

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:

401334890

Date Received:

09/13/2017

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:

452516

Expiration Date:

10/08/2020

☒ 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: 10611
Name: LONGS PEAK RESOURCES LLC
Address: 2323 S SHEPHERD SUITE 1150
City: HOUSTON State: TX Zip: 77019

Contact Information

Name: David Clarkson
Phone: (303) 997-5558
Fax: ()
email: dclarkson@vrtxep.com

RECLAMATION FINANCIAL ASSURANCE

☒ Plugging and Abandonment Bond Surety ID: 20160012 ☐ Gas Facility Surety ID: _____
☐ Waste Management Surety ID: _____

LOCATION IDENTIFICATION

Name: Oxnard East Number: 0607-8CH
County: WELD
QuarterQuarter: SESE Section: 31 Township: 12N Range: 66W Meridian: 6 Ground Elevation: 5966
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: 385 feet FSL from North or South section line
665 feet FEL from East or West section line
Latitude: 40.958630 Longitude: -104.812780
PDOP Reading: 1.4 Date of Measurement: 09/06/2017
Instrument Operator's Name: Scott Estabrooks

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>12</u>	Oil Tanks*	<u>24</u>	Condensate Tanks*	<u> </u>	Water Tanks*	<u>12</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>12</u>	Separators*	<u>12</u>	Injection Pumps*	<u> </u>	Cavity Pumps*	<u> </u>	Gas Compressors*	<u> </u>
Gas or Diesel Motors*	<u>4</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>4</u>	Flare*	<u>4</u>	Pigging Station*	<u> </u>

OTHER FACILITIES*

Other Facility Type

Number

Heater-treater

12

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:

There will be a buried 3" steel line from each wellhead to each separator and heater treater. Then there will be three 3" steel surface lines from each heater treater to the tanks. There will be a 4" surface line from the tanks to each combustor and a 2" buried steel line from each separator to the flare. Surface lines to the tanks will be heat traced.

CONSTRUCTION

Date planned to commence construction: 10/06/2017 Size of disturbed area during construction in acres: 9.10
Estimated date that interim reclamation will begin: 04/01/2018 Size of location after interim reclamation in acres: 6.50
Estimated post-construction ground elevation: 5972

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:

Disposal of the drilling fluids and cuttings is commercial disposal at Waste Management's North Weld facility in Ault, CO

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: Lazy D Grazing Assoc

Phone: _____

Address: 14503 Weld County Rd 108

Fax: _____

Address: _____

Email: _____

City: Nunn State: CO Zip: 80648

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 _____

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:	2438 Feet	2626 Feet
Building Unit:	2601 Feet	2789 Feet
High Occupancy Building Unit:	5280 Feet	5280 Feet
Designated Outside Activity Area:	5280 Feet	5280 Feet
Public Road:	4672 Feet	4953 Feet
Above Ground Utility:	416 Feet	703 Feet
Railroad:	5280 Feet	5280 Feet
Property Line:	385 Feet	230 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: 47—Otero sandy loam, 3 to 9 percent slopes

NRCS Map Unit Name: 49—Paoli fine sandy loam, 0 to 6 percent slopes

NRCS Map Unit Name: 51—Peetz gravelly sandy loam, 5 to 20 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: _____

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: 204 Feet

water well: 873 Feet

Estimated depth to ground water at Oil and Gas Location 120 Feet

Basis for depth to groundwater and sensitive area determination:

The closest active water well (Permit #26581) is owned by Lazy D Grazing Association. Sensitive area determination based on review of COGCC GIS mapping system.

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 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 Longs Peak is currently working on plans and in negotiations with pipeline companies to be able to gather and process the wellhead gas and then be able to sell the residue gas into nearby transmission lines.

I hereby certify that the statements made in this form are, to the best of my knowledge, true, correct and complete.
Signed: _____ Date: 09/13/2017 Email: dclarkson@vrtxep.com

Print Name: David Clarkson Title: COO Vertex Energy Ptnrs

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: 10/9/2017

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

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Attachment Check List

<u>Att Doc Num</u>	<u>Name</u>
2157997	SURFACE AGRMT/SURETY
2157998	SURFACE AGRMT/SURETY
2478379	CORRESPONDENCE
401334890	FORM 2A RESUBMITTED
401400421	FORM 2A SUBMITTED
401400422	FORM 2A REJECTED
401401494	ACCESS ROAD MAP
401401495	HYDROLOGY MAP
401401496	LOCATION DRAWING
401401497	LOCATION PICTURES
401401501	REFERENCE AREA MAP
401401504	REFERENCE AREA PICTURES
401401505	OTHER
401401506	NRCS MAP UNIT DESC
401401508	MULTI-WELL PLAN
401402409	FORM 2A SUBMITTED

Total Attach: 16 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Final Review Complete. Operator provided SUA, attached as document #2158077. Corrected right to construct to SUA and deleted surface bond.	10/06/2017
OGLA	OGLA task passed.	10/05/2017
OGLA	IN PROCESS - Operator revised distance to the nearest Public Road, concur with revising the estimated depth to groundwater, & provide more information on how they plan to develop the pad to manage the gas that will be produced from these wells as part of the resubmittal following permit rejection. Operator also revised the date planned to commence construction, confirmed the distance to the nearest water well, & concurred with changing the Sensitive Area designation to YES. OGLA review complete. Waiting on Public Comment period.	10/03/2017
OGLA	ON HOLD - Requested operator revise the date planned to commence construction, confirm the distance to the nearest water well, revise the Hydrology Map (if necessary), & concur with changing the Sensitive Area designation to YES. Due by 11/2/17.	10/02/2017
Permit	Surface Restoration Bond on file with SLB. With operators concurrence changed "will minerals beneath surface be developed" to Yes. Permitting Review Complete.	09/27/2017
Permit	Passed completeness.	09/14/2017
Permit	REJECTION COMMENT: The operator has requested this APD be rejected per the Rejection Process criteria that a pad of Form 2A's requiring a total of four or more attachments to be revised will be rejected. This pad's surface location will change and cannot be approved as submitted. The Surface Hole Location move will cause most of the attachments to be revised. Operator and COGCC staff has been consulted.	09/12/2017
OGLA	ON HOLD - Requested operator provide a revised distance to the nearest Public Road, concur with revising the distance to the nearest water well and the estimated depth to groundwater, & provide more information on how they plan to develop the pad to manage the gas that will be produced from these wells. Due by 9/17/17.	08/17/2017
LGD	This proposed oil and gas facility is located in the Agricultural Zoned District of unincorporated Weld County. A Weld Oil and Gas Location Assessment (WOGLA) is required prior to constructing any improvements related to oil and gas exploration and production and prior to the issuance of any building permits. A building permit is required for the production facilities (tank battery, separators, pump jacks, compressors, generators, etc.) from the Department of Planning Services. Access points from County roads require an Access Permit from the Department of Public Works, which includes any necessary traffic control plans and Improvement Agreements. The use of County right-of-way requires a permit from the Department of Public Works. Troy Swain, Weld Oil/Gas Liaison and LGD (970) 400-3579.	08/15/2017
Permit	Passed Completeness.	07/31/2017

Total: 10 comment(s)