

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:

401203008

Date Received:

03/08/2017

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:

450612

Expiration Date:

05/14/2020

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: 10373
 Name: NGL WATER SOLUTIONS DJ LLC
 Address: 3773 CHERRY CRK NORTH DR #1000
 City: DENVER State: CO Zip: 80209

Contact Information

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

RECLAMATION FINANCIAL ASSURANCE

Plugging and Abandonment Bond Surety ID: 20170017 Gas Facility Surety ID: _____
 Waste Management Surety ID: _____

LOCATION IDENTIFICATION

Name: NGL Number: C10B
 County: WELD
 Quarter: SWNW Section: 35 Township: 7N Range: 65W Meridian: 6 Ground Elevation: 4847

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: 2219 feet FNL from North or South section line
230 feet FWL from East or West section line

Latitude: 40.532560 Longitude: -104.638910

PDOP Reading: 1.3 Date of Measurement: 01/25/2017

Instrument Operator's Name: CASEY KOHOUT

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

440290

400721734

FACILITIES

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

Wells	<u>1</u>	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	_____	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

Other Facility Type	Number

Those facilities indicated by an asterisk () shall be used to determine the distance from the Production Facility to the nearest cultural feature on the Cultural Setbacks Tab.

Per Rule 303.b.(3)C, description of all oil, gas, and/or water pipelines:

Intra-facility flow lines, generally 4" high pressure fiberglass, from WH to Facility Pumps approx. 3/4 Mile SE at the NGL C10 Facility, Location ID 440290.

CONSTRUCTION

Date planned to commence construction: 04/24/2017 Size of disturbed area during construction in acres: 3.20

Estimated date that interim reclamation will begin: 07/24/2017 Size of location after interim reclamation in acres: 0.50

Estimated post-construction ground elevation: 4847

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: Booth Land & Livestock Phone: _____
 Address: PO Box 72 Fax: _____
 Address: _____ Email: _____
 City: Lucerne State: CO Zip: 80646
 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: 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:	1551 Feet	_____ Feet
Building Unit:	1551 Feet	_____ Feet
High Occupancy Building Unit:	4850 Feet	_____ Feet
Designated Outside Activity Area:	5280 Feet	_____ Feet
Public Road:	216 Feet	_____ Feet
Above Ground Utility:	1560 Feet	_____ Feet
Railroad:	5280 Feet	_____ Feet
Property Line:	230 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

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.

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: #47: Olney fine sandy loam, 1 to 3 percent slopes _____

NRCS Map Unit Name: #37: Nelson fine sandy loam, 0 to 3 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:

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: 290 Feet

water well: 1310 Feet

Estimated depth to ground water at Oil and Gas Location 140 Feet

Basis for depth to groundwater and sensitive area determination:

Distance to nearest:

1. Downgradient surface water feature: Aprx. 295' south to an un-named shallow surface and irrigation runoff ditch, but there is a service road in between the ditch and this proposed pad. It is believed that any potential run-off from this pad would be contained to the immediate crop land and not affect any water feature.

2. Water well: Aprx. 1310' SW to Permit #278677, Depth of 320', Static water level 140'.

3. Estimated depth to ground water at O&G location: 140' based upon the nearest water well. The other nearest that have the static water level noted show 135' and 140'.

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 This UIC well will be an additional well to be serviced by the already permitted and functional NGL C10 Facility, Location ID 440290.
The attached Lease Agreement is also a Surface Use Agreement, page 2 under "ARTICLE 2 - IMPROVEMENTS" gives NGL Water Solutions DJ, LLC the right to drill from the proposed location.

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

Signed: _____ Date: 03/08/2017 Email: paul.gottlob@iptenergyservices.com

Print Name: PAUL GOTTLLOB Title: Regulatory & Engin. Tech.

Based on the information provided herein, this Application for Permit-to-Drill complies with COGCC Rules and applicable orders and is hereby approved.

COGCC Approved:  Director of COGCC Date: 5/15/2017

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.

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

Best Management Practices

<u>No</u>	<u>BMP/COA Type</u>	<u>Description</u>
1	Planning	1.) Planning: 604.c(2)M. Fencing: A meeting with the surface owner has determined that fencing is not needed as once completed there will be only a wellhead with a protective cover over it on location.
2	Planning	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.
3	Planning	604.c.(2)J.ii Backup stabbing valves 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.
4	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.
5	Planning	317.r Statewide Wellbore Collision Prevention: Operator will perform an anti-collision evaluation of all active (producing, shut in, or temporarily abandoned) offset wellbores that have the potential of being within 150 feet of a proposed well prior to drilling operations for the proposed well. Notice shall be given to all offset operators prior to drilling.
6	Traffic control	604.c.(2)D: A Weld County Rig Move Permit will be secured prior to Rig move. The Access road comes off of a road on private property owned by the Surface Owner and no other permit will be required.

7	Traffic control	604.c.(2)S. Access Roads: The access road will be constructed to accommodate local emergency vehicles. This road will be maintained for access at all times. Traffic will be routed to minimize local interruption. Dust control measures will also be utilized. 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 water spreading as necessary. Additional management practices such as road surfacing, wind breaks and barriers may be used. The access road will come off of a private road on the Surface Owners property.
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	Construction	803. Light sources during all phases of operations will be directed downwards and away from occupied structures where possible. Once the drilling and completion rigs leave the site, there will be no permanently installed lighting on site.
10	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.
11	Construction	604.c.(2).E. This will be a single-well pad.
12	Noise mitigation	604.c.(2)A. Sound walls and/or hay bales will be used if necessary to surround the well site during drilling operations. The nearest Building Unit is aprx. 1,551' southwest.
13	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. In the anticipated absence of a viable gas sales line, the flowback gas shall be thermally oxidized in an emissions control device (ECD), which will be installed and kept in operable condition for 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 combustions where non-combustible gases are present. This is a UIC well and NO gas emissions are expected.
14	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. This well pad will have only the wellhead with a protective cover and no other equipment permanently on location.
15	Drilling/Completion Operations	604.c.i: 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.
16	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 this well.
17	Drilling/Completion Operations	604.c.(2).O. Drilling and Completion-All loadlines shall be bullplugged or capped.
18	Drilling/Completion Operations	604.c.(2)B.i Operator will be utilizing a closed loop system.
19	Drilling/Completion Operations	Operator will comply with COGCC Policy for Braden-head Monitoring during Hydraulic Fracturing Treatments in the Greater Wattenberg Area dated May 29, 2012. Fracturing is not typically planned, but may be necessary.
20	Drilling/Completion Operations	A resistivity log, run from the bottom of the surface casing to total depth of the disposal well or wells or any well within one (1) mile together with a log from that well that can be correlated with the injection well. If the disposal well is to be drilled, a description of the typical stratigraphic level of the disposal formation in the disposal well or wells, and any other available logging or testing data, on the disposal well or wells will be supplied.

21	Final Reclamation	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)
22	Final Reclamation	604.c.(2).U. Final Reclamation-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.

Total: 22 comment(s)

Attachment Check List

<u>Att Doc Num</u>	<u>Name</u>
2478212	CORRESPONDENCE
401203008	FORM 2A SUBMITTED
401203676	NRCS MAP UNIT DESC
401203678	NRCS MAP UNIT DESC
401203683	WASTE MANAGEMENT PLAN
401228139	ACCESS ROAD MAP
401228140	OTHER
401228141	HYDROLOGY MAP
401228142	LOCATION DRAWING
401228145	LOCATION PICTURES
401228146	OTHER
401228148	FACILITY LAYOUT DRAWING
401232817	SURFACE AGRMT/SURETY

Total Attach: 13 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Final Review Completed.	05/08/2017
Permit	Permitting Review Complete.	05/02/2017
OGLA	OGLA task passed.	04/04/2017
OGLA	IN PROCESS - Operator revised the date interim reclamation will begin, revised the Traffic Control BMP, specified the dust control measures that will be utilized, revised the Noise mitigation BMP, and concurred with removing an unnecessary attachment that pertains to notifications for Buffer Zone locations as this location is NOT in a Buffer Zone. OGLA review complete. Waiting on the Public Comment period.	04/03/2017
OGLA	ON HOLD - Requested operator revise the date interim reclamation will begin, revise the Traffic Control BMP, specify the dust control measures that will be utilized, revise the Noise mitigation BMP, and concur with removing an unnecessary attachment that pertains to notifications for Buffer Zone locations as this location is NOT in a Buffer Zone. Due by 4/30/17.	03/30/2017
LGD	The surface facilities associated with this injection well are permitted under NGL Water Solutions DJ, LLC aka NGL C-10 Facility, Use by Special Review Permit USR15-0006.	03/22/2017
Permit	Accidentally passed completeness: -SUA contains monetary compensation; notified permitter	03/14/2017

Total: 7 comment(s)