

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:

401491268

Date Received:

12/20/2017

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:

**454195**

Expiration Date:

**03/04/2021**

☐ 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: 10657

Name: PCR OPERATING LLC

Address: 4040 BROADWAY STREET #510

City: SAN ANTONIO State: TX Zip: 78209

Contact Information

Name: David Kunovic

Phone: (210) 451-5545

Fax: (210) 463-9297

email: dkunovic@passcreekresources.com

RECLAMATION FINANCIAL ASSURANCE

☒ Plugging and Abandonment Bond Surety ID: 20170044

☐ Gas Facility Surety ID: \_\_\_\_\_

☐ Waste Management Surety ID: \_\_\_\_\_

LOCATION IDENTIFICATION

Name: ADENA SOUTH WATER PLANT

Number: 158-24-41

County: MORGAN

Quarter: NENW Section: 24 Township: 1N Range: 58W Meridian: 6 Ground Elevation: 4589

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: 350 feet FNL from North or South section line

2355 feet FWL from East or West section line

Latitude: 40.043270 Longitude: -103.821660

PDOP Reading: 1.6 Date of Measurement: 12/13/2017

Instrument Operator's Name: Craig Burke

## 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 #**

Production Facilities Location serves Well(s)

401476734

401482918

401482259

## FACILITIES

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

Wells	Oil Tanks*	2	Condensate Tanks*	Water Tanks*	12	Buried Produced Water Vaults*
Drilling Pits	Production Pits*		Special Purpose Pits	Multi-Well Pits*		Modular Large Volume Tanks
Pump Jacks	Separators*	3	Injection Pumps*	Cavity Pumps*		Gas Compressors*
Gas or Diesel Motors*	Electric Motors	2	Electric Generators*	Fuel Tanks*		LACT Unit*
Dehydrator Units*	Vapor Recovery Unit*		VOC Combustor*	Flare*		Pigging Station*

## OTHER FACILITIES\*

**Other Facility Type**

**Number**

air cooler	1
gas sales	1
I/A skid	1
Heater treater	1
fuel/gas	1
sulfur treatment	1
Pumps and filter building	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:

This water separation and production tank battery and water injection facility will be processing produced fluids from several wells within an approximate radius of one mile. Additionally, this facility will be distributing produced water to several injections wells within an approximate radius of one mile. The flow lines and injection lines will be surveyed and buried with tracer equipment. As the lines are constructed we will submit plats to the COGCC describing the location and type of flow line including pipe specifications.

## CONSTRUCTION

Date planned to commence construction: 01/31/2018

Size of disturbed area during construction in acres: 5.51

Estimated date that interim reclamation will begin: 03/01/2018

Size of location after interim reclamation in acres: 5.51

Estimated post-construction ground elevation: 4585

## DRILLING PROGRAM

Will a closed loop system be used for drilling fluids: \_\_\_\_\_

Is H<sub>2</sub>S anticipated? \_\_\_\_\_

Will salt sections be encountered during drilling: \_\_\_\_\_

Will salt based mud (>15,000 ppm Cl) be used? \_\_\_\_\_

Will oil based drilling fluids be used? \_\_\_\_\_

## DRILLING WASTE MANAGEMENT PROGRAM

Drilling Fluids Disposal: \_\_\_\_\_ Drilling Fluids Disposal Method: \_\_\_\_\_

Cutting Disposal: \_\_\_\_\_ Cuttings Disposal Method: \_\_\_\_\_

Other Disposal Description:

There will be no drilling. This will be a water separation and production tank battery and water injection facility.

Beneficial reuse or land application plan submitted? \_\_\_\_\_

Reuse Facility ID: \_\_\_\_\_ or Document Number: \_\_\_\_\_

Centralized E&P Waste Management Facility ID, if applicable: \_\_\_\_\_

## SURFACE & MINERALS & RIGHT TO CONSTRUCT

Name: Jewell Jones

Phone: \_\_\_\_\_

Address: 3405 Gurnard Ave.

Fax: \_\_\_\_\_

Address: \_\_\_\_\_

Email: \_\_\_\_\_

City: San Pedro State: CA Zip: 90732

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 12/12/2017

## 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:	_____ Feet	2928 Feet
Building Unit:	_____ Feet	3068 Feet
High Occupancy Building Unit:	_____ Feet	5280 Feet
Designated Outside Activity Area:	_____ Feet	5280 Feet
Public Road:	_____ Feet	55 Feet
Above Ground Utility:	_____ Feet	71 Feet
Railroad:	_____ Feet	5280 Feet
Property Line:	_____ 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: Weld loam - WmA  
NRCS Map Unit Name: Colby-Adena loams CnD  
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:

water well:

Estimated depth to ground water at Oil and Gas Location

Basis for depth to groundwater and sensitive area determination:

The nearest water well (Receipt no. 9048772, Permit no. 41777) is abandoned. No record of plugging. Downgradient surface water - intermittent stream 321 ft as measured from nearest boundary of facility site (see hydrology map - attached). Average depth to water in several water wells in the Adena field area.

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  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

## 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 water separation and production tank battery and water injection facility will be processing produced fluids from several wells within an approximate radius of one mile. Additionally, this facility will be distributing produced water to several injections wells within an approximate radius of one mile. A facility engineering design is in process - a preliminary facility design plat is attached. The actual location of facility equipment has not been determined. Cultural setback measurements submitted are from the nearest boundary of the surveyed site. The lat/longs provided are measured at the center of the site.

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

Signed: \_\_\_\_\_ Date: 12/20/2017 Email: dkunovic@passcreekresources.com

Print Name: David Kunovic Title: VP Exploration

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: 3/5/2018

## Surface Owner Information

Owner Name	Address	Phone	Fax	Email
Jewell Jones	3405 Gurnard Ave. San Pedro, CA 90732			
Madeleine R. Drake	3405 Gurnard Ave. San Pedro, CA 90732			

2 Surface Owner(s)

## 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 BMP/COA Type</u>	<u>Description</u>

### **Attachment Check List**

<u>Att Doc Num</u>	<u>Name</u>
401491268	FORM 2A SUBMITTED
401491356	SURFACE AGRMT/SURETY
401491773	ACCESS ROAD MAP
401491774	HYDROLOGY MAP
401491775	LOCATION DRAWING
401491776	FACILITY LAYOUT DRAWING
401491778	LOCATION PICTURES
401491779	REFERENCE AREA PICTURES
401491780	REFERENCE AREA MAP
401491781	TOPO MAP
401491783	WELL LOCATION PLAT
401499194	NRCS MAP UNIT DESC

Total Attach: 12 Files

### **General Comments**

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Final Review Completed.	02/27/2018
Permit	Corrected right to construct to O&G lease.	02/27/2018
OGLA	Operator concurred with equipment list via phone call. Changed 1 VRU on equipment list to 1 Combustor per phone call. Location is not a designated setback location. OGLA review complete and task passed.	02/14/2018
OGLA	Operator responded via email with concurrence to add remote related locations and attached additional NRCS unit map description for Colby-Adena. Call and leave a message for clarification on equipment.	02/07/2018
OGLA	Spoke with operator on the phone and sent email - added remote related well location 2A numbers, requested NRCS map unit attachment for Colby-Adena. Confirm number of water tanks for location.	01/22/2018
LGD	Please contact Morgan County Planning and Zoning; a conditional use permit will be required.	01/05/2018
Permit	Passed Completeness.	01/04/2018
Permit	Returned to draft for: - missing attachment "NRCS MAP UNIT DESC"	12/29/2017

Total: 8 comment(s)