

FORM
2A

Rev
08/13

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:

400647197

Date Received:

07/23/2014

Oil and Gas Location Assessment

New Location Refile Amend Existing Location Location#: 326624

Submit signed original form. 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:

326624

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: 26625
 Name: ELM RIDGE EXPLORATION COMPANY LLC
 Address: 12225 GREENVILLE AVE STE 950
 City: DALLAS State: TX Zip: 75243-9362

Contact Information

Name: Terry Lindeman
 Phone: (505) 632-3476
 Fax: (505) 632-8151
 email: tlindeman@elmridge.com

RECLAMATION FINANCIAL ASSURANCE

- Plugging and Abandonment Bond Surety ID: 20100130 Gas Facility Surety ID: _____
- Waste Management Surety ID: _____

LOCATION IDENTIFICATION

Name: IGS Number: 146
 County: LA PLATA
 Quarter: NWSE Section: 21 Township: 33N Range: 8W Meridian: N Ground Elevation: 6876

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: 2124 feet FSL from North or South section line
1693 feet FEL from East or West section line

Latitude: 37.088110 Longitude: -107.719560

PDOP Reading: 2.2 Date of Measurement: 01/10/2014

Instrument Operator's Name: Scott Weibe

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

OTHER FACILITIES

Other Facility Type

Number

<u>Other Facility Type</u>	<u>Number</u>
Meter House	2
Meter Run	2

Per Rule 303.b.(3)C, description of all oil, gas, and/or water pipelines:

All pipeline construction will be on location

CONSTRUCTION

Date planned to commence construction: 09/01/2014 Size of disturbed area during construction in acres: 0.94
Estimated date that interim reclamation will begin: 10/01/2014 Size of location after interim reclamation in acres: 1.30
Estimated post-construction ground elevation: 1

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? No

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:

Please see Waste Management Plan attached.

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: Bob and Dixie Cherry Phone: 970-563-4139
 Address: 363 Trilobite Trail #12 Fax: N/A
 Address: _____ Email: dixie1224@centurylink.net
 City: Ignacio State: CO Zip: 81137
 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 04/11/2014

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

Distance to nearest:

Building: 525 Feet
Building Unit: 555 Feet
High Occupancy Building Unit: 5280 Feet
Designated Outside Activity Area: 5280 Feet
Public Road: 3100 Feet
Above Ground Utility: 3100 Feet
Railroad: 5280 Feet
Property Line: 365 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.

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.

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: 06/10/2014

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: 82-Zyme-Rock outcrop complex, 12 to 65% 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: Indian ricegrass, western wheatgrass, needleandthread, blue grama, pinyon, Rocky Mountain juniper, mountainmahogany, Gambel oak, bitterbrush, serviceberry, and big sagebrush.

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: 780 Feet

water well: 1000 Feet

Estimated depth to ground water at Oil and Gas Location 136 Feet

Basis for depth to groundwater and sensitive area determination:

Information for estimated depth to ground water derived by averaging static water levels of closest proximate producing water wells.

Welker Tract-Permit #251672-Static water level 140'

Hale Tract-Permit #191548- -Static water level 140'

Mach Tract-Permit # 160245-Static water level 130'

Please see Hydrology Map which shows location of closest proximate producing water wells and also istance to nearest downgradient water feature.

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: _____

GROUNDWATER BASELINE SAMPLING AND MONITORING AND WATER WELL SAMPLING

Water well sampling required per Rule 608

DESIGNATED SETBACK LOCATION EXCEPTIONS

Check all that apply:

- Rule 604.a.(1)A. Exception Zone (within 500' of Building Unit)
- 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 Surface owner does not have a fax number.
Please copy me on any/all correspondence with operator.

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

Signed: _____ Date: 07/23/2014 Email: jlr@animas.net

Print Name: Robert D. Joyce Title: Agent

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: _____

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.

Best Management Practices

No	BMP/COA Type	Description
1	Community Outreach and Notification	No buildings or building units within 500'. Surface owner and building unit owner within 1000' notified.
2	Pre-Construction	Rule 604.c.(2)W-Pre-construction consultation occurred at the time the Surface Damage Agreement was negotiated and surface owner has been continually noticed and updated by written notice, e-mail, phone and numerous onsite meetings.
3	Traffic control	Rule 604.c.(2)D- Access is off CR 318, approximately 4.7 miles from it's intersection with Hwy 172. Access gate is on the South side of CR 318il. Access is granted by existing Surface Damage Agreement (attached). Elm Ridge agrees to comply with any La Plata County traffic control measures required for this well.
4	General Housekeeping	Rule 604.c.(2)P- Trash containers will be maintained on site. Trash will be hauled to and disposed at a commercial landfill.
5	Storm Water/Erosion Control	Please see attached Storm Water Management Plan prepared by Ecosphere Environmental Services.
6	Material Handling and Spill Prevention	Per Rule 604.c.(2)G.- Berms will be constructed with corrugated metal sides around water tanks and will be sufficient in height and area to contain 150% of the volume of the largest single tank. Synthetic liners are being and will be used under tanks on location. Rule 604.c.(2)N-Any materials not in use that might constitute a fire hazard will be removed a minimum distance of twenty five feet from the wellhead, tanks and separator. No electrical equipment installations are planned inside the bermed area. Please see attached Storm Water Management Plan prepared by Ecosphere Environmental Services.
7	Construction	Rule 604.c.(2)V.- the IGW 146 well will be located in the immediate vicinity of and wholly within the footprint of the existing Crigler Ute FT #1 well pad. Rule 604.c.(2)B.- no fresh water pits are planned. Rule 604.c.(2)E- The existing well access road will be used. No new disturbance is anticipated. Standard specifications for this access road include a driving surface constructed with with 6 inches of 3" minus gravel over a driving surface approximately 12 feet in width, crowned, with ditches and culverts where necessary for drainage.
8	Noise mitigation	Rule 604.c.(2)ADrilling and Completion: Noise levels will be monitored by operator and if exceeds acceptable levels operator agrees to install sound walls or, if necessary, provide reasonable motel accommodations for the affected party. Post-production: No necessity for engines or motorized equipment is anticipated. If such equipment becomes necessary, Elm Ridge will first try to electrify the location if it is practical and feasible. If not, they will orient exhaust away from the affected party and will use hospital grade mufflers, buried, in series. Elm Ridge will install sound walls if necessary
9	Drilling/Completion Operations	604.c.(2)K.- Pit level indicators will be used. 604.c.(2)L- Drill stem tests are not typically done and none are anticipated. Rule 604.c.(2)O- Load lines will be bullplugged Rule 604.c.(2)Q- Guy line anchors will be identified per COGCC rules and are tested before each use. Rule 604.c.(2)S. – Existing well access road will be used and maintained for all weather use and will meet any safety requirements.

Total: 9 comment(s)

Attachment Check List

<u>Att Doc Num</u>	<u>Name</u>
400647197	FORM 2A SUBMITTED
400647759	WASTE MANAGEMENT PLAN
400647760	NRCS MAP UNIT DESC
400647761	MITIGATION PLAN
400647762	SURFACE AGRMT/SURETY
400649484	HYDROLOGY MAP B, AERIAL
400649608	REFERENCE AREA PICTURES
400649610	REFERENCE AREA MAP
400649612	REFERENCE AREA MAP
400649613	LOCATION DRAWING
400649614	LOCATION DRAWING
400649616	MULTI-WELL PLAN
400649626	FACILITY LAYOUT DRAWING
400649627	WELL LOCATION PLAT
400649630	LOCATION PICTURES
400649848	ACCESS ROAD MAP
400649849	OTHER
400649851	OTHER
400649852	OTHER

Total Attach: 19 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Return to draft. Missing Access Road Map attachment.	7/23/2014 3:54:21 PM

Total: 1 comment(s)