

CONSTRUCTION

Date planned to commence construction: 10/18/2019 Size of disturbed area during construction in acres: 27.59
Estimated date that interim reclamation will begin: 09/01/2020 Size of location after interim reclamation in acres: 10.49
Estimated post-construction ground elevation: 4697

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:

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: SRC Energy Phone: _____

Address: 1675 Broadway Fax: _____

Address: Suite 2600 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: No

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 11/11/2016

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:	233 Feet	776 Feet
Building Unit:	273 Feet	834 Feet
High Occupancy Building Unit:	2652 Feet	2582 Feet
Designated Outside Activity Area:	5280 Feet	5280 Feet
Public Road:	226 Feet	960 Feet
Above Ground Utility:	210 Feet	65 Feet
Railroad:	347 Feet	99 Feet
Property Line:	242 Feet	33 Feet
School Facility::	5280 Feet	5280 Feet
School Property Line:	5280 Feet	5280 Feet
Child Care Center:	2652 Feet	2582 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, Designated Outside Activity Area, School Facility, and Child Care Center – as defined in 100 Series Rules.
- For measurement purposes only, Production Facilities should only include those items with an asterisk(*) on the Facilities Tab.

SCHOOL SETBACK INFORMATION

Was Notice required under Rule 305.a.(4)? Yes No

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: 04/29/2019

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.

The location of the Production Facility depicted in the Location Drawing has been placed at the request of the Surface Owner. In addition, the location for siting the multi-well Production Facility as described provides easy access, consolidated surface impact and the least disturbance to current and future agricultural operations. The facility is also situated outside of the floodplain and the greatest distance to nearby building unit owners.

SRC is the owner of the only BU within Exception Zone.

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: 51: Hodden very gravelly loam, 10 to 40 percent slopes

NRCS Map Unit Name: 39: Gebson-Glentivar complex, 3 to 15 percent slopes

NRCS Map Unit Name: 3: Aquolls and Aquent, gravelly substratum

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: 172 Feet

water well: 358 Feet

Estimated depth to ground water at Oil and Gas Location 31 Feet

Basis for depth to groundwater and sensitive area determination:

Existing Ditch that is 0 feet away.
Water Well 0 feet away, permit #S313, well constructed.
Cache La Poudre River is 172 feet to the south.
Pond is 318 feet to the south.
Nearest Water Well Permit# 279722 that contains static water level of 31 feet which is 358 feet to the south.
Existing ditch that is 374 feet to the west.
Water well permit 206864 well abandoned that is 677 feet to the NE.

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 318A

WILDLIFE

This location is included in a Wildlife Mitigation Plan

This location was subject to a pre-consultation meeting with CPW held on _____

Operator Proposed Wildlife BMPs

No BMP

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 BU less than 200' from the access road is owned by SRC and will be unoccupied for the foreseeable future. Please note that GCL Weld No 2 LLC is SRC.

The Reference well for this pad is the Spur 35-09N-3C-L.

All assets from our previous name, Synergy Resources, were transferred to our new name, SRC Energy. We are the Surface Owner for this proposed amended location ID# 449918.

Sound walls to the West and North.

All traffic plans are approved per our access permit, part of the access permitting process.

No SUA needed as SRC is the surface owner and waives these exceptions for 318A.a. and 318A.c.

SRC is the owner of the subject property that the Beebe-Spur 3-34 Pad is located on. SRC conducted a third party wildlife survey of the subject property in order to properly mitigate any potential wildlife issues associated with the subject site. At this time, there are no specific wildlife issues or timelines associated with the Beebe-Spur 3-34 Pad.

SRC Energy spoke with Mr. Ray Tennyson on February 7, 2017 regarding SRC's planned operations. Mr. Tennyson's comment/concern was regarding sound walls. SRC advised him that SRC plans to place sound walls on both the north and west side of the disturbance area during operations. Mr. Tennyson had no further questions regarding the operations and/or other mitigation measures.

SRC will comply with all MLVT policies and requirements for this pad. For the MLVT, we will plan on 180 days on location.
42,000 bbl capacity
12' high x 160' diameter
Manufacturer is unknown at this time. Potential: PCI Manufacturing, Pinnacle, Southern Frac, or Big Holdings.
SRC will comply with all MLVT policies and requirements for this pad.

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

Signed: _____ Date: _____ Email: eekblad@srcenergy.com

Print Name: Erin Ekblad Title: Manager Regulatory Affair

Based on the information provided herein, this Oil and Gas Location Assessment complies with COGCC Rules, applicable orders, and SB 19-181 and is hereby approved.

COGCC Approved: _____ Director of COGCC Date: _____

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

<u>COA Type</u>	<u>Description</u>

Best Management Practices

No BMP/COA Type

Description

<u>No BMP/COA Type</u>	<u>Description</u>
1 Planning	604.c(2)M. Fencing: SRC is the Surface Owner and we will not be doing fencing at this location.

2	Planning	804. Visual Impacts: All long term facility structures will be painted a color that enables the facilities to blend in with the natural background color of the landscape, as seen from a viewing distance and location typically used by the public. Maintain appearance with garbage clean-up; a trash bin will be located on site to accumulate waste by the personnel drilling the wells. Site will have unused equipment, trash and junk removed immediately.
3	Planning	604.c.(2)N. Control of fire hazards: All material that is considered a fire hazard shall be a minimum of 25' from the wellhead tanks or separators. Electrical equipment shall comply with API IRP 500 and will comply with the current national electrical code. 606A.d. Flammable liquids shall not be stored within fifty (50) feet of the wellbore, except for the fuel in the tanks of operating equipment or supply for injection pumps. Where terrain and location configuration do not permit maintaining this distance, equivalent safety measures should be taken.
4	Traffic control	604.c.(2)S. Access Roads: The access road will be constructed to accommodate local emergency vehicles. This road will be maintained for access at all times. Traffic will be routed to minimize local interruption. Dust control measures will also be utilized., which we will use Magnesium Chloride to control dust. We also use water on access roads when on non-leased roads. Silica dust suppression practices are controlled using Halliburton's sand transportation boxes that are placed on a specialty frame that allows sand to gravity feed directly into mixing tanks thus mitigating airborne silica dust.
5	Traffic control	RULE 604.c.(2)D: If required by the local government, a traffic plan shall be coordinated with the local jurisdiction prior to commencement of move in and rig up. Any subsequent modification to the traffic plan must be coordinated with the local jurisdiction. Our access permit to location is our notification to Weld County, the city of Greeley, or additional municipality if necessary for approved traffic routes, and traffic control. All Traffic Plans are approved per our access permit, part of the access permitting process
6	General Housekeeping	604.c.(2)P. Trash Removal: All trash, debris and material not intrinsic to the operation of the oil and gas facility shall be removed and legally disposed of as applicable.
7	Material Handling and Spill Prevention	604.c.(2)F. Leak Detention Plan: Pumper will visit the location daily and visually inspect all tanks and fittings for leaks. Additionally, monthly documented SPCCP inspections are conducted pursuant to 40 CFR 112. SRC will be scanning flowlines with a GF 320 gas finder camera. The inspections for the flowlines will occur with the Regulation 7 LDAR inspection frequency of the production facility. The Flow line inspections will include all New and old facilities.
8	Material Handling and Spill Prevention	604.c.(2)R Tank Specifications: Tanks will be designed, constructed and maintained in accordance with NFPA Code 30. The tanks are visually inspected once a day for issues, and recorded inspections are conducted once a month.
9	Construction	604.c.(3)B. Berm Construction. Tank berms shall be constructed of steel rings with a synthetic or engineered liner and designed to contain 150% of the capacity of the largest tank. All berms will be visually checked periodically to ensure proper working condition. Secondary containment devices shall be sufficiently impervious to contain any spilled or released material. Tertiary containment, such as an earthen berm, will be installed around production facilities.

10	Construction	<p>803 Light sources during all phases of operations will be directed downwards and away from occupied structures where possible. Once the drilling and completion rigs leave the site, lighting usually exists on the entrance/exit doors to the LACT units and Instrument Air skids, all for safety. The light fixtures need to be specified as "shine down" with appropriate shields.</p> <p>To Minimize impacts from lighting used during the drilling phase, all lights will be pointed downward position to limit impacts of neighboring houses. If lights are installed on sound walls, they are placed a minimum of 3' below the top of the wall. Lighting will be assessed once installed to ensure all neighboring houses/ businesses are free from impacts of light. Light plants are placed strategically to ensure there is no direct lighting to the surround neighbors.</p> <p>Rig mast light only provides enough lighting to ensure the safety of the working environment for personnel on the night shift. Mast lighting will not cause a direct lighting effect on neighboring housing.</p> <p>The mast lights are attached with fixed mounts and cannot be aimed and cannot be dimmed for safety reasons. Drilling does not use the sound wall lights as SRC has the portable light towers and try to keep them below the sound walls and pointed specifically at the operation that requires more light at night. When not needed SRC does not operate them to keep the light pollution to a minimum.</p>
11	Construction	604.c.(2).Q. All guy line anchors left buried for future use shall be identified by a marker of bright color not less than four (4) feet in height and not greater than one (1) foot east of the guy line anchor.
12	Construction	604.c.(2).E. This will be a multi-well pad.
13	Noise mitigation	Noise mitigation: 604.c.(2)A. Sound walls will be to the North and West side of disturbance of pad. Please see additional comments listed in 2A Operator Comments on this.
14	Emissions mitigation	604.c.(2)C.i. Green Completions - Emission Control System: Test separators and associated flow lines and sand traps shall be installed on-site to accommodate green completions techniques pursuant to COGCC Rules. The flowback gas shall be sold or shall be captured and combusted with an Emissions Control Device (ECD), which will be installed and kept in operable condition for least the first 90-days of production pursuant to CDPHE rules. This ECD shall have an adequate capacity for 1.5 times the largest flowback within a 10 mile radius, and will be piped to other or permanent equipment and shall be provided with the equipment needed to maintain combustions where non-combustible gases are present. There is a sales line available, at the first sign of salable quality gas SRC Energy will turn the gas to a sales line.
15	Odor mitigation	Rule 805: Oil & gas facilities and equipment shall be operated in such a manner that odors and dust do not constitute a nuisance or hazard to public welfare.
16	Odor mitigation	<p>For the OBM system, the base fluid is D822. The fluid is a refined product that has low VOC and BTEX counts. The BTEX counts are trace levels so this provides a much safer work environment as compared to diesel. The product has a reduction in aromatic compounds when compared to diesel so the odor emitted by the fluid is minimal. The flash point is 85°F higher than diesel which increases the overall safety of the product. During our drilling operations we average 5-6 loads of cuttings hauled off per day to a disposal facility. During the plating process of every location, special consideration is paid to the orientation of the rig with respect to surrounding residential units. When possible, the generators will be placed on the far side of location away from surrounding occupied units. Prevailing wind direction is taken into consideration when planning a location in order to mitigate odor, and noise from being a nuisance to the surrounding stakeholders. When possible, the rig is oriented in a way in which residential units are upwind from the location. Hydrocarbon odors from production facilities are minimize and eliminated by keeping all product inside pipe, separators, tanks, and combustors. Uncommon leaks are discovered by frequent FLIR camera inspections and immediately repaired. All tanks are sealed with best available industry thief hatches and gaskets. Tank vapors are captured with properly sized piping and combustors.</p>

17	Drilling/Completion Operations	604.c.(2).K. Pit level Indicators - For the rig pits (steel tanks) we utilize the Pason PVT (Pit Volume Totalizer) system in conjunction with the EDR (Electronic Depth Recorder) systems on both rigs which incorporate digital recording of pit volumes, settable alarms for gain and loss so we are able to track the pit volumes. These items are standard on a 5K system which is what we are permitting for.
18	Drilling/Completion Operations	604.c.(2).O. Drilling and Completion-All loadlines shall be bullplugged or capped.
19	Drilling/Completion Operations	SRC will comply with all MLVT policies and requirements for this pad.
20	Drilling/Completion Operations	604.c.(2)B.i Operator will be utilizing a closed loop system.
21	Drilling/Completion Operations	SRC will put steel berms around all of our separators at this location.
22	Final Reclamation	604.c.(2)T. Within 90 days subsequent to the time of plugging and abandonment of the entire site, superfluous debris and equipment shall be removed from the site. Identification of plugged and abandoned wells will be identified pursuant to 319.a.(5)
23	Final Reclamation	604.c.(2).U. Final Reclamation-The operator shall identify the location of the wellbore with a permanent monument as specified in Rule 319.a.(5). The operator shall also inscribe or imbed the well number and date of plugging upon the permanent monument.

Total: 23 comment(s)

Attachment Check List

<u>Att Doc Num</u>	<u>Name</u>
402056158	WASTE MANAGEMENT PLAN
402066169	ACCESS ROAD MAP
402066173	OTHER
402066174	OTHER
402066175	LOCATION PICTURES
402066176	FACILITY LAYOUT DRAWING
402066177	OTHER
402066181	HYDROLOGY MAP
402066182	LOCATION DRAWING
402066184	MULTI-WELL PLAN
402066185	OTHER
402066188	OTHER
402066189	LOCATION PICTURES
402066190	LOCATION PICTURES
402066223	NRCS MAP UNIT DESC
402066226	NRCS MAP UNIT DESC
402069942	PRE-APPLICATION NOTIFICATION CERTIFICATION
402069952	NRCS MAP UNIT DESC

Total Attach: 18 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
		Stamp Upon Approval

Total: 0 comment(s)

Public Comments

No public comments were received on this application during the comment period.

