

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:

401275560

Date Received:

05/26/2017

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:

451355

Expiration Date:

07/11/2020

☒ 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: 35080
Name: GRAND MESA OPERATING CO
Address: 1700 N. WATERFRONT PKWY BL 600
City: WICHITA State: KS Zip: 67206

Contact Information

Name: Michael Reilly
Phone: (316) 265-3000
Fax: (316) 265-3455
email: mreilly@gmocks.com

RECLAMATION FINANCIAL ASSURANCE

☒ Plugging and Abandonment Bond Surety ID: 20020080 ☐ Gas Facility Surety ID: _____
☐ Waste Management Surety ID: _____

LOCATION IDENTIFICATION

Name: YELLOWSTONE Number: 1-2
County: LINCOLN
QuarterQuarter: SWNE Section: 2 Township: 8S Range: 55W Meridian: 6 Ground Elevation: 5521
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: 2072 feet FNL from North or South section line
1312 feet FEL from East or West section line
Latitude: 39.383420 Longitude: -103.514660
PDOP Reading: 1.5 Date of Measurement: 04/10/2017
Instrument Operator's Name: ELIJAH FRANE-FRANE SURVEYING INC

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>1</u>	Buried Produced Water Vaults*	<u> </u>
Drilling Pits	<u>1</u>	Production Pits*	<u> </u>	Special Purpose Pits	<u> </u>	Multi-Well Pits*	<u> </u>	Modular Large Volume Tanks	<u> </u>
Pump Jacks	<u>1</u>	Separators*	<u>1</u>	Injection Pumps*	<u> </u>	Cavity Pumps*	<u> </u>	Gas Compressors*	<u> </u>
Gas or Diesel Motors*	<u>1</u>	Electric Motors	<u> </u>	Electric Generators*	<u> </u>	Fuel Tanks*	<u> </u>	LACT Unit*	<u> </u>
Dehydrator Units*	<u> </u>	Vapor Recovery Unit*	<u> </u>	VOC Combustor*	<u> </u>	Flare*	<u> </u>	Pigging Station*	<u> </u>

OTHER FACILITIES*

Other Facility Type

Number

ECD

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:

If this well is successful - a flowline from the well to the tank battery will be installed. One 3" poly pipe, pressurized 0-40# PSI and buried at least 4' below the ground surface. The tank battery will be used solely for the Yellowstone 1-2 well and will be located 50' FEL off of CR 30 and approximately 1858' FNL off of CR 3R. We would like to include our tank battery inclusively with this 2A for our location on this well and we will provide a production layout drawing and pictures if this well is a producer.

CONSTRUCTION

Date planned to commence construction: 07/01/2017

Size of disturbed area during construction in acres: 2.50

Estimated date that interim reclamation will begin: 01/01/2018

Size of location after interim reclamation in acres: 1.00

Estimated post-construction ground elevation: 5521

DRILLING PROGRAM

Will a closed loop system be used for drilling fluids: No

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: ONSITE

Drilling Fluids Disposal Method: Evaporation

Cutting Disposal: ONSITE

Cuttings Disposal Method: Drilling pit

Other Disposal Description:

Evaporation & Burial. We will test pit and make sure that all results conform to the COGCC 910-1 standards before closing pit.

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: LI Fisher Fam Ltd Ptshp

Phone: 719-740-9507

Address: c/o Lynette Stone

Fax: _____

Address: 59061 County Hwy 109

Email: stonelynette@hotmail.com

City: Genoa State: CO Zip: 80818

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 05/08/2017

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:	938 Feet	1222 Feet
Building Unit:	2433 Feet	3419 Feet
High Occupancy Building Unit:	5280 Feet	5280 Feet
Designated Outside Activity Area:	5280 Feet	5280 Feet
Public Road:	1312 Feet	50 Feet
Above Ground Utility:	625 Feet	625 Feet
Railroad:	5280 Feet	5280 Feet
Property Line:	1312 Feet	50 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: Wellsite - Kimst loam - Symbol 144 and Wages loam - Symbol 209

NRCS Map Unit Name: Tank battery site - Wages loam - Symbol 209

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: 04/10/2017

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: 779 Feet

water well: 1473 Feet

Estimated depth to ground water at Oil and Gas Location 93 Feet

Basis for depth to groundwater and sensitive area determination:

Sensitive area due to being located in the Arikaree designated ground water management area and the Northern High Plains 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

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

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 Improvements from the wellbore are an electric fence that falls approx. 186' South of the proposed well head within the 500' buffer area. An overhead power line exists approx 625' South of wellbore and 451' South of the well pad within the 500' buffer area. One of the Windfarm towers falls barely inside the 1000' buffer area. We will talk to landowner about repositioning electric fence. the only improvement within the 1000' or 500' buffer area is CR 30 the electric fence and the Powerlines.

BMP Plan

Grand Mesa Operating, Co.
1700 N Waterfront Pkwy, Bldg 600
Wichita, KS 67206
P - 316-265-3000 F - 316-265-3455

Certification of Discharge under CDPHE COR-030000

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

Signed: _____ Date: 05/26/2017 Email: mreilly@gmocks.com

Print Name: Michael Reilly Title: PRESIDENT

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: 7/12/2017

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

<u>No</u>	<u>BMP/COA Type</u>	<u>Description</u>
1	Planning	<p>Storm water discharges associated with construction permit number COR03R369</p> <p>Prior to construction, perimeter controls will be installed utilizing cutting from the clearing operations.</p> <p>Once the well pad has been constructed a variety of BMP's shall be utilized for the site specific conditions.</p> <p>BMP's to be utilized may include, but are not limited to:</p> <ul style="list-style-type: none"> -Dirt berms -Erosion control blankets -Straw bale barrier -Straw wattle -Check dams -Culvert/Culvert Protection -Silt Fence -Surface roughening/Surface rip <p>Drill pits will be filled and reclaimed within 6 months weather permitting. Topsoil will be separated and spread on drill site as final operation.</p> <p>Storm Water Management Plan (SWMP) is on file in Grand Mesa Operating, Co office.</p> <p>Spill Prevention, Control and Countermeasure Plan is on file in Grand Mesa Operating, Co. office.</p>
2	Drilling/Completion Operations	<p>We would like to include our tank battery inclusively with this 2A for our location on this well. We will provide a production layout drawing and pictures if well is successful.</p>

Total: 2 comment(s)

Attachment Check List

<u>Att Doc Num</u>	<u>Name</u>
1010227	LOCATION DRAWING
401275560	FORM 2A SUBMITTED
401278493	ACCESS ROAD MAP
401278494	LOCATION PICTURES
401278497	LOCATION PICTURES
401278499	HYDROLOGY MAP
401278504	NRCS MAP UNIT DESC
401278507	REFERENCE AREA MAP
401278508	REFERENCE AREA PICTURES
401278513	OTHER

Total Attach: 10 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Final Review Completed.	07/10/2017
OGLA	Moved the following to the Submit Tab as it is not enforceable under COGCC Rules. BMP Plan Grand Mesa Operating, Co. 1700 N Waterfront Pkwy, Bldg 600 Wichita, KS 67206 P - 316-265-3000 F - 316-265-3455 Certification of Discharge under CDPHE COR-030000	06/30/2017
OGLA	Added Wages loam - Symbol 209 to the wellsite soils list. Changed the distance to the nearest surface water feature to 779 feet based on the distance reported on the Hydrology Map submitted by the Operator.	06/30/2017
LGD	County Permit number 1705	06/06/2017
Permit	Passed Completeness.	06/02/2017

Total: 5 comment(s)