

FORM
2ARev
04/01State of Colorado
Oil and Gas Conservation Commission

1120 Lincoln Street, Suite 801, Denver, Colorado 80205 Phone: (303) 894-2100 Fax: (303) 894-2109



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Document Number:

400205330

Oil and Gas Location Assessment

☒ New Location ☐ Amend Existing Location Location#: _____

Submit original plus one copy. This form is to be submitted to the COGCC prior to any ground disturbance activity associated with oil and gas development operations. This Assessment may be approved as a standalone application or submitted as an informational report accompanying an Application for Permit-To-Drill, Form 2. Approval of this 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. This form may serve as notice to land owners and other interested parties, please see the COGCC web site at <http://colorado.gov/cogcc/> for all accompanying information pertinent to this Oil and Gas Location Assessment.

Location ID:

426228

Expiration Date:

10/26/2014
☒ This location assessment is included as part of a permit application.

1. 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.

2. Operator

Operator Number: 10382

Name: SCHLUMBERGER CARBON SERVICES

Address: 1875 LAWRENCE ST., SUITE 500

City: DENVER State: CO Zip: 80202

3. Contact Information

Name: Wayne Rowe

Phone: (303) 297-9005

Fax: (303) 297-9007

email: rowe5@slb.com

4. Location Identification:

Name: RMCCS State Number: No. 1

County: MOFFAT

QuarterQuarter: SWSE Section: 34 Township: 6N Range: 91W Meridian: 6 Ground Elevation: 6832

Define a single point as a location reference for the facility location. This point should be used as the point of measurement in the drawings to be submitted with this application. When the location is to be used as a well site then the point shall be a well location.

Footage at surface: 210 feet FSL, from North or South section line, and 2416 feet FEL, from East or West section line.

Latitude: 40.427476 Longitude: -107.589754 PDOP Reading: 1.4 Date of Measurement: 07/16/2011

Instrument Operator's Name: P.Epp

5. Facilities (Indicate the number of each type of oil and gas facility planned on location):

Special Purpose Pits: <input type="text"/>	Drilling Pits: <input type="text" value="1"/>	Wells: <input type="text" value="1"/>	Production Pits: <input type="text"/>	Dehydrator Units: <input type="text"/>
Condensate Tanks: <input type="text"/>	Water Tanks: <input type="text" value="3"/>	Separators: <input type="text"/>	Electric Motors: <input type="text"/>	Multi-Well Pits: <input type="text"/>
Gas or Diesel Motors: <input type="text" value="6"/>	Cavity Pumps: <input type="text"/>	LACT Unit: <input type="text"/>	Pump Jacks: <input type="text"/>	Pigging Station: <input type="text"/>
Electric Generators: <input type="text" value="2"/>	Gas Pipeline: <input type="text"/>	Oil Pipeline: <input type="text"/>	Water Pipeline: <input type="text"/>	Flare: <input type="text"/>
Gas Compressors: <input type="text"/>	VOC Combustor: <input type="text"/>	Oil Tanks: <input type="text"/>	Fuel Tanks: <input type="text" value="2"/>	

Other: _____

6. Construction:

Date planned to commence construction: 11/15/2011 Size of disturbed area during construction in acres: 2.40
Estimated date that interim reclamation will begin: 04/01/2012 Size of location after interim reclamation in acres: 0.00
Estimated post-construction ground elevation: 6830 Will a closed loop system be used for drilling fluids: Yes ☐
Will salt sections be encountered during drilling: Yes ☐ No ☒ Is H2S anticipated? Yes ☐ No ☒
Will salt (>15,000 ppm TDS Cl) or oil based muds be used: Yes ☐ No ☒
Mud disposal: Offsite ☐ Onsite ☒ Method: Land Farming ☐ Land Spreading ☐ Disposal Facility ☐
Other: pit

7. Surface Owner:

Name: _____ Phone: _____
Address: _____ Fax: _____
Address: _____ Email: _____
City: _____ State: _____ Zip: _____ Date of Rule 306 surface owner consultation: _____
Surface Owner: ☐ Fee ☒ State ☐ Federal ☐ Indian
Mineral Owner: ☐ Fee ☒ State ☐ Federal ☐ Indian
The surface owner is: ☒ the mineral owner ☐ committed to an oil and gas lease
☐ is the executer of the oil and gas lease ☐ the applicant
The right to construct the location is granted by: ☐ oil and gas lease ☒ Surface Use Agreement ☐ Right of Way
☐ applicant is owner
Surface damage assurance if no agreement is in place: ☐ \$2000 ☐ \$5000 ☐ Blanket Surety ID _____

8. Reclamation Financial Assurance:

☒ Well Surety ID: 20110167 ☐ Gas Facility Surety ID: _____ ☐ Waste Mgnt. Surety ID: _____

9. Cultural:

Is the location in a high density area (Rule 603.b.): Yes ☐ No ☒
Distance, in feet, to nearest building: 8330, public road: 9536, above ground utilit: 5000
, railroad: 12500, property line: 220

10. 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): mine
Subdivided: ☐ Industrial ☐ Commercial ☐ Residential

11. 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): mine
Subdivided: ☐ Industrial ☐ Commercial ☐ Residential

12. Soils:

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.gov/> 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: 67—Evanot loam, 12 to 25 percent slopes

NRCS Map Unit Name: _____
NRCS Map Unit Name: _____

13. 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: 09/01/2011

List individual species: Drill site is an inactive, unreclaimed mine pit with areas of barren dirt and weeds. Weeds present at the inactive site include Yellow Sweet Clover, Knot Weed, Russian Thistle and Cochia which are annual weeds NOT noxious.

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): annual weeds & areas of no vegetation

14. Water Resources:

Rule 901.e. may require a sensitive area determination be performed. If this determination is performed the data is to be submitted with the Form 2A.

Is this a sensitive area: ☒ No ☐ Yes Was a Rule 901.e. Sensitive Areas Determination performed: ☒ No ☐ Yes

Distance (in feet) to nearest surface water: 1770, water well: 8500, depth to ground water: 1000

Is the location in a riparian area: ☒ No ☐ Yes Was an Army Corps of Engineers Section 404 permit filed ☒ No ☐ Yes

Is the location within a Rule 317B Surface Water Supply Area buffer zone:

☒ No ☐ 0-300 ft. zone ☐ 301-500 ft. zone ☐ 501-2640 ft. 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 ☐ Yes

15. Comments:

This Location Assessment is for a stratigraphic test well for CO2 sequestration. This is a Department of Energy funded project with the University of Utah, Colorado Geologic Survey & Tri-State partnering to conduct the work at the Trapper Mine, located on state surface. Attached is a letter from the state as to surface use. Schlumberger has worked closely with the state and provided them with detailed plans for the project. Schlumberger also has negotiated an agreement as to use and reclamation with the Trapper mine. The well site is within a mined-out pit that has not been reclaimed and consists of areas of barren dirt and annual weeds. Future use will be for the mining operations, as such no reference area has been established. After drilling this test well, the site will be fully reclaimed in the spring per agreements with the mine operator and the surface owner; only the plugged wellhead will remain. There are no plans to re-enter this well once completed and reclaimed. A Form 15 pit permit is being submitted concurrently with this location assessment.

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

Signed: _____ Date: 09/23/2011 Email: rowe5@slb.com

Print Name: Wayne Rowe Title: Project Manager

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: David S. Neslin Director of COGCC Date: 10/27/2011

CONDITIONS OF APPROVAL, IF ANY:

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.

WILDLIFE WINTER TIMING STIPULATION FOR ELK VARIANCE COA:

On October 12, 2011, the CDPW granted (with the upmost caution), operator's request for a one time exception to winter-time drilling. Based on CDPW's historical knowledge of elk use in the area and the likely impacts that drilling and associated activities will have - causing animals to move to adjacent property, CDPW anticipates game damage claims from neighboring landowners. CDPW is open to operator's suggestion of a partnership to offset the likely damage caused to landowners surrounding the site. CDPW will formalize the details of the partnership through further discussion and a letter agreement. This exception will automatically expire on April 15, 2011. CDPW will not extend or grant another exemption to this project at this drilling location.

SITE SPECIFIC COAs:

Operator must ensure secondary containment for any volume of fluids (excluding freshwater) contained at well site during drilling and completion operations; including, but not limited to, construction of a berm or diversion dike, diversion/collection trenches within and/or outside of berms/dikes, site grading, or other comparable measures (i.e., best management practices (BMPs) associated with stormwater management) sufficiently protective of nearby surface water. Any berm constructed at the well pad location will be stabilized, inspected at regular intervals (at least every 14 days), and maintained in good condition.

The moisture content of any drill cuttings in a cuttings pit, trench, or pile shall be as low as practicable to prevent accumulation of liquids greater than de minimis amounts. At the time of closure, the drill cuttings must also meet the applicable standards of table 910-1.

Operator must implement best management practices to contain any unintentional release of fluids, including any fluids conveyed via temporary surface pipelines.

Attachment Check List

Att Doc Num	Name
2034040	CORRESPONDENCE
2034041	CORRESPONDENCE
2034046	PROPOSED BMPs
2034047	VARIANCE REQUEST
2034048	ACCESS ROAD MAP
2034049	ACCESS ROAD MAP
400205330	FORM 2A SUBMITTED
400205348	OTHER
400205353	CONST. LAYOUT DRAWINGS
400205354	HYDROLOGY MAP
400205357	LOCATION DRAWING
400205358	LOCATION PICTURES
400205378	SURFACE OWNER CONSENT
400207488	NRCS MAP UNIT DESC
400207516	ACCESS ROAD MAP

Total Attach: 15 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	CPW comments attached. LGD/pub.comm. waived. Final comprehensive review status--passed.	10/25/2011 2:09:14 PM
Permit	Krista Anderson with Norwest Corp. req'd expedited approval to move construction crew in last week of Oct.	10/12/2011 10:06:02 AM
OGLA	Initiated/Completed OGLA Form 2A review on 10-10-11 by Dave Kubeczko; requested acknowledgement of fluid containment, spill/release BMPs, and cuttings low moisture content COAs from operator on 10-10-11; received acknowledgement of COAs from operator on 10-13-11; changed distance to SW to 1770'; passed by CDOW on 09-23-11 with operator agreed to BMPs acceptable; passed OGLA Form 2A review on 10-17-11 by Dave Kubeczko; fluid containment, spill/release BMPs, and cuttings low moisture content COAs.	10/10/2011 8:39:52 AM
Permit	READY TO APPROVE IN PERMITTING WHEN PUB. EXP. 10/13 & OGLA PASSES.	10/3/2011 10:26:03 AM
DOW	<p>CPW provided written comment to Schlumberger's consultant on August 23, 2011. The comments included recommendations to avoid and minimize impacts to wildlife - elk. The following list contains the wildlife recommendations from that letter.</p> <p>Construct the well pad and drill the test well outside the time period from December 1 through April 15.</p> <p>Utilize wildlife-friendly fencing to allow safe passage of animals through property; or utilize minimum 7-foot fencing (solid or mesh) to exclude wildlife from areas.</p> <p>Restore appropriate vegetation on disturbed sites. Use recommended seed mixes for reseeding in areas of disturbance or restoration; avoid aggressive non-native grasses and shrubs.</p> <p>Minimize night lighting - use full cutoff lighting or timers to eliminate night lighting outside of hours of occupied operations.</p> <p>Friday, September 23, 2011 at 12:05 P.M.</p>	9/23/2011 12:05:26 PM

Total: 5 comment(s)

BMP

<u>Type</u>	<u>Comment</u>
Storm Water/Erosion Control	Stormwater BMPs will be developed and implemented consistent with COGCC Reclamation Rules 1002.f.(2) and as required by the Colorado Department of Public Health. The project will occur in an unreclaimed pit that has not been revegetated. BMPs will include but are not limited to secondary containment berms and wattles.
Material Handling and Spill Prevention	Secondary containments will be constructed in accordance with COGCC E&P Waste Management Rules 906.e.(1). Good housekeeping measures will be implemented for appropriate waste disposal.
Wildlife	<p>Schlumberger has been in contact with the Colorado Division of Parks and Wildlife and is consulting with them as to appropriate BMPs for this location and project. The following BMPs were agreed to on 09-23-11:</p> <p>Construct the well pad and drill the test well outside the time period from December 1 through April 15. This BMP received a variance from CDPW on 10-12-11 to allow the operator to continue building and drilling at this location until the stratigraphic test well has been drilled, logged, and abandoned (see variance request attachment).</p> <p>Utilize wildlife-friendly fencing to allow safe passage of animals through property; or utilize minimum 7-foot fencing (solid or mesh) to exclude wildlife from areas.</p> <p>Restore appropriate vegetation on disturbed sites. Use recommended seed mixes for reseeding in areas of disturbance or restoration; avoid aggressive non-native grasses and shrubs.</p> <p>Minimize night lighting - use full cutoff lighting or timers to eliminate night lighting outside of hours of occupied operations.</p>

Total: 3 comment(s)