

FORM
2A

Rev
04/01

State 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:
400055607

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 stand alone 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:
417387
Expiration Date:
05/20/2013

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: 10254
Name: RED MESA HOLDINGS/O&G LLC
Address: 5619 DTC PARKWAY - STE 800
City: GREENW State: CO Zip: 80111
OOD
VILLAGE

3. Contact Information

Name: Rich Larson
Phone: (970) 588-3302
Fax: (970) 588-3562
email: rlarson@redmesa1.com

4. Location Identification:

Name: Kennedy Number: 3
County: LA PLATA
Quarter: NWSW Section: 11 Township: 33N Range: 12W Meridian: N Ground Elevation: 6764

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: 1990 feet, from North or South section line: FSL and 706 feet, from East or West section line: FWL
Latitude: 37.116780 Longitude: -108.125640 PDOP Reading: 3.0 Date of Measurement: 11/17/2008

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

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

Other: _____

6. Construction:

Date planned to commence construction: 08/01/2010 Size of disturbed area during construction in acres: 1.00
Estimated date that interim reclamation will begin: 10/01/2010 Size of location after interim reclamation in acres: 0.90
Estimated post-construction ground elevation: 6764 Will a closed loop system be used for drilling fluids: Yes
Will salt sections be encountered during drilling: Yes No X Is H2S anticipated? Yes No X
Will salt (>15,000 ppm TDS Cl) or oil based muds be used: Yes No X
Mud disposal: Offsite X Onsite Method: Land Farming Land Spreading Disposal Facility X
Other: Air drilling

7. Surface Owner:

Name: Phone:
Address: Fax:
Address: Email:
City: State: Zip: Date of Rule 306 surface owner consultation: 10/13/2008
Surface Owner: X Fee State Federal Indian
Mineral Owner: X Fee State Federal Indian
The surface owner is: X 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 X 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:

X Well Surety ID: 20080005 Gas Facility Surety ID: Waste Mgnt. Surety ID:

9. Cultural:

Is the location in a high density area (Rule 603.b.): Yes No X
Distance, in feet, to nearest building: 730 , public road: 575 , above ground utilit: 565
, railroad: 15840 , property line: 601

10. Current Land Use (Check all that apply):

Crop Land: Irrigated Dry land Improved Pasture Hay Meadow CRP
Non-Crop Land: X Rangeland Timber Recreational Other (describe):
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: X Rangeland Timber Recreational Other (describe):
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 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: 76. Witt loam, 3-8% 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: _____

List individual species: big sagebrush, western wheatgrass, pinyon, and Rocky Mountain juniper

Check all plant communities that exist in the disturbed area.

- Disturbed Grassland (Cactus, Yucca, Cheatgrass, Rye)
- Native Grassland (Bluestern, 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): _____

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: 870, water well: 570, depth to ground water: 81

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 Suppl 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 has been required per the Refiled Form 2 for this well. No improvements within 400' of location other than those shown on Location Drawing. Depth to groundwater info obtained from average of proximate water wells' reports. This location is in a sensitive water area per a 2002 Wright Water Engineers report and a 2007 COGCC Memo from Karen Spray (attached) to Star Acquisition (previous operator) and various landowners.

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

Signed: _____ Date: 04/28/2010 Email: tim@finneyland.com

Print Name: Tim G. Kelley 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.

David S. Neshin

COGCC Approved: _____

Director of COGCC

Date: 5/21/2010

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.

Location is in a sensitive area because of proximity to domestic water well; therefore, production pits must be lined.

Location is in a sensitive area because of proximity to domestic water well; therefore, either a lined drilling pit or closed loop system must be implemented.

Attachment Check List

Att Doc Num	Name	Doc Description
2033103	CORRESPONDENCE	LF@2465432 2033103
400055607	FORM 2A SUBMITTED	LF@2459594 400055607
400055717	SENSITIVE AREA DATA	LF@2459595 400055717
400055718	LOCATION DRAWING	LF@2459596 400055718
400055719	HYDROLOGY MAP	LF@2459597 400055719
400055722	REFERENCE AREA MAP	LF@2459598 400055722
400055726	ACCESS ROAD MAP	LF@2459599 400055726
400055731	NRCS MAP UNIT DESC	LF@2459600 400055731
400055733	PROPOSED BMPs	LF@2459601 400055733
400055736	PROPOSED BMPs	LF@2459602 400055736
400058186	LOCATION PICTURES	LF@2459603 400058186

Total Attach: 11 Files