

FORM
2A

Rev
02/20

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:

402021812

Date Received:

05/31/2019

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 <https://cogcc.state.co.us/> for all accompanying information pertinent this Oil and Gas Location Assessment.

Location ID:

472353

Expiration Date:

02/27/2023

☒ 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 1748 Number: 1-33
County: KIOWA
QuarterQuarter: NESE Section: 33 Township: 17S Range: 48W Meridian: 6 Ground Elevation: 4259
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: 1980 feet FSL from North or South section line
660 feet FEL from East or West section line
Latitude: 38.532710 Longitude: -102.788090
GPS Quality Value: 1.9 Type of GPS Quality Value: PDOP Date of Measurement: 04/18/2019
Instrument Operator's Name: Elijah Frane - 16

LOCAL GOVERNMENT INFORMATION

County: KIOWA Municipality: N/A

Per § 34-60-106 (1)(f)(I)(A), the following questions pertain to the "local government with jurisdiction to approve the siting of the proposed oil and gas location."

The local government with jurisdiction is: County _____

Does the local government with jurisdiction regulate the siting of Oil and Gas Locations, with respect to this location? If the local government does regulate the siting, but has waived its right to precede the COGCC in siting determination, indicate by selecting "YES" here and selecting "Waived" for the disposition below. ☐ Yes ☒ No

If yes, in checking this box, I hereby certify that an application has been filed with the local government with jurisdiction to approve the siting of the proposed oil and gas location. ☐

The local government siting permit type is: _____

The local government siting permit was filed on: _____

The disposition of the application filed with the local government is: _____

Additional explanation of local process:

Kiowa County does not require a siting determination. Kiowa County Board of Commissioner, Richard Scott (Dist #1), Howard "Butch" Robertson, (Dist #2), and Donald Oswald (Dist #3), April 25, 2019 SB 19-181 letter attached.

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 #



FACILITIES

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

Wells	1	Oil Tanks*	3	Condensate Tanks*	_____	Water Tanks*	2	Buried Produced Water Vaults*	_____
Drilling Pits	2	Production Pits*	_____	Special Purpose Pits	_____	Multi-Well Pits*	_____	Modular Large Volume Tanks	_____
Pump Jacks	1	Separators*	1	Injection Pumps*	_____	Cavity Pumps*	_____	Gas Compressors*	_____
Gas or Diesel Motors*	1	Electric Motors	1	Electric Generators*	_____	Fuel Tanks*	1	LACT Unit*	_____
Dehydrator Units*	_____	Vapor Recovery Unit*	1	VOC Combustor*	1	Flare*	_____	Pigging Station*	_____

OTHER FACILITIES*

Other Facility Type	Number
Emissions Control Device (ECD)	1
Heater Treater	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:

Flowline: Fiberglass Tubing, 3.0" ID, 100#PSI Operating Pressure, Length: 250'.

CONSTRUCTION

Date planned to commence construction: 03/03/2020 Size of disturbed area during construction in acres: 5.74
Estimated date that interim reclamation will begin: 05/20/2020 Size of location after interim reclamation in acres: 1.00
Estimated post-construction ground elevation: 4259

DRILLING PROGRAM

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

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? No

DRILLING WASTE MANAGEMENT PROGRAM

Drilling Fluids Disposal: ONSITE Drilling Fluids Disposal Method: Commercial Disposal

Cutting Disposal: ONSITE Cuttings Disposal Method: Drilling pit

Other Disposal Description:

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: McBryde Exempt Family Tst

Phone:

Address: P.O. Box 676

Fax:

Address:

Email:

City: Stratford State: TX Zip: 79084

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 03/17/2019

If this Form 2A is associated with Drilling and Spacing Unit applications, list docket number(s):

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:	660 Feet	816 Feet
Above Ground Utility:	5280 Feet	5280 Feet
Railroad:	5280 Feet	5280 Feet
Property Line:	660 Feet	816 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 (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: 6—Bijou loamy sand, 0 to 2 percent slopes

NRCS Map Unit Name: 49—Valent-Bijou loamy sands, 1 to 12 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: _____

List individual species: Sand bluestem (30%), Prairie sandreed (20%), Switchgrass (20%), Little bluestem (5%), Needleandthread (5%), Sand sagebrush (5%), Sideoats grama (5%), Yellow Indiangrass (5%).

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: 4144 Feet

water well: 4144 Feet

Estimated depth to ground water at Oil and Gas Location 52 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 #47962 (SW NE, Sec 4-18s-48w, Kiowa County, CO) belonging to Tom James, Eads, CO 81036. Static Water Level = 52'. Well Depth = 108'. 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 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 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.

Operator will prepare a site specific spill, prevention, control, countermeasure (SPCC) plan to control oil and produced water spills on Location.

There are no surface water features or riparian areas within 1000 feet of the Location.

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

Signed: _____ Date: 05/31/2019 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: 2/29/2020

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**

Drilling/Completion Operations	Operator shall notify COGCC via a Form 42 Field Operations Notice for Completion of Permit Condition to allow for COGCC inspection at least 48 hours prior to backfilling and closing the drilling pit in accordance with Rule 1003. Operator shall collect representative samples of the pit contents to ensure that the cuttings/soils meet the concentration levels in COGCC Rules Table 910-1 prior to backfilling the pit. The sample results shall be provided to COGCC within 14 days of request.
Wildlife	Operator shall notify COGCC via a Form 42 Field Operations Notice for Completion of Permit Condition to report that wildlife fence is in place and the location is ready for COGCC inspection. Prior to inspection, the pit will be free of fluids and will be fenced to protect prairie fowl and other wildlife.

Best Management Practices

<u>No</u>	<u>BMP/COA Type</u>	<u>Description</u>
1	Planning	Operator 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	Wildlife	At the completion of 24 hour operations, all free fluids will be removed from the drilling pits. Fencing will be installed to prevent entry by prairie fowl and other wildlife and fencing will remain in place until the pits are closed in accordance with COGCC rules. See COA for drilling pit closure.
3	Storm Water/Erosion Control	Prior to construction, perimeter controls will be installed utilizing surface roughening and rip. Once the well pad has been constructed a variety of BMPs shall be utilized according to site specific conditions. BMPs to be utilized may include, but are not limited to, dirt berms, straw wattle, straw bale barrier, erosion control blankets, check dams and silt fence. Storm water controls will be constructed in a manner consistent with good engineering practices to prevent offsite migration of sediment and contaminants.
4	Material Handling and Spill Prevention	Operator will construct the separators, heater treaters, and production tanks with lined secondary containment to protect sandy soils, surface water, and ground water resources. Operator proposes to use synthetic liners keyed into steel panel containment structure. Other practices to control spills include audio, visual observations (AVO) daily, or at a minimum, monthly inspections of the Location. Operator will conduct and document formal inspections of the Location on an annual basis.
5	Drilling/Completion Operations	Once waste characterization sample analytical results demonstrate that drilling cuttings meet Table 910-1 concentration levels, water-based bentonitic mud drill cuttings will be disposed of onsite in the drilling pit at a depth of 5 feet. Bentonite drilling fluids will be removed and hauled to an authorized water disposal well.

Total: 5 comment(s)

Attachment Check List

<u>Att Doc Num</u>	<u>Name</u>
1347759	NRCS MAP UNIT DESC
1347790	SURFACE AGRMT/SURETY
1347792	LOCATION DRAWING
1638357	WAIVERS
402021812	FORM 2A SUBMITTED
402022142	ACCESS ROAD MAP
402022146	LOCATION PICTURES
402022149	LOCATION PICTURES
402022152	REFERENCE AREA MAP
402022154	REFERENCE AREA PICTURES
402022250	NRCS MAP UNIT DESC

Total Attach: 11 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Permitting Review Complete.	02/28/2020

OGLA	<p>Operator provided additional information and concurrence to 1/29/2020 request for additional information on 2/5/2020 and 2/11/2020:</p> <ol style="list-style-type: none"> 1) Operator verified there will be (1) ECD and (1) VOC combustor, and (1) separator and (1) heater treater on Location. 2) Operator updated planned construction date and interim reclamation date. 3) Operator concurred with providing analytical data for water-based bentonitic drill cuttings waste characterization samples if requested. Instead, Staff added COA to notice COGCC upon drilling completion & again before cuttings burial. 4) Operator provided a BMP for production tanks and separators to be equipped with steel panels and a synthetic liner. Operator will conduct daily AVO of the Location, when on location, and at a minimum monthly inspections. 5) Operator provided an alternate BMP to netting, stating that the fluids would be pumped off the pit once 24-operations were complete. Fencing will be in place around the drilling pits to protect wildlife and prairie fowl. 6) Operator provided concurrence with lined secondary containment for tanks and separators. 7) Operator provided an updated LOCATION DRAWING with correct Highway name. 8) Operator concurred with deleting WAIVERS attachment that would not open and retaining the copy that did open. 	02/26/2020
OGLA	COGCC staff reviewed and considered all public comments received for this Form 2A.	02/26/2020
OGLA	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.	02/11/2020
OGLA	<p>Operator provided requested Information for the Form 2A on 2/5/2020:</p> <ul style="list-style-type: none"> - Attached revised Location Drawing and Hydrology Drawing (No Water Resources within 1000 feet of Location) <p>Operator concurs with removing Hydrology Drawing and adding a comment to the Submit tab comment box instead.</p> <ul style="list-style-type: none"> - Operator concurs changing the distance to nearest water feature to 5280 feet. - Updated Cultural Distance Information from the well - Updated Cultural Distance Information from the Production Equipment 	02/11/2020
OGLA	<p>Technical Review - Request for Concurrence/Additional Information:</p> <ol style="list-style-type: none"> 1) Facilities tab: Other Facility Type - Verify that the Emissions Control Device (ECD) is a separate piece of equipment from the VOC combustor, and that the Heater Treater is a separate piece of equipment from the Separator listed above. 2) Construction, Drilling, & Waste - Update the Planned Construction Date and Date that Interim Reclamation will begin since both of the provided dates are past. 3) Construction, Drilling, & Waste - All E&P Waste will be handled/disposed in accordance with 900 Series Rules. <ol style="list-style-type: none"> a) Provide BMP for management/disposal of bentonitic drilling fluids/cuttings on Location including depth of burial and cover. b) Provide COGCC copies of analytical results for the E&P wastes to document compliance with Table 910-1. Provide analytical results within 30 days of receipt from the laboratory. c) Collect a sufficient number of waste characterization samples (i.e. one sample per 100 cubic yards of E&P waste) to be disposed on Location. 4) Request BMP for Materials Handling/Spill Prevention: Production tanks and separators will be equipped with steel secondary containment rings and synthetic liners to protect groundwater resources. 5) Request BMP - Wildlife: Drilling pits will be equipped with fencing to protect wildlife. 6) Request BMP - Materials Handling/Spill Prevention: Production tanks and separators will be equipped with steel secondary containment rings and synthetic liners to protect surface water and groundwater resources. Include other practices that will be used to control spills and releases on the Location, (i.e automation, alarms, shut-offs, inspection frequencies, spill plans, compacted road base, BMPs/control measures, spill kits, etc.) 7) Attachments: LOCATION DRAWING (Doc#402022145) Highway 287 misidentified as 	01/29/2020

	Highway 40. Revise and email. 8) Attachments: WAIVERS (Doc #1638356) Would not Open/ 404 File or Directory Not Found. Email new copy. Request information be provided within the next ten days (2/7/2020).	
OGLA	Changed the number of Drilling Pits to 2 under the Facilities List. Removed the Fresh Water Pit from the OTHER Facilities as the Fresh Water Pit is a Drilling Pit.	11/20/2019
Permit	Passed completeness.	06/05/2019
Permit	Returned to draft - Disposition of local government is Waived, is not filled out. Additional explanation of local process is blank.	06/04/2019

Total: 9 comment(s)