

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:

401316130

Date Received:

06/27/2017

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:

451507

Expiration Date:

07/27/2020

☒ 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: 10412

Name: AUSCO PETROLEUM INC

Address: 113 N SANTA FE AVENUE

City: FLORENCE State: CO Zip: 81226

Contact Information

Name: Aaron J Goss

Phone: (303) 495-0327

Fax: ()

email: agoss@austinexploration.com

RECLAMATION FINANCIAL ASSURANCE

☒ Plugging and Abandonment Bond Surety ID: 20120088 ☐ Gas Facility Surety ID: _____

☐ Waste Management Surety ID: _____

LOCATION IDENTIFICATION

Name: Bird Number: 13-18

County: FREMONT

QuarterQuarter: NWSW Section: 18 Township: 20S Range: 69W Meridian: 6 Ground Elevation: 6071

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: 1767 feet FSL from North or South section line

638 feet FWL from East or West section line

Latitude: 38.306211 Longitude: -105.160133

PDOP Reading: 1.4 Date of Measurement: 06/22/2017

Instrument Operator's Name: C. Stewart

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>1</u>	Condensate Tanks*	<u> </u>	Water Tanks*	<u> </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> </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

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:

2-3" buried steel line from wellhead to production tank

CONSTRUCTION

Date planned to commence construction: 07/30/2017 Size of disturbed area during construction in acres: 1.62
Estimated date that interim reclamation will begin: 04/15/2018 Size of location after interim reclamation in acres: 0.90
Estimated post-construction ground elevation: 6073

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:

Pit (30' x 60') will be lined with 30-mil liner

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: Michael & Colleen Cluey

Phone: 719-369-7527

Address: 1538 Apple Ct

Fax: _____

Address: _____

Email: nocluez4@msn.com

City: Canon City State: CO Zip: 81212

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 06/13/2017

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:	522 Feet	597 Feet
Building Unit:	1515 Feet	1440 Feet
High Occupancy Building Unit:	5280 Feet	5280 Feet
Designated Outside Activity Area:	5280 Feet	5280 Feet
Public Road:	1070 Feet	995 Feet
Above Ground Utility:	4440 Feet	4490 Feet
Railroad:	5280 Feet	5280 Feet
Property Line:	150 Feet	225 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: _____

NRCS Map Unit Name: Ustic Torriorthens-Sedillo complex, 15 to 40 percent slopes. Unit symbol:121

NRCS Map Unit Name: Wages loam, 2 to 9 percent slopes. Unit symbol:122

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: 06/19/2017

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: 559 Feet

water well: 1064 Feet

Estimated depth to ground water at Oil and Gas Location 60 Feet

Basis for depth to groundwater and sensitive area determination:

Downgradient surface water feature is an intermittent stream.
Closest water well is permit #248877.

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 609

WILDLIFE

- ☐ This location is included in a Wildlife Mitigation Plan

☒ This location was subject to a pre-consultation meeting with CPW held on 06/23/2017

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 The coordinates and footages at surface are referenced for the newly proposed well, Bird #13-18.
AusCo will be closing the Bird pit once drilling operations have ceased, or well before December 1st, 2017.

I hereby certify that the statements made in this form are, to the best of my knowledge, true, correct and complete.
Signed: _____ Date: 06/27/2017 Email: agoss@austinexploration.com

Print Name: Aaron J Goss Title: Executive VP/GM-Colorado

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: 7/28/2017

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

	Operator shall not construct the drilling pit prior to approval of its Form 15 Pit Permit.
	This Location lies within Sensitive Wildlife Habitat and within the Central Flyway for migratory birds. Pits shall be fenced and netted in accordance with Rule 902.d and should be closed in compliance with Rule 1003.b (interim reclamation shall occur no later than 3 months on crop land or 6 months on non-crop land).
	Operator shall notify the COGCC 48 hours prior to installation of the pit liner.

Best Management Practices

<u>No</u>	<u>BMP/COA Type</u>	<u>Description</u>
1	General Housekeeping	Materials and fluids will be stored neat and orderly. Wastes will be temporarily stored in sealed containers and regularly collected and disposed of at offsite, suitable facilities. Prompt cleanup of spills will be required to minimize any commingling of waste materials with stormwater runoff. Routine maintenance will be limited to fueling and lubrication of equipment. Drip pans will be used during routine fueling and maintenance to contain spills or leaks. Any waste product from maintenance will be containerized and transported offsite for disposal or recycling. There will be no major equipment overhauls conducted onsite. Cleanup will consist of patrolling the roadways, access areas, and other work areas to pick up trash, scrap debris, other discarded materials, and any contaminated soil. These materials will be disposed of properly.
2	Wildlife	If new oil and gas operations must occur within CPW-identified mule deer critical winter range or elk winter concentration areas, the operator agrees to conduct new oil and gas operations outside the time period from December 1 through April 15.
3	Wildlife	With the request for drilling fluid disposal on site and with the proposed schedule for the drilling pit closure and planned reclamation, CPW requests that the drilling pit include wildlife exclusion fencing and netting. Given the well location in elk and mule deer winter range and the presence of migratory birds there is risk of negative impacts to wildlife if the drilling pit is not appropriately netted and fenced.
4	Storm Water/Erosion Control	A berm and containment plan and site will be ready to make sure the closest water stream 440' away is not reached. This plan will include, using steel ring berms keyed into a synthetic liner around production facilities and additional BMP's will include tertiary containment along the cross and down gradient parameters of the location
5	Dust control	Aus-Tex will apply appropriate measures to ensure dust control and mitigate potential impacts resulting from dust emissions.

Total: 5 comment(s)

Attachment Check List

<u>Att Doc Num</u>	<u>Name</u>
2478310	LOCATION DRAWING
2478311	SURFACE AGRMT/SURETY
2478312	CORRESPONDENCE
401316130	FORM 2A APPROVED
401319611	ACCESS ROAD MAP
401319613	HYDROLOGY MAP
401319615	LOCATION PICTURES
401319617	REFERENCE AREA PICTURES
401327054	LEGAL/LEASE DESCRIPTION
401327729	CONST. LAYOUT DRAWINGS
401327748	NRCS MAP UNIT DESC
401327774	REFERENCE AREA MAP
401357829	FORM 2A SUBMITTED
401358690	PUBLIC COMMENT-0

Total Attach: 14 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Final Review Completed. No LGD or public comment received.	07/28/2017
Permit	Operator submitted redacted SUA 7/28/2017 and this document is now attached to the Form 2/2A.	07/28/2017
OGLA	OGLA task passed.	07/28/2017
OGLA	Operator provided a Location Drawing and executed copy of the SUA. Operator agreed to the two Wildlife BMPs based on the CPW onsite consultation. Operator has also indicated they plan to close the drilling pit once drilling operations have ceased, or before December 1, 2017. Operator has also submitted a Form 15 Pit Permit.	07/26/2017
OGLA	CPW is asking for an onsite consultation. COGCC will require a Form 15 prior to approval of this Form 2A.	07/18/2017
OGLA	Missing the Location Drawing. Removed "Arents, 10 to 45 percent slopes. Unit symbol:5" from the soils list as the Location will not expand into that soil unit. Changed the estimated dsepth to groundwater to 60 feet based on the static water level reported at DWR Water Well Permit #210515. Unchecked the State Floodplain box and checked the Federal Floodplain box as the COGIS floodplain layer is the federal FEMA maps.	07/18/2017
Permit	Attach SUA	07/17/2017
Permit	Passed completeness.	06/29/2017
Permit	Returned to draft per operator request.	06/27/2017

Total: 9 comment(s)