

<u>ECD</u>	<u>20</u>
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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 flowlines are generally 3" (although may be 2") fusion bonded scheduled 40 steel.

CONSTRUCTION

Date planned to commence construction: 04/06/2017 Size of disturbed area during construction in acres: 9.20
Estimated date that interim reclamation will begin: 08/06/2017 Size of location after interim reclamation in acres: 4.60
Estimated post-construction ground elevation: 5175

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: OFFSITE Drilling Fluids Disposal Method: Commercial Disposal

Cutting Disposal: OFFSITE Cuttings Disposal Method: Commercial Disposal

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: Maria Alma Gandara

Phone: 720-626-7296

Address: 5325 Quitman St.

Fax: _____

Address: _____

Email: almagarcia60@gmail.com

City: Denver State: CO Zip: 80212-4014

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 06/30/2016

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:	1518 Feet	1223 Feet
Building Unit:	1518 Feet	1248 Feet
High Occupancy Building Unit:	5280 Feet	5280 Feet
Designated Outside Activity Area:	5280 Feet	5280 Feet
Public Road:	275 Feet	50 Feet
Above Ground Utility:	250 Feet	26 Feet
Railroad:	5280 Feet	5280 Feet
Property Line:	247 Feet	22 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

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: _____

- 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.

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.

NA

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: AvC - Ascalon-Vona sandy loams, 1 to 5 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: 36 Feet

water well: 1700 Feet

Estimated depth to ground water at Oil and Gas Location 31 Feet

Basis for depth to groundwater and sensitive area determination:

Distance to nearest:
 1. Downgradient surface water feature: aprx 970' South/SW to seasonal run-off channel.
 2. Water Well: The nearest Water Well is aprx. 1700' East, Permit #53730, Static Water Level of 84'. Within 1/2 Mile Radius the shallowest Static Water Level is 31', Permit #33951, located in the NWNE, Sec 36-T1S-R66W. Next closest water well is Permit #55161-F, with a Static Water Level of 148'.
 3. Estimated depth to groundwater at Oil & Gas location is based on Permit #33951.

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 318A

WILDLIFE

- This location is included in a Wildlife Mitigation Plan
- This location was subject to a pre-consultation meeting with CPW held on _____

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: 01/06/2017 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: Matthew Lee Director of COGCC Date: 4/6/2017

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

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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 location will be adequately fenced to restrict access by unauthorized persons.
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2	Planning	604.c.(2)J.ii: Backup stabbing valves will be required on well servicing operations during reverse circulation. Valves shall be pressure tested before each well servicing operation using both low-pressure air and high-pressure fluid.
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. During construction and through the life of this location, Operator will utilize watering, via water trucks, to control fugitive dust. Additionally, the access road will be constructed with aggregate road base material and vehicle speeds will be limited to ten miles per hour to reduce dust.
5	Traffic control	604.c.(2)D: Operator will obtain an Approved Adams County Administrative Use by Special Review in which the designated traffic flow has been determined.
6	General Housekeeping	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
7	General Housekeeping	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.
8	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.
9	Storm Water/Erosion Control	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). Location will be covered under HRM's field wide permit, permit number COR03 XXXX in process. Typical stormwater BMPs installed include a diversion ditch and berm with sediment traps and installation of wattles where necessary.
10	Material Handling and Spill Prevention	604.c.(2)F. Leak Detection Plan: Operator will monitor production facilities weekly at a minimum to a maximum of daily 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. Inspection and record retention of flowline testing will be in accordance per COGCC regulation. All records will be made available to the COGCC upon to request.
11	Material Handling and Spill Prevention	604.c.(2)R Tank Specifications: Tanks will be designed, constructed and maintained in accordance with NFPA Code 30 (2008 version). All tanks are visually inspected by the operator weekly at a minimum to a maximum of daily and annual SPCC inspections will be conducted and documented. Inspection and record retention of tank inspections will be in accordance per SPCC regulation. All records will be made available to the COGCC upon to request.
12	Dust control	805.c. 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.
13	Construction	803. Permanent lighting will be installed around the facility to allow both the operator and haulers to conduct safe operations at night. All lights will be directed down toward the location or shielded so no light pollution leaves the facility.
14	Construction	604.c.(2).Q. All guy line anchors left buried for future use shall be identified by a marker of bright color not less than four (4) feet in height and not greater than one (1) foot east of the guy line anchor.

15	Construction	604.c.(2).E. This will be a multi-well pad, located in a manner which allows for the greatest distances possible from building units.
16	Noise mitigation	604.c.(2)A. Sound walls and/or hay bales will be used during drilling and completion operations. Sound walls will be installed on all sides of the pad perimeter.
17	Emissions mitigation	Operator will bring a new or expand existing gas sales lines, in a timely manner, to send salable quality gas immediately down the sales line.
18	Emissions mitigation	604.c.(2)C.i. Green Completions - Emission Control System. Test separators and associated flow lines and sand traps shall be installed on-site to accommodate green completions techniques pursuant to COGCC Rules.
19	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. Odors will be managed by engine filters and well gas will initially be flared until connected to sales line.
20	Drilling/Completion Operations	604.c.(2)L. Closed chamber drill stem tests shall be allowed. All other drill stem tests shall require approval by the Director. None planned for these wells
21	Drilling/Completion Operations	604.c.(2).K. Pit level Indicators shall be used for tanks (steel mud pits) on location.
22	Drilling/Completion Operations	604.c.(2)B.i. Operator will be utilizing a closed loop system.
23	Drilling/Completion Operations	604.c.(2)T. 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. Identification of plugged and abandoned wells will be identified pursuant to 319.a.(5)
24	Drilling/Completion Operations	604.c.(2).U. The operator shall identify the location of the wellbore with a permanent monument as specified in Rule 319.a.(5). The operator shall also inscribe or imbed the well number and date of plugging upon the permanent monument
25	Interim Reclamation	Operator shall be responsible for segregating the topsoil, backfilling, re-compacting, reseeding, and re-contouring 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 noxious weeds.

Total: 25 comment(s)

Attachment Check List

Att Doc Num	Name
401099632	FORM 2A SUBMITTED
401099633	NRCS MAP UNIT DESC
401109425	ACCESS ROAD MAP
401109426	OTHER
401109427	HYDROLOGY MAP
401109431	LOCATION PICTURES
401109433	OTHER
401109876	OTHER
401109881	OTHER
401169386	LOCATION DRAWING
401169389	MULTI-WELL PLAN
401169394	OTHER
401174068	SURFACE AGRMT/SURETY
401174320	WASTE MANAGEMENT PLAN

Total Attach: 14 Files

General Comments

User Group	Comment	Comment Date
OGLA	OGLA has coordinated with the Adams County LGD. Local permitting requirements are in process. No issues have been identified with this proposed Location on the County level.	04/06/2017
Permit	Final Review Completed.	04/05/2017
Permit	Permitting Review Complete.	04/05/2017
OGLA	Per Operator, pit level indicators will be used on the mud tanks.	03/02/2017
OGLA	Removed the following BMPs, as they are not required on this Form2A. 604.c.(2)J.i: Blowout Prevention Equipment (“BOPE”): A double ram and annular preventer will be used during drilling. Stabbing valves shall be installed in the event of reverse circulation and shall be prior tested with low and high pressure fluid. 604.c.(2).O. All loadlines shall be ball plugged or capped. 604.c.(2).I. BOPE testing for drilling operations. Upon initial rig-up and at least once every thirty (30) days during drilling operations thereafter, pressure testing of the casing string and each component of the blowout prevention equipment including flange connections shall be performed to seventy percent (70%) of working pressure or seventy percent (70%) of the internal yield of casing, whichever is less. Pressure testing shall be conducted and the documented results shall be retained by the operator for inspection by the Director for a period of one (1) year. Activation of the pipe rams for function testing shall be conducted on a daily basis when practicable.	02/28/2017
OGLA	- Changed Estimated Depth to Groundwater to 31 feet based on the static water level as reported at DWR Water Well Permit #33951. Changed the Basis Statement to reflect DWR Permit #33951. - Changed the distance to the nearest surface water feature to 36 feet to reflect the drainage ditch as reported on the Hydrology Map submitted by the Operator. Changed Sensitive Area to YES based on the distance to the ditch. - Unchecked the State box for Floodplains as the COGIS Map Floodplain Layer is the the Federal FEMA Maps. - The distance from the nearest production facility is measured from the edge of the production pad. Please verify that the tanks are a minimum of 2 diameters from the property line. - Per Operator, the tanks are located at a minimum, 2 diameters from the property line. 03/01/2017 - Corrected the acreage of disturbance after Interim Reclamation to 4.6 acres based on the equipment layout drawing submitted by the Operator (Attachment Document #401109881). - Changed the Attachment Names of Document #401109876 and 401109881 as they do not meet the requirements of a Facility Layout Drawing. Operator Concurrence - 03/15/2017 MMH	02/28/2017

LGD	<p>1.Adams County respectfully requests that the COGCC hold the permit until the operator has completed the local permit process.</p> <p>2.Ensure that the operator has sufficient storage for all of the produced hydrocarbons, or that there is a pipeline in place prior to permit approval.</p> <p>3.Attach all COAs from the local permit process to this permit.</p> <p>4.Access road construction shall follow the requirements outlined in Section 12 Private Roads of the Adams County Memorandum of Understanding (MOU).</p> <p>5.Adams County Transportation Department Permits will need to be obtained prior to construction (if applicable):</p> <p>i. Access Permit This permit is required for modifications to the existing access or for any new access that may be requested.</p> <p>ii. Oversize/Overweight Load Permit All contractors moving oversize/overweight vehicles through the county must contact the ADCO Permit Administrator (PA) in a timely matter in order to review and process the necessary permits prior to drilling or the development of a well site.</p> <p>iii. Right of Way Permit</p> <p>6.Site is in close proximity to lands owned by Adams County as open space (Frazier and Maul properties), as well as Barr Lake State Park.Please coordinate with Adams County Parks and CPW in order to minimize any impacts to these lands.</p> <p>7.There are houses located west, north, and northwest of the overall parcel.Recommend proper notification and mitigation be in place for these residents including but not limited to noise and light pollution mitigation throughout the drilling, completions, and production phases of the operation.</p>	02/02/2017
Permit	Passed completeness.	01/13/2017
Permit	With Operator's approval, removed Reference Area Map, Reference Area Photo and Rule 306.E. Certification attachments as they were not needed.	01/13/2017

Total: 9 comment(s)