

**FORM
2A**Rev
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



DE ET OE ES

Document Number:

400079334

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:

419203

Expiration Date:

09/07/2013☒ 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: GREENWOOD VILLAGE State: CO Zip: 80111

3. Contact Information

Name: Richard Larson

Phone: (970) 588-3302

Fax: (970) 588-3562

email: rlarson@redmesa1.com

4. Location Identification:

Name: F #1 Number: 34-1

County: LA PLATA

QuarterQuarter: NESE Section: 34 Township: 33N Range: 12W Meridian: N Ground Elevation: 6543

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: 2035 feet, from North or South section line: FSL and 604 feet, from East or West section line: FEL

Latitude: 37.059550 Longitude: -108.130340 PDOP Reading: 3.0 Date of Measurement: 01/14/2010

Instrument Operator's Name: Scott Weibe

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

Other: _____

6. Construction:

Date planned to commence construction: 10/01/2010 Size of disturbed area during construction in acres: 1.10
Estimated date that interim reclamation will begin: 12/01/2010 Size of location after interim reclamation in acres: 0.92
Estimated post-construction ground elevation: 6543 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: Air drilling

7. Surface Owner:

Name: _____ Phone: _____
Address: _____ Fax: _____
Address: _____ Email: _____
City: _____ State: _____ Zip: _____ Date of Rule 306 surface owner consultation: 12/28/2009
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: 20080005 ☐ 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: 5000, public road: 1250, above ground utilit: 5000
, railroad: 26400, property line: 604

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): _____
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): _____
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: 76. Witt loam, 3 to 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: 1200, water well: 2950, depth to ground water: 108

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:

No visible improvements within 400' of location other than those shown on Location Drawing. Surrounding land is all private grazing or rangeland. This location is in a sensitive water area per a 2002 Wright Water Engineers Report and a 2007 COGCC Memo from Karen Spray to Star Acquisitions (previous operator) and various landowners. Depth to groundwater information obtained from proximate water wells' reports. The reference area is located adjacent to the proposed well pad to the north on undisturbed land.

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

Signed: _____ Date: 07/23/2010 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. Neslin

COGCC Approved: _____ Director of COGCC Date: 9/8/2010

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.

Attachment Check List

Att Doc Num	Name	Doc Description
2033311	CORRESPONDENCE	LF@2525884 2033311
400079334	FORM 2A SUBMITTED	LF@2512561 400079334
400079381	LOCATION DRAWING	LF@2512562 400079381
400079382	HYDROLOGY MAP	LF@2512563 400079382
400079383	ACCESS ROAD MAP	LF@2512564 400079383
400079385	NRCS MAP UNIT DESC	LF@2512565 400079385
400079386	LOCATION PICTURES	LF@2512566 400079386
400079401	PROPOSED BMPs	LF@2512567 400079401

Total Attach: 8 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	PERMITTING PASSED	9/7/2010 12:40:48 PM
OGLA	Initiated/Completed OGLA Form 2A review on 08-03-10 by Dave Kubeczko; requested clarifications from operator on 08-03-10; received clarifications from operator on 08-03-10; conducted CDOW consultation at location on 08-05-10; passed by CDOW on 08-19-10, with CDOW recommended wildlife friendly seed mix acceptable to owner and operator; passed OGLA Form 2A review on 08-19-10 by Dave Kubeczko; no COAs.	8/19/2010 12:23:42 PM
DOW	CDOW has provided the landowner and operator recommended wildlife friendly seed mix. CDOW will continue to work with the landowner and operator on the wildlife friendly seed mix to be used in reclamation based on seed availability and landowner preference.	8/19/2010 12:23:42 PM

Total: 3 comment(s)

Error: Subreport could not be shown.