

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:

401905333

Date Received:

01/23/2019

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:

466299

Expiration Date:

07/26/2022

☐ 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: 10071

Name: HIGHPOINT OPERATING CORPORATION

Address: 555 17TH ST STE 3700

City: DENVER State: CO Zip: 80202

Contact Information

Name: Melissa Luke

Phone: (303) 312-8172

Fax: ()

email: mluke@hpres.com

FINANCIAL ASSURANCE

☒ Plugging and Abandonment Bond Surety ID (Rule 706): 20040060 ☐ Gas Facility Surety ID (Rule 711): _____

☐ Waste Management Surety ID (Rule 704): _____

LOCATION IDENTIFICATION

Name: Fox Creek Number: 25 SE

County: WELD

QuarterQuarter: SWSE Section: 25 Township: 12N Range: 63W Meridian: 6 Ground Elevation: 5399

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: 933 feet FSL from North or South section line

1655 feet FEL from East or West section line

Latitude: 40.975930 Longitude: -104.377637

PDOP Reading: 2.1 Date of Measurement: 08/16/2018

Instrument Operator's Name: GREG WEIMER

LOCAL GOVERNMENT INFORMATION

County: WELD 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 COGCC application? If the local government has waived its right to precede the COGCC in siting determination, indicate by selecting "NO" here and selecting "Waived" 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: Waived

Additional explanation of local process:

On 5/29/2019, Bruce Barker, Weld County Attorney, temporarily waives it's right to have WOGLA complete prior to the COGCC acting upon Form 2 and Form 2A (see attached email).

WOGLA for Fox Creek 25SE pad was submitted on 5/13/2019.

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 <u>16</u>	Oil Tanks* <u>8</u>	Condensate Tanks* _____	Water Tanks* <u>4</u>	Buried Produced Water Vaults* _____
Drilling Pits _____	Production Pits* _____	Special Purpose Pits _____	Multi-Well Pits* _____	Modular Large Volume Tanks _____
Pump Jacks <u>16</u>	Separators* <u>16</u>	Injection Pumps* _____	Cavity Pumps* _____	Gas Compressors* _____
Gas or Diesel Motors* _____	Electric Motors _____	Electric Generators* _____	Fuel Tanks* _____	LACT Unit* <u>2</u>
Dehydrator Units* _____	Vapor Recovery Unit* <u>1</u>	VOC Combustor* <u>12</u>	Flare* _____	Pigging Station* <u>4</u>

OTHER FACILITIES*

Other Facility Type **Number**

Automation System	<u>1</u>
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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:

2 – 4" Gas injection
2 – 4" Water
2 – 4" Oil
3 – 10" gas gathering
16 – 3" Flowlines on Pad

See pipeline and flowline counts above. When possible temporary water pipelines will carry water from storage tanks or water sources to well completion sites. Pipes will be made of flexible and rigid materials (plastic, aluminum and steel) generally 8" to 12" in diameter. The length will be determined by the distance to the well site to be serviced for the fracing operation. This will greatly minimize the number of truck trips required for the well completion. This location will have up to 20-500 bbl frac tanks. Frac tanks located on this pad may service completion operations being conducted on an adjacent pad location. A sundry would be submitted in the event this situation occurs. Surface owner approval would be obtained where necessary. This location will also have up to 15-300 bbl temporary tanks for drilling operations.

CONSTRUCTION

Date planned to commence construction: 11/19/2019 Size of disturbed area during construction in acres: 11.53
Estimated date that interim reclamation will begin: 05/09/2020 Size of location after interim reclamation in acres: 5.81
Estimated post-construction ground elevation: 5398

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: Land application

Cutting Disposal: OFFSITE Cuttings Disposal Method: Beneficial reuse

Other Disposal Description:

Beneficial reuse or land application plan submitted? Yes

Reuse Facility ID: 454282 or Document Number: _____

Centralized E&P Waste Management Facility ID, if applicable: _____

SURFACE & MINERALS & RIGHT TO CONSTRUCT

Name: LOYD FARMS INC

Phone: _____

Address: 66732 CR 87

Fax: _____

Address: _____

Email: _____

City: GROVER State: CO Zip: 80729

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 _____

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:	903 Feet	700 Feet
Above Ground Utility:	1123 Feet	750 Feet
Railroad:	5280 Feet	5280 Feet
Property Line:	954 Feet	843 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 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: 4 - Ascalon fine sandy loam, 0 to 6 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: 08/20/2018

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: 33 Feet

water well: 4808 Feet

Estimated depth to ground water at Oil and Gas Location 60 Feet

Basis for depth to groundwater and sensitive area determination:

Depth to water based on nearby water well (permit #109484--A)

Location is considered in a Sensitive Area as it lies within the Upper Crow Creek Designated Groundwater Basin.

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 HPOC intends to expand the Fox Creek 25SE pad (Fox Creek 505-2501H – LOCID#416477) we will also be pursuing the Fox Creek 25SW location, both of these permits are the current pending permits in with the COGCC. We will not be going after the other locations, so we will submit form 4 sundries to abandon those locations

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

Signed: _____ Date: 01/23/2019 Email: mluke@hpres.com

Print Name: Melissa Luke Title: Regulatory Specialist

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: 7/27/2019

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
	At a minimum documented weekly site inspections for spills and stormwater BMPs shall be maintained during construction, drilling, and completion activities.
	Lined secondary containment shall be provided for temporary frac tanks and temporary separation equipment.
	During drilling and completion activities, a portable or temporary liner shall be emplaced beneath the rig or equipment to protect water resources.
	Site shall be graded to prevent accumulation of stormwater; runoff shall be controlled with BMPs designed and implemented in accordance with good engineering practices to prevent contaminants or sediments from being transported off location.
	Pigging stations shall have catchments for containing any spilled fluids. Accumulated E&P Waste shall be removed immediately upon completion of pigging operations.
	Drip pans or liners shall be used during equipment refueling and maintenance.
	All production facilities shall be constructed within lined secondary containment.
	The location is in a sensitive area because it falls within the boundary of the Upper Crow Creek Designated Basin, therefore, the operator shall line the secondary containment areas for the tanks and separators with an impervious material to prevent the downward migration of produced liquids.
	Operator must implement site-specific best management practices in accordance with good engineering practices, including, but not limited to, construction of a berm or diversion dike, site grading, or other comparable measures, sufficient to protect the intermittent stream located 33 feet southwest of the oil and gas location from a release of drilling, completion, produced fluids, and chemical products.
	Green Completions -Test separators and associated flow lines, sand traps and emission control systems shall be installed on-site to accommodate green completions techniques. When commercial quantities of salable quality gas are achieved at each well, the gas shall be immediately directed to a sales line or shut in and conserved. If a sales line is unavailable or other conditions prevent placing the gas into a sales line, the operator shall not produce the wells without an approved variance per Rule 805.b.(3)C.

Best Management Practices

No	BMP/COA Type	Description
1	Drilling/Completion Operations	Flowback and stimulation fluids from the wells being completed will be sent to tanks and/or filters to allow sand and sediment to settle out before the fluids are hauled to a state-approved disposal facility.
2	Storm Water/Erosion Control	Location to be treated to kill weeds and regraded when necessary to maintain proper drainage.

Total: 2 comment(s)

Attachment Check List

<u>Att Doc Num</u>	<u>Name</u>
2479062	CORRESPONDENCE
2534137	Objective Criteria #5.c. review correspondence
2534141	Objective Criteria Review Memo
401905333	FORM 2A SUBMITTED
401914984	ACCESS ROAD MAP
401914985	LOCATION DRAWING
401914986	LOCATION PICTURES
401914987	MULTI-WELL PLAN
401914990	MINERAL LEASE MAP
401914991	HYDROLOGY MAP
401914992	REFERENCE AREA MAP
401914995	REFERENCE AREA PICTURES
401914996	WASTE MANAGEMENT PLAN
401914999	SURFACE AGRMT/SURETY
401915003	NRCS MAP UNIT DESC

Total Attach: 15 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
OGLA	With Operator concurrence remove numerous BMPs due to unclear language. Replace BMPs with supplemental COAs.	07/26/2019
Permit	16 APD's back in process, Final Review passed 7/24/2019. Permitting review complete, passed Final Review.	07/24/2019
Permit	COGCC Staff has added the Local Government siting permit information and the School and Childcare Center distances provided by the operator.	07/24/2019
OGLA	The Objective Criteria Review Memo (Doc# 2534141) is attached to this Form 2A. Following additional analysis arising out of the Objective Criteria, the Director determined that this application meets the standard for the protection of public health, safety, welfare, the environment and wildlife resources set by SB 19-181.	07/15/2019
OGLA	An initial Objective Criteria of Highpoint Operating's Fox Creek 25 SE location that is to be located in section 25, Township 12 North, Range 63 West, in Weld County has been completed. The review was triggered by the location falling within the boundary of the Upper Crow Creek Designated Basin making the Fox Creek 25 SE location a sensitive area by rule. Due to the location being in a sensitive area for groundwater the following COA will be applied to the 2A document # 401905333: The location is in a sensitive area because it falls within the boundary of the Upper Crow Creek Designated Basin, therefore, the operator shall line the secondary containment areas for the tanks and separators with an impervious material to prevent the downward migration of produced liquids.	07/10/2019
Permit	16 related APD's rejected for poor quality on 6/7/2019.	06/07/2019
OGLA	The Public Comment placed on this Form 2A expresses an opposition to Oil & Gas development in northern Colorado in general. No site specific concerns in regards to this proposed Oil & Gas location were expressed. This Form 2A complies with COGCC Rules, Regulations, and Policies. OGLA review completed and task passed.	05/17/2019

OGLA	<p>The following Director's Objective Criteria apply to this proposed Oil & Gas Location: 5c. - Sensitive Area for water resources.</p> <p>The proposed Oil & Gas Location lies within the Upper Crow Creek Designated Groundwater Basin, which makes it a sensitive area by COGCC definition. The estimated depth to groundwater is approximately 60 feet, which is not considered shallow. Oil & Gas operations are not likely to impact groundwater at this depth. There is an intermittent drainage in close proximity to the proposed Oil & Gas Location. COGCC staff have placed a Condition of Approval on the Form 2A requiring the operator to construct the location in a manner that will provide additional protection to this surface water feature from potential impacts due to Oil & Gas operations.</p>	05/17/2019
OGLA	Operator concurred with revising the estimated depth to groundwater, revising the Water Resources section to indicate YES this is a Sensitive Area as it lies within the Upper Crow Creek Designated Groundwater Basin, & they have indicated they do not plan to use previously permitted, but unbuilt, locations in this Section. Instead they will use the two new locations that are currently being permitted for this Section.	05/17/2019
OGLA	Requested operator concur with revising the estimated depth to groundwater, revise the Water Resources section to indicate YES this is a Sensitive Area, & provide info whether they plan to use previously permitted, but unbuilt, locations in this Section or use the two new locations that are currently being permitted for this Section. Due by 6/14/19.	05/14/2019
LGD	<p>This proposed oil and gas location is situated in the Agricultural Zone District of unincorporated Weld County. A Weld Oil and Gas Location Assessment (WOGLA) is required prior to constructing any improvements related to oil and gas exploration and production.</p> <p>At the time of this comment, the operator has not noticed the Weld County LGD of their intent to apply for a WOGLA.</p> <p>A building permit is required for the production facilities (tank battery, separators, pump jacks, compressors, generators, etc.) from the Department of Planning Services. Access points from County roads require an Access Permit from the Department of Public Works, which includes any necessary traffic control plans and Improvement Agreements. The use of County right-of-way requires a permit from the Department of Public Works.</p> <p>Jason Maxey, Weld Oil/Gas Specialist and LGD 970-400-3579</p>	02/20/2019
Permit	Corrected Surety ID. Passed completeness.	01/30/2019

Total: 12 comment(s)