

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:

401685653

Date Received:

09/06/2018

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:

**458475**

Expiration Date:

**10/27/2021**

☒ 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: 10456

Name: CAERUS PICEANCE LLC

Address: 1001 17TH STREET #1600

City: DENVER State: CO Zip: 80202

Contact Information

Name: Reed Haddock

Phone: (720) 880-6369

Fax: (303) 565-4606

email: rhaddock@caerusoilandgas.com

FINANCIAL ASSURANCE

☒ Plugging and Abandonment Bond Surety ID (Rule 706): 20130021 ☐ Gas Facility Surety ID (Rule 711): \_\_\_\_\_

☐ Waste Management Surety ID (Rule 704): \_\_\_\_\_

LOCATION IDENTIFICATION

Name: ELU Number: A24-496 Pad

County: GARFIELD

QuarterQuarter: LOT 4 Section: 24 Township: 4S Range: 96W Meridian: 6 Ground Elevation: 8130

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: 307 feet FNL from North or South section line

145 feet FWL from East or West section line

Latitude: 39.694314 Longitude: -108.125933

PDOP Reading: 1.5 Date of Measurement: 08/02/2018

Instrument Operator's Name: Dennis Petty

## 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 #**

Well Site is served by Production Facilities

415949

## FACILITIES

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

|                       |    |                      |  |                      |  |                  |   |                               |  |
|-----------------------|----|----------------------|--|----------------------|--|------------------|---|-------------------------------|--|
| Wells                 | 24 | Oil Tanks*           |  | Condensate Tanks*    |  | Water Tanks*     | 1 | Buried Produced Water Vaults* |  |
| Drilling Pits         |    | Production Pits*     |  | Special Purpose Pits |  | Multi-Well Pits* |   | Modular Large Volume Tanks    |  |
| Pump Jacks            |    | Separators*          |  | Injection Pumps*     |  | Cavity Pumps*    |   | Gas Compressors*              |  |
| Gas or Diesel Motors* |    | Electric Motors      |  | Electric Generators* |  | Fuel Tanks*      |   | LACT Unit*                    |  |
| Dehydrator Units*     |    | Vapor Recovery Unit* |  | VOC Combustor*       |  | Flare*           | 1 | Pigging Station*              |  |

## OTHER FACILITIES\*

**Other Facility Type**

**Number**

|                                |   |
|--------------------------------|---|
| 3-Phase Production Meter Skids | 4 |
| Gas Lift Meter Skids           | 6 |
| Chemical Pumps                 | 6 |

\*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:

Sub-surface flow lines for new wells from wellhead to the production meter skids will be 3" steel. A new 12" steel 3-phase flowline will be utilized from the skids to an existing 12" line located on the Wolf Ranch Compressor site. 2" steel lines will be run from the gas lift meter skids to the wellheads.

## CONSTRUCTION

Date planned to commence construction: 11/16/2018 Size of disturbed area during construction in acres: 8.12

Estimated date that interim reclamation will begin: 12/02/2019 Size of location after interim reclamation in acres: 2.05

Estimated post-construction ground elevation: 8122

## DRILLING PROGRAM

Will a closed loop system be used for drilling fluids: Yes

Is H<sub>2</sub>S 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: OFFSITE

Drilling Fluids Disposal Method: Recycle/reuse

Cutting Disposal: ONSITE

Cuttings Disposal Method: Beneficial reuse

Other Disposal Description:

Waste Management Plan attached to Form 2A.

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: Caerus Piceance LLC

Phone: 303-565-4600

Address: 1001 17th Sreet, Suite 1600

Fax:                     

Address:                     

Email:                     

City: Denver State: CO Zip: 80202

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: applicant is owner

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:                         | 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:             | 5280 Feet | 5280 Feet                |
| Railroad:                         | 5280 Feet | 5280 Feet                |
| Property Line:                    | 307 Feet  | 174 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: 38—Irigul-Starman channery loams, 5 to 50 percent slopes

NRCS Map Unit Name: \_\_\_\_\_

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: 1426 Feet

water well: 3635 Feet

Estimated depth to ground water at Oil and Gas Location 20 Feet

Basis for depth to groundwater and sensitive area determination:

Permit # 47452-MH- Conoco Phillips CO - Depth 40'

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 This is a new pad. Caerus Piceance LLC plans to drills 24 wells.

### ELU A24-496 Pad - 3-PHASE GATHERING OPERATIONS

Gas will be gathered by Caerus to either Middle Fork Compressor Station or Story Gulch Compressor Station and discharged to third party gathering. Condensate and water will be separated at the J25 Central Delivery Point. Condensate will be trucked from the Central Delivery Point. Water will be pumped to Divide Road for disposal or to the Middle Fork treatment facility.

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

Signed: \_\_\_\_\_ Date: 09/06/2018 Email: rhaddock@caerusoilandgas.com

Print Name: Reed Haddock Title: Sr. Regulatory Specialist

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: 10/28/2018

## 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.

### COA Type

### Description

|  |  |
|--|--|
|  |  |
|--|--|

## Best Management Practices

| No | BMP/COA Type                   | Description   |
|----|--------------------------------|---|
| 1  | Planning                       | Use or modify existing roads where possible.<br>Maximize the use of directional drilling to minimize habitat loss/fragmentation.<br>Maximize use of remote telemetry for well monitoring to minimize traffic.   |
| 2  | General Housekeeping           | Caerus will comply with Rule 609 Statewide Groundwater Baseline Sampling and Monitoring.<br>Caerus will comply with Rule 603.f. statewide equipment, weeds, waste, and trash requirements.  |
| 3  | Wildlife                       | September 2017 - Caerus Piceance LLC (Caerus) agreed to the Amended and Restated Wildlife Mitigation Plan (WMP) for Encana's proposed oil and gas operations on the North Parachute Ranch (NPR) property. Caerus received authorization from Colorado Parks and Wildlife (CPW) to transfer the EnCana Wildlife Mitigation Plan Agreement (WMPA) to Caerus' existing WMPA. Caerus is currently adhering to all aspects of both WMPAs through Caerus' current best management practices.  |
| 4  | Storm Water/Erosion Control    | Stormwater is addressed under a field-wide Stormwater Management Plan (CDPHE Certification #COR037689). Run-on protection and run-off controls will be installed prior to the beginning of construction activities, with consideration given to worker safety, wildlife, and site access.   |
| 5  | Construction                   | Any stockpile(s) for topsoil and excess cut material will be located in work areas surrounded by the BMPs as shown on the Construction Layout Drawings.<br>Stormwater BMPs will be installed per details in the Stormwater Management Plan (SWMP) and as shown on the Construction Layout Drawings.<br>Disturbed area of site will be left in a surface roughened condition when feasible.<br>BMPs will be protected, inspected and repaired as necessary.<br>Dust mitigation practices will be utilized.<br>Existing buried flow and water lines in place. Any new flowline installations will be performed in accordance with new flowline guidance provided by the COGCC concerning Rules 1101 and 1102.<br>Berms or other containment devices shall be constructed to be sufficiently impervious (corrugated steel with synthetic liner) to adequately contain any spilled or released material around crude oil, condensate, and produced water storage tanks, while also ensuring the adequate prevention of significant adverse environmental impacts. |
| 6  | Drilling/Completion Operations | Closed loop system will be used. No pits will be built. An enclosed flare stack will be used.<br>Caerus will ensure 110 percent secondary containment for any potential volume of fluids that may be released.  |
| 7  | Interim Reclamation            | Once all topsoil has been distributed across the site, the location is then seeded by drill seeding methods or broadcast seeding.<br>Re-vegetation is accomplished as soon as practical following the preparation of a site for final stabilization. Seeding will be done when seasonal or weather conditions are most favorable.<br>On terrain where drill seeding is appropriate, seed may be planted using a drill equipped with a depth regulator to ensure proper depth of planting.<br>Where possible, recountouring to help control run-on and run-off will be done.   |
| 8  | Final Reclamation              | Re-contouring: The disturbed areas surrounding the well location, including the access road will be re-contoured to blend as nearly possible with the natural topography.<br>Final grading of back-filled and cut slopes will be done to prevent erosion and encourage establishment of vegetation. Existing drainages will be re-established.<br>Re-vegetation: The long term objective is to establish a self-perpetuating plant community that is compatible with and capable of supporting the identified land use.<br>Noxious weeds will be treated in accordance with applicable COGCC rules.   |

Total: 8 comment(s)

## Attachment Check List

| <u>Att Doc Num</u> | <u>Name</u>             |
|--------------------|-------------------------|
| 2108597            | LOCATION DRAWING        |
| 401685653          | FORM 2A SUBMITTED       |
| 401685698          | NRCS MAP UNIT DESC      |
| 401747896          | CONST. LAYOUT DRAWINGS  |
| 401747897          | HYDROLOGY MAP           |
| 401747898          | FACILITY LAYOUT DRAWING |
| 401747901          | LOCATION PICTURES       |
| 401747905          | MULTI-WELL PLAN         |
| 401747909          | REFERENCE AREA MAP      |
| 401747911          | REFERENCE AREA PICTURES |
| 401747917          | ACCESS ROAD MAP         |
| 401747921          | ACCESS ROAD MAP         |
| 401747925          | OTHER                   |
| 401747961          | WASTE MANAGEMENT PLAN   |

Total Attach: 14 Files

## General Comments

| <u>User Group</u> | <u>Comment</u>   | <u>Comment Date</u> |
|-------------------|--|---------------------|
| Permit            | Final review complete.   | 10/23/2018          |
| Permit            | Preliminary review complete.   | 10/22/2018          |
| OGLA              | 07/25/18 - location onsite by operator, CPW, BLM, and COGCC;<br>09/19/18 - passed by CPW with BMPs listed in the previous Wildlife Mitigation Plan (WMP) for Encana's proposed oil and gas operations on the North Parachute Ranch (NPR) being adequate to address wildlife concerns associated with the proposed action;<br>10/08/18 - initiated / completed Form 2A review by Dave Kubeczko; operator's drawings and proposed BMPs are sufficient; no additional COAs required; added the J25 Central Delivery Point location, ID #415949, (NWSE Sec 25 T4S R96W) to the 'RELATED REMOTE LOCATIONS' section of the Form 2A and added "Federal (FEMA)" as a source reviewed for Floodplain Data to the 'WATER RESOURCES' section of the Form 2A per operator's concurrence on 10-08-18;<br>10/08/18 - passed OGLA Form 2A review by Dave Kubeczko; operator's drawings and proposed BMPs are sufficient; no additional COAs required. | 10/08/2018          |
| DOW               | This permit application is for a new pad location within the operators North Parachute Ranch Wildlife Mitigation Plan (WMP). This plan was negotiated with CPW and addresses best management practices and seasonal timing concerns for wildlife. CPW staff has attended an onsite tour of the proposed location and confirms that the operator is abiding by all terms of the WMP. There are no additional BMPs being requested.<br><br>Taylor Elm, September 19, 2018, 11:28 a.m.  | 09/19/2018          |
| Permit            | Passed Completeness  | 09/17/2018          |

Total: 5 comment(s)