

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:

402505441

(SUBMITTED)

Date Received:

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:

Expiration Date:

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: Jason Eckman
 Phone: (970) 285-2656
 Fax: ()
 email: jeckman@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: G13 496 CDP Number: _____
 County: RIO BLANCO
 Quarter: SWNE Section: 13 Township: 4S Range: 96W Meridian: 6 Ground Elevation: 8078

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: 1457 feet FNL from North or South section line
2433 feet FEL from East or West section line

Latitude: 39.705684 Longitude: -108.116315

GPS Quality Value: 2.4 Type of GPS Quality Value: PDOP Date of Measurement: 06/02/2020

Instrument Operator's Name: Jay Taggart

LOCAL GOVERNMENT INFORMATION

County: RIO BLANCO Municipality: N/A

CONSTRUCTION

Date planned to commence construction: 10/01/2021 Size of disturbed area during construction in acres: 10.20
Estimated date that interim reclamation will begin: 11/15/2021 Size of location after interim reclamation in acres: 7.95
Estimated post-construction ground elevation: _____

DRILLING PROGRAM

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

Is H₂S anticipated? _____

Will salt sections be encountered during drilling: _____

Will salt based mud (>15,000 ppm Cl) be used? _____

Will oil based drilling fluids be used? _____

DRILLING WASTE MANAGEMENT PROGRAM

Drilling Fluids Disposal: _____ Drilling Fluids Disposal Method: _____

Cutting Disposal: _____ Cuttings Disposal Method: _____

Other Disposal Description:

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: The Oil Shale Corporation

Phone: 281-206-5485

Address: 925 North Eldridge Parkway

Fax: _____

Address: _____

Email: _____

City: Houston State: TX Zip: 77079

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: _____

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 _____

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:	_____ Feet	2100 Feet
Building Unit:	_____ Feet	5280 Feet
High Occupancy Building Unit:	_____ Feet	5280 Feet
Designated Outside Activity Area:	_____ Feet	5280 Feet
Public Road:	_____ Feet	277 Feet
Above Ground Utility:	_____ Feet	5280 Feet
Railroad:	_____ Feet	5280 Feet
Property Line:	_____ Feet	3800 Feet
School Facility::	_____ Feet	5280 Feet
School Property Line:	_____ Feet	5280 Feet
Child Care Center:	_____ 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: 58- Parachute Loam 25 to 75 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: 06/02/2020

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: 340 Feet

water well: 3900 Feet

Estimated depth to ground water at Oil and Gas Location 503 Feet

Basis for depth to groundwater and sensitive area determination:

Water well permit receipt No. 3667700B. Depth to ground water is unknown. The estimated depth to groundwater above is based on other water wells in the area.

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 06/02/2020

Operator Proposed Wildlife BMPs

No	Target Species	BMP Type	Description
1	GREATER SAGE-GROUSE	Wildlife - Avoidance	Caerus has agreed to avoid development along the top of Barnes Ridge. CPW Indicated that this ridge is an important resource for the greater sage grouse population and will continue to adhere to avoiding the ridgetop.
2	GREATER SAGE-GROUSE	Wildlife - Mitigation	Caerus will continue to provide access to CPW research personnel for ongoing greater sage grouse population research on the North Parachute Ranch (NPR)(NPR) and other operator-owned property.
3	GREATER SAGE-GROUSE	Wildlife - Minimization	Only essential traffic will be permitted to access sites throughout the North Parachute Ranch where no active operations are occurring. Essential site visits to the well pad and production pad will occur between 10:00 a.m. and 4:00 p.m. during the leking, nesting and early brood rearing seasons (March 1 to June 30) within 1.0 mile of an active lek.
4	GREATER SAGE-GROUSE	Wildlife - Minimization	Caerus will implement three-phase gathering on existing locations to reduce the need for onsite production facilities and increase the acreage put into interim reclamation. It will also reduce truck traffic.

5	GUNNISON SAGE-GROUSE	Wildlife - Minimization	Caerus will restrict commercial and residential development on the North Parachute Ranch.
6	GREATER SAGE-GROUSE	Wildlife - Minimization	Caerus will implement weed management programs for offsite weed treatment (annual budget of \$100,000) and onsite weed treatment (annual budget of \$200,000) for well pads, support pads, production and central delivery point pads, pipeline corridors, access roads, and adjacent areas.
7	GREATER SAGE-GROUSE	Wildlife - Avoidance	Caerus will complete pad construction and interim/final reclamation activities between July 15 and December 15; avoiding the greater sage grouse wintering, breeding, and nesting periods of December 15 to July 15.
8	Deer and Elk	Wildlife - Mitigation	Caerus will place multiple gathering lines into a single trench to minimize disturbance and construction; and will install trench plugs (sloped to allow wildlife or livestock to exit the trench should they enter) at known wildlife or livestock trails to allow safe crossing on long spans of open trench, when trenches are left open longer than 48 hours.
9	Deer and Elk	Wildlife - Mitigation	Caerus will continue to provide access to CPW research personnel for ongoing mule deer research and predator research on the North Parachute Ranch (NPR) and other operator-owned property.
10	Deer and Elk	Wildlife - Minimization	
11	Deer and Elk	Wildlife - Minimization	Caerus will implement a three-phase gathering system on this existing location to reduce the need for onsite separation and fluid storage facilities and increase the amount of acreage placed into interim reclamation. This will also reduce truck traffic.
12	Deer and Elk	Wildlife - Mitigation	Caerus will manage all grazing lease agreements for the North Parachute Ranch under a consistent monitoring program to ensure that livestock utilization does not negatively impact other natural wildlife resources. Monitoring will include fence inspections, repairs, and improvements; periodic range checks for trespassing cattle or unexpected issues; the use of grazing baskets to determine the percentage of grazing usage so that livestock may be timely removed from an area; continuing the development and maintenance of water sources as a result of Caerus operations; and adopting grazing management guidelines, including grazing lease deferrals, to protect existing wildlife habitat resources. Existing and new lease agreements include provisions to: 1) limit animal grazing unit months; 2) prevent overgrazing; 3) manage the use of salt blocks to protect vegetation; 4) conduct any weed treatment operations consistent with the North Parachute Ranch Integrated Vegetation Management Guidance Document; and 5) utilize sound animal management practices
13	Deer and Elk	Wildlife - Mitigation	Caerus elected to add additional Grazing Monitoring cages to several of the pastures and near water sources. A total of \$50,000 will be spent on grazing monitoring annually.
14	Deer and Elk	Wildlife - Minimization	Pets will be prohibited on Caerus property.
15	Deer and Elk	Wildlife - Mitigation	Caerus will maintain open space (no permanent surface structures) on 20 acres of the Parachute Creek Property that is within a migration corridor.
16	GREATER SAGE-GROUSE	Wildlife - Mitigation	Caerus will utilize the BLM/CPW suggested seed mix containing native species recommended for greater sage grouse habitat
17	GUNNISON SAGE-GROUSE	Wildlife - Minimization	Caerus will utilize solar panels to reduce the need for additional powerlines; and use remote telemetry to reduce the need for daily well site visitation.
18	GREATER SAGE-GROUSE	Wildlife - Minimization	To reduce truck traffic, Caerus will utilize a three-phase gathering system to transfer product fluids from the multiple well pads to the G13 496 CDP; where produced water will then be transferred through the existing pipeline system to the Divide Road Water Treatment Facility for treatment and recycling.

19	Black Bear	Wildlife - Minimization	The operator agrees to report bear conflicts immediately to CPW staff.
20	Black Bear	Wildlife - Minimization	The operator will implement Rule 1204.a.1 (also see General Operating Recommendations) by storing all garbage, trash, and debris in enclosed bear proof trash containers and transported to an approved disposal facility once per week during drilling and completions operations. No garbage, trash, and debris will be disposed of on location. The well site and access road will be kept free of trash and debris at all times.

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 proposed ELU G13 496 Central Delivery Point (CDP) will be handling the 3 -Phase Production from the proposed ELU M12 496 pad (37 Wells), the proposed ELU A18 495 pad (35 wells) and the proposed ELU O13 496 (26 wells). The handling of production at the CDP allows for an increase in area to be interim reclaimed at the two proposed well pads.

Three phase separation will occur at the CDP facility, with oil being separated, and measured through a LACT Meter, dumped to, and sold from the oil tank battery. Water will be separated, cooled, and pumped back to Divide Road Water Treatment where the water will be reused for completion activities or disposed of in existing salt-water disposal well. Gas will be separated, measured, and will flow into a gas gathering line, carrying the gas to the Story Gulch Compressor Station or Middle Fork Compressor Station, where compression and dehydration activities will occur. Measurement of the gas, on the gathering facility pad, will be the custody transfer and allocation point.

Stormwater is addressed under a field-wide Stormwater Management Plan (CDPHE Certification #COR400000). 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.

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

Signed: _____ Date: _____ Email: jeckman@caerusoilandgas.com

Print Name: Jason Eckman Title: Surface Regulatory Lead

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.

<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>
402507014	ACCESS ROAD MAP
402507017	OTHER
402507020	CONST. LAYOUT DRAWINGS
402507022	HYDROLOGY MAP
402507023	LOCATION DRAWING
402507024	OTHER
402507025	REFERENCE AREA PICTURES
402507026	REFERENCE AREA MAP
402507027	OTHER
402507028	ACCESS ROAD MAP

Total Attach: 10 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.

