

FORM
2A

Rev
04/18

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:

401722983

Date Received:

08/30/2018

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:

458288

Expiration Date:

10/23/2021

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: 10032

Name: H & M PETROLEUM CORPORATION

Address: PO BOX 2487

City: COLORADO SPRINGS State: CO Zip: 80901

Contact Information

Name: R. V. Borchert

Phone: (308) 254-2992

Fax: ()

email: dick.shanor@gmail.com

FINANCIAL ASSURANCE

- Plugging and Abandonment Bond Surety ID (Rule 706): 20030101 Gas Facility Surety ID (Rule 711): _____
- Waste Management Surety ID (Rule 704): _____

LOCATION IDENTIFICATION

Name: State BDB Number: 1 Pad

County: LOGAN

Quarter: NWNE Section: 36 Township: 12N Range: 55W Meridian: 6 Ground Elevation: 4781

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: 600 feet FNL from North or South section line

1800 feet FEL from East or West section line

Latitude: 40.977330 Longitude: -103.464850

PDOP Reading: 1.4 Date of Measurement: 07/12/2018

Instrument Operator's Name: Carl John Gilbert

Address: 1127 N Sherman St Ste 300

Fax: _____

Address: _____

Email: _____

City: Denver State: CO Zip: 80203

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 10/03/2018

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:	5280 Feet	5280 Feet
Building Unit:	5280 Feet	5280 Feet
High Occupancy Building Unit:	5280 Feet	5280 Feet
Designated Outside Activity Area:	5280 Feet	5280 Feet
Public Road:	5280 Feet	5280 Feet
Above Ground Utility:	212 Feet	345 Feet
Railroad:	5280 Feet	5280 Feet
Property Line:	600 Feet	313 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 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: 96-Rosebud-Escabosa loams, 3 to 5 percent slopes _____

NRCS Map Unit Name: 98-Rosebud-Escabosa-Iliff complex, 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: 07/09/2018

List individual species: Cheatgrass

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, Chokeycherry)
- 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: 2553 Feet

water well: 2007 Feet

Estimated depth to ground water at Oil and Gas Location 150 Feet

Basis for depth to groundwater and sensitive area determination:

Nearest Down-gradient water feature is Eaton Canyon to the SE. Nearest water well measured to Permit #28203. Depth to ground water estimated from near by water wells.

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: 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 The earthen reserve pit's dimensions will be 75'x75'x8' deep, the capacity of the pit will be 45,000 cubic feet and used for fresh water. The reserve pit will remain for aproximatly 90 days after release of drilling rig.

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

Signed: _____ Date: 08/30/2018 Email: jwebb@progressivepcs.net

Print Name: Julie Webb Title: Sr. Regulatory Analyst

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: 10/24/2018

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>
2478848	REFERENCE AREA MAP
2478849	REFERENCE AREA PICTURES
2478850	NRCS MAP UNIT DESC
2478851	CORRESPONDENCE
2478858	OPERATOR RESPONSE TO PUBLIC COMMENT
401722983	FORM 2A SUBMITTED
401745868	LOCATION PICTURES
401745880	NRCS MAP UNIT DESC
401760552	WASTE MANAGEMENT PLAN
401760554	ACCESS ROAD MAP
401760556	HYDROLOGY MAP
401760557	LOCATION DRAWING

Total Attach: 12 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Final Review Completed.	10/16/2018
OGLA	The Surface owner (State Land Board) contacted the Colorado Historic Preservation office and they have no records of an Indian burial ground or other achaeological artifacts in Section 36.	10/15/2018
OGLA	Operator has provided a Response to the Public Comment. Operator and Surface owner (State Land Board) are aware of the concern regarding possible archaeological impacts. CPW has provided no comment concerning potential impacts to wildlife. OGLA task passed.	10/11/2018

OGLA	<p>The following Public Comment was emailed to COGCC staff directly on 10/9/18.</p> <p>Hello Penny, Sorry I have not been able to complete the public comment due to health issues and surgery. I still wish to make public comment. I have spoken with Dick Rogers (Lynn) of the Chimney Canyons Grazing Association and they also wish to make public comment.</p> <p>As stated with you earlier my main concerns are:</p> <p>1) Archaeological resources that may be impacted. I will provide more information about the distant from the proposed drill site to the burial. The ridge line that the proposed drill pad is located does have archaeological sites as it gives view for over 50 miles and on some days the Rocky Mountains.</p> <p>2) The grass on the site is not cheat grass as was filed with the state application. It is undisturbed native grass including, Stipa, bluestem and Gramma grasses. Cacti include barrel cactus which is a species of concern. The local ecosystem has many plants that have never been inventoried and documented. I can supply more details later.</p> <p>3) Animal species of concern are Grouse (which have returned since CRP), Sandhill Cranes (this is a major flyway), Peregrine Falcon, Bald and Golden Eagles, and others. The Pygmy Rattlesnake and well as the Western Diamondback are present. with the Pygmy being a species of concern.</p> <p>4. The canyon to the south and west, especially Sand Canyon to the west would be effected if fire or effluent leakage.</p> <p>5. H and M Petroleum did not contact the Windfarm Site manager as was stated and until my call to him he was unaware of any proposed crossing of their ROW and most important being anywhere near their underground optical fiber abd electrical cables.</p> <p>6. The canyon stated as potential runoff drainage is EATON canyon and not EASTON Canyon.</p> <p>7. More- see note below.</p> <p>Sorry I am just out of surgery and pain level is going back up. I will continue to correspond as I am able. I return to the hospital in aboit six hours so I need to go back to sleep.</p> <p>Thank you. Sincerely, Dirk Ross.. Tokyo</p>	10/09/2018
OGLA	<p>IN PROCESS - Operator revised the dates to commence construction and begin interim reclamation, revised the distance from the nearest production facility to the Cultural features, provided an additional NRCS Map Unit Description attachment, provided a Reference Area Map and Pictures attachment for a Reference Area that will not be on ground that will be disturbed by oil and gas operations, confirm the dimensions of the planned reserve pit, & add a Heater Treater to the Facilities list.</p> <p>OGLA review completed. Waiting on Public Comment period.</p>	10/09/2018
OGLA	<p>ON HOLD - Requested operator revise the dates to commence construction and begin interim reclamation, revise the distance from the nearest production facility to the Cultural features, provide an additional NRCS Map Unit Description attachment, provide a Reference Area Map and Pictures attachment for a Reference Area that will not be on ground that will be disturbed by oil and gas operations, confirm the dimensions of the planned reserve pit, & clarify how tank emissions will be controlled. Due by 11/4/18.</p>	10/04/2018
Permit	Passed completeness.	09/19/2018

Total: 7 comment(s)