

FORM
2A

Rev
06/19

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:

401941947

Date Received:

03/18/2019

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:

466335

Expiration Date:

07/28/2022

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: 55098
 Name: MCCOY PETROLEUM CORPORATION
 Address: 9342 EAST CENTRAL
 City: WICHITA State: KS Zip: 67206-2573

Contact Information

Name: Brent Reinhardt
 Phone: (316) 636-2737
 Fax: (316) 636-2741
 email: Brent@mccoypetroleum.com

FINANCIAL ASSURANCE

- Plugging and Abandonment Bond Surety ID (Rule 706): 20190026 Gas Facility Surety ID (Rule 711): _____
- Waste Management Surety ID (Rule 704): _____

LOCATION IDENTIFICATION

Name: ALC 1447 Number: 1-23
 County: CHEYENNE
 Quarter: NWNE Section: 23 Township: 14S Range: 47W Meridian: 6 Ground Elevation: 4311

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: 660 feet FNL from North or South section line
1980 feet FEL from East or West section line

Latitude: 38.821590 Longitude: -102.636210

PDOP Reading: 1.8 Date of Measurement: 02/21/2019

Instrument Operator's Name: Elijah Frane - 5

LOCAL GOVERNMENT INFORMATION

County: CHEYENNE Municipality: N/A

CONSTRUCTION

Date planned to commence construction: 08/15/2019 Size of disturbed area during construction in acres: 5.74
Estimated date that interim reclamation will begin: 12/15/2019 Size of location after interim reclamation in acres: 1.00
Estimated post-construction ground elevation: 4311

DRILLING PROGRAM

Will a closed loop system be used for drilling fluids: No

Is H₂S anticipated? No

Will salt sections be encountered during drilling: Yes

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: Commercial Disposal

Cutting Disposal: ONSITE Cuttings Disposal Method: Drilling pit

Other Disposal Description:

Fluids will be separated and transported offsite. All dry/uncontaminated material will be buried onsite.

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: KCVN LLC

Phone: 512-476-3529

Address: William Osborne, AIF

Fax: _____

Address: 9 W 57th Street, Suite 4500

Email: william@texasenergylaw.com

City: New York State: NY Zip: 10019

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 03/15/2019

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:	3300 Feet	3050 Feet
Above Ground Utility:	5280 Feet	5280 Feet
Railroad:	5280 Feet	5280 Feet
Property Line:	660 Feet	856 Feet
School Facility::	5280 Feet	5280 Feet
School Property Line:	5280 Feet	5280 Feet
Child Care Center:	5280 Feet	5280 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: _____

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 (onl 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: 54—Wiley complex, 0 to 3 percent slopes, eroded

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: 2250 Feet

water well: 2957 Feet

Estimated depth to ground water at Oil and Gas Location 61 Feet

Basis for depth to groundwater and sensitive area determination:

The nearest water well established by the Colorado Division of Water Resources as found on the COGCC website with associated depth to groundwater information is: Water Well Permit #43125 (SW NW of Sec 23-14s-47w, Cheyenne County, CO) belonging to Clyde Buck, Eads, CO 81036. Static Water Level = 61'. Well Depth = 77'. This well is used for livestock.

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 Storm Water Management Plan (SWMP) will be in place to address construction, drilling and operations associated with oil and gas development through the state of Colorado in accordance with Colorado Department of Health & Environment (CDPHE) general permit rules.
If it is not necessary to run the first string of 8 5/8" casing due to lost circulation, a DV Tool will be run in the second string casing in order to cement and protect the Dakota and Cheyenne zones.

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

Signed: _____ Date: 03/18/2019 Email: Scott@mccoypetroleum.com

Print Name: Scott Hampel Title: VP - Production

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: 7/29/2019

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

	Operator shall sample the contents of the drilling pit for Table 910-1 standards prior to closure.
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Best Management Practices

No	BMP/COA Type	Description
1	Planning	McCoy Petroleum Corporation (MPC) will only use such land as necessary for said drilling, completion and production operations. The access road and site location will be kept to the minimum that is needed for its operation.
2	Material Handling and Spill Prevention	McCoy Petroleum Corporation (MPC) will construct the production facilities dedicated to this well Location, within lined secondary containment to prevent the migration of contaminant into the underlying soils and groundwater in the event of a spill.

Total: 2 comment(s)

Attachment Check List

Att Doc Num	Name
1010699	HYDROLOGY MAP
1010700	LOCATION DRAWING
401941947	FORM 2A SUBMITTED
401964680	ACCESS ROAD MAP
401964683	LOCATION PICTURES
401964684	LOCATION PICTURES
401965509	NRCS MAP UNIT DESC
401975438	SURFACE AGRMT/SURETY

Total Attach: 8 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Final Review	Per operator, fresh water pit listed is drilling pit & not a production facility; changed Drilling Pit count to 2, removed "Other Facility."	07/29/2019
OGLA-181	COGCC staff conducted its technical review of this Form 2A Oil and Gas Location Assessment within the context of SB 19-181 and the required Objective Criteria. This Form 2A did not meet any of the Objective Criteria and is compliant with all applicable COGCC rules.	07/26/2019
Permit	With operators concurrence changed construction and interim reclamation date. Final Review Completed.	07/26/2019
OGLA	<p>Please verify the Cultural Distances from the production facilities.</p> <ul style="list-style-type: none"> - Per Operator request, changed the distance from the production facilities to the public road to 3050 and from the production facilities to the property line to 856. <p>Please verify the Salt Sections and Cl concentrations.</p> <ul style="list-style-type: none"> - Per Operator request, changed SALT SECTIONS to NO. Drilling fluids will not contain Cl concentrations above 15,000 ppm Cl. <p>Location lies within Dry Land Crop Land. Changed Drilling Fluids Disposal to OFFSITE and Commercial.</p> <p>Changed the distance to the nearest surface water feature to 2250 as the distance is taken from the edge of the Location.</p> <p>Location Drawing and Hydrology Map are missing the production facilities.</p> <ul style="list-style-type: none"> - Per Operator, production facilities lie 202 feet SW of the wellhead. Uploaded revised Location Drawing and Hydrology Map. <p>Per Operator concurrence, added the following BMP ("offsite" production facility reviewed as part of this Form 2A).</p> <ul style="list-style-type: none"> - This Location will produce to an offsite production facility. McCoy Petroleum Corporation (MPC) will construct the production facilities dedicated to this well Location, within lined secondary containment to prevent the migration of contaminant into the underlying soils and groundwater in the event of a spill. 	07/22/2019
Permit	Passed completeness.	03/21/2019

Total: 5 comment(s)