

BOPCO L.P.

SURFACE USE PLAN

YELLOW CREEK FEDERAL 4-11- PAD
(ALL WELLS ON PAD)
Lot 8, Section 4, T1S, R98W, 6th P.M.
Rio Blanco County, Colorado
Federal Lease: COC-59393

WELL LOCATION & INTRODUCTION:

The White River Field Office will be notified 48 hours prior to construction, 24 hours prior to move in of the drilling rig and 24 hours prior to commencing of reclamation work.

1. LOCATION OF EXISTING ROADS

- a. From White River City, Colorado travel southwesterly on County Road #5 for approximately 4.6 miles to County Road # 20. Turn right and travel westerly on County road #20 for approximately 5.0 miles to a "Y" intersection. Turn right onto County road #122 and travel southwesterly for approximately 5.2 miles to the existing lease road into the area. Turn left and travel southeasterly for approximately 1.1 miles to the well site area.
- b. The use of roads under State and County Road Department maintenance is necessary to access the existing wellsite. However, an encroachment permit is not anticipated since no upgrades to the State or County Road system are proposed at this time.
- c. All existing roads will be maintained and kept in good repair during all phases of operation.
- d. Vehicle operators will obey posted speed restrictions and observe safe speeds commensurate with road and weather conditions.

2. NEW OR RECONSTRUCTED ACCESS ROADS:

- a. From the existing lease road that accesses Section 4 a new road is proposed trending west 2,055' to the proposed well site. The access consists of entirely new disturbance and crosses no significant drainages.
 - b. A road design plan is not anticipated at this time.
 - c. The proposed access road will consist of a 24' travel surface within a 30' disturbed area across entirely BLM administered federal lands.
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- d. BLM approval to construct and utilize the proposed access road is requested with this application.
- e. A maximum grade of 10% will be maintained throughout the project.
- f. No turnouts are proposed since the road is only 2,055' long and adequate site distance exists in all directions.
- g. No low water crossings and no culverts are anticipated. Adequate drainage structures will be incorporated into the road.
- h. No surfacing material will come from federal lands.
- i. No gates or cattle guards are anticipated at this time.
- j. Surface disturbance and vehicular travel will be limited to the approved location access road.
- k. All access roads and surface disturbing activities will conform to the standards outlined in the Bureau of Land Management and Forest Service publication: Surface Operating Standards and Guidelines for Oil and Gas Exploration and Development (Gold Book –Fourth Edition - Revised 2007).
- l. The operator will be responsible for all maintenance of the access road including drainage structures.
- m. All access roads will be maintained as necessary to prevent erosion and accommodate year-round traffic. The road will be maintained in a safe condition.
- n. An off-lease federal right-of-way is not anticipated for the access road or utility corridor since both are located within the existing lease area.

3. LOCATION OF EXISTING WELLS:

- a. Topographic Map "C" (Sheet 9) has a map reflecting these wells within a one mile radius of the proposed well.

4. LOCATION OF EXISTING AND/OR PROPOSED PRODUCTION FACILITIES:

- a. Production facilities will be installed following drilling of the initial well from this pad as reflected on Sheets 3b and 6 of the plat package. The facilities are adjacent to the well pad and along the proposed access corridor to minimize relocation and surface disturbance when future directional drilling occurs from this pad. Existing facilities will be moved and replaced to accommodate future drilling activity on this pad.
- b. The pad has been staked at its maximum size; however it will be constructed smaller if possible, depending upon rig availability. Should the layout change, this application will be amended and approved utilizing a sundry notice.
- c. Site preparation for the drilling or production tank battery area will be

done with standard excavation equipment using native materials. If additional surface material (gravel) is needed it will be obtained from a commercial sources or an approved borrow area.

- d. Production equipment will be painted light reflective colors to limit evaporation and waste of liquid hydrocarbons. All above ground permanent structures including production equipment will be painted Juniper Green to blend with the surrounding landscape.
- e. Production facilities may vary according to actual reservoir discovered and will be engineered upon completion of well tests. If the well is a producer, all production facilities will be authorized by Sundry Notice.
- f. Any necessary pits will be properly fenced to prevent any wildlife and livestock entry.
- g. Rehabilitation of unneeded, previously disturbed areas will consist of backfilling and contouring the reserve pit area, back sloping and contouring all cut and fill slopes. These areas will be re-seeded. Refer to plans for restoration of surface for additional details.
- h. Pits, which contain hydrocarbons, will be netted.
- i. A dike shall be constructed around the tank battery, of sufficient capacity to contain at least 110 percent of the storage capacity of the largest tank within the dike.
- j. Pursuant to On-Shore Order No 7, the operator requests permission for a lined disposal pit for produced water from this well for a period of 90 days after the date of initial production. A permanent disposal method will be established prior to the end of this 90-day period. In order to meet this deadline, an application for the proposed permanent disposal method will be submitted along with any necessary water analyses, in compliance with NTL-2B as soon as possible, but no later than 45 days after the date of first production. Any method of disposal which has not been approved prior to the end of the authorized 90-day period will be considered as an incident of Noncompliance and will be grounds for issuing a shut-in order until an acceptable manner for disposing of said water is provided and approved by the BLM.
- k. The pit will be lined with 12 mil minimum thickness synthetic reinforced liner material. The liner will overlay a felt liner pad only if rock is encountered during excavation. The pit liner will overlap the pit walls and be covered with dirt and/or rocks to hold it in place. No trash, scrap pipe, etc., that could puncture the liner will be disposed of in the pit. Pit walls will be sloped no greater than 2:1. A minimum 2-foot freeboard will be maintained in the pit at all times during operation.
- l. The site will require periodic maintenance to ensure that drainages are kept open and free of debris, ice, and snow, and that surfaces are properly treated to reduce erosion, fugitive dust, and impacts to adjacent areas.
- m. A pipeline corridor containing a single steel gas pipeline and a single steel or poly pipe water pipeline is associated with this application and is being applied for at this time. The proposed pipeline corridor will

leave the southeast side of the well site and traverse 2,135' east then to the existing Yellow Creek pipeline corridor.

- n. The gas pipeline will be a 6" buried steel line and the water pipeline will be a 3" buried poly line within a 50' wide disturbed pipeline corridor. Construction of the pipeline corridor will temporarily utilize the 50' disturbed width then reduce to a 30' wide permanent corridor. The use of the proposed well site and access roads will facilitate the staging of the pipeline corridor construction. A new buried pipeline corridor length of approximately 2,135' is associated with this well.
- o. BOPCO, L.P. intends to bury the pipeline where possible and connect the pipeline together utilizing conventional welding technology.

5. LOCATION OF WATER SUPPLY

- a. No water supply pipelines will be laid for this well.
- b. No water well will be drilled for this well.
- c. Drilling water for this well will be hauled over the approved access road(s) shown within the attached map set.
- d. Water for construction, drilling, dust suppression and operations will be utilized from one of the following sources:

Structure	Approp. Date	Decree Date	Amount	Priority No.	Case No.
Imes, Reynolds & Mckell Ditch	11/16/1888	10/2/1899	13.1 cfs	119	C.A. 82
Imes, Reynolds & Mckell Ditch	1/1/1889	5/23/1902	2.20 cfs	130	C.A. 111
Imes, Reynolds & Mckell Ditch	5/18/1899	5/23/1902	1.60 cfs	131	C.A. 111
Imes, Reynolds & Mckell Ditch	11/18/1957	11/21/1966	1.00 cfs	629	C.A. 1269
Imes, Reynolds & Mckell Ditch	11/20/1957	11/21/1966	3.70 cfs	631	C.A. 1269
Imes, Reynolds & Mckell Ditch	5/4/1964	11/21/1966	2.05 cfs	739	C.A. 1269
George S. Witter Ditch	4/15/1887	10/2/1899	2.50 cfs	117	C.A. 83
George S. Witter Ditch	7/15/1898	10/2/1919	1.90 cfs	118	?
George S. Witter Ditch	5/1/1902	9/14/1916	2.60 cfs	216	C.A. 285
George S. Witter Ditch	11/7/1957	11/21/1966	7.90 cfs	616	C.A. 1269

- e. The secondary water supply for construction, drilling, dust suppression and operations will be provided by the city of Meeker, a local source of

municipal water, through a direct water purchase.

6. SOURCE OF CONTRUCTION MATERIALS

- a. Constructions materials will consist of native materials from borrow ditches and location areas.
- b. The use of materials will conform to 43 CFR 3610.2-3.
- c. No construction materials will be removed from BLM lands.
- d. If any gravel is used, it will be obtained from a state approved gravel pit.

7. WASTE DISPOSAL

- a. Drill cuttings will be buried within a pit constructed specifically for cuttings management. No other trash or debris will be disposed of in the cuttings pit.
- b. Cuttings pits will be located and constructed as shown on Sheet 3a. Future cuttings pits have been sited for the drilling of subsequent directional wells.
- c. Drilling fluid will be a closed loop system, and recycle the drilling fluid for the next well. Extra drilling fluid will be stored in tanks at the drilling rig.
- d. Produced fluid will be contained in test tanks during completion and testing.
- e. Sewage disposal facilities will be in accordance with State and Local regulations. Sewage may not be buried on location or put in a borehole.
- f. Garbage and other waste will be contained in a portable bear proof trash cage which will be totally enclosed with small mesh wire or dumpsters. The cage or dumpster contents will be transported to and trash dumped at a Colorado Department of Public Health and Environment (CDPHE) approved Sanitary Landfill upon completion of operations.
- g. Trash will be picked up if scattered and contained in trash container as soon as practical after rig is moved off location.
- h. If any pits are built, they will be fenced "stock tight" on three sides during drilling operations and on fourth side at time of rig release. Pit will remain fenced until backfilled. Fencing to be 3 ft height-woven wire with two strands of barbed wire above.
- i. Upon release of the drilling rig, rathole and mousehole will be filled. Debris and excess equipment will be removed.

8. ANCILLARY FACILITIES

- a. Garbage Containers and Portable Toilets are the only ancillary facilities proposed in this application.
- b. No camps, airstrips or staging areas are proposed with this application.

9. WELL SITE LAYOUT

- a. See attached plat package Sheet 1a through 9.
- b. The present site has no reserve pit and plans are to go only with a cuttings pit of 50 ft x 50 ft x 12 ft deep.
- c. All cut /fill slopes are 1.5:1, Back slopes to be 2:1 or shallower.
- d. Flare pit for drilling operations will (if used) to be located minimum 100 ft. from well bore.
- e. The well will be properly identified in accordance with 43 CFR 3162.6.
- f. Pits will remain fenced until site cleanup.

10. PLANS FOR RESTORATION OF THE SURFACE (INTERIM RECLAMATION AND FINAL RECLAMATION)

- a. Site reclamation for a producing well will be accomplished for portions of the site not required for the continued operation of the well.
- b. Upon well completion, any hydrocarbons in the pit shall be removed in accordance with 43 CFR 3162.7-1. The pit and that portion of the location not needed for production facilities/operations will be re-contoured to the approximate natural contours.
- c. Following BLM published Best Management Practices the interim reclamation will be completed within 90 days of completion of the final planned directional well to reestablish vegetation, reduce dust and erosion and compliment the visual resources of the area.
- d. All equipment and debris will be removed from the area proposed for interim reclamation and the pit area will be backfilled and re-contoured.
- e. The area outside of the rig anchors and other disturbed areas not needed for the operation of the well will be re-contoured to blend with the surrounding area and reseeded as prescribed within the BLM approval documents
- f. Reclaimed areas receiving incidental disturbance during the life of the producing well will be re-contoured and reseeded as soon as practical.
- g. The Operator will control noxious weeds along access road use authorizations, pipeline route authorizations, well sites, or other applicable facilities by spraying or mechanical removal. A list of noxious weeds may be obtained from the BLM or the appropriate County Extension Office. On BLM administered land, it is required that

- a Pesticide Use Proposal be submitted and approved prior to the application of herbicides, pesticides or possibly hazardous chemicals.
- h. Prior to final abandonment of the site, all disturbed areas, including the access road, will be scarified and left with a rough surface. The site will then be seeded and/or planted as prescribed by the BLM. The BLM recommended seed mix will be detailed within their approval documents.

11. GENERAL INFORMATION

- a. Project area is situated in the undulating uplands south of the White River.
 - b. Topographic and geologic features – moderate – relief area, well drained, sand and silt deposition, surrounded by rock outcrops with moderately eroded drainages.
 - c. Soil characteristics – clay/loam
 - d. Flora consists of: Juniper, Pinyon pine, Big sagebrush, Silver sagebrush, Matchbrush, Phlox, Prickly pear, Winterfat, Bluebunch wheatgrass, Indian ricegrass, Needle and thread, Groundsel, and Western wheatgrass.
 - e. Fauna – mule deer, elk, coyote, rabbits, raptors, prairie dogs, and rodents.
 - f. Concurrent surface use – grazing and wildlife habitat.
 - g. Mineral Owner – Federal, managed by the Bureau of Land Management – White River Field Office, 220 East Market Street, Meeker, Colorado 81641.
 - h. Surface Owner – Federal, managed by the Bureau of Land Management – White River Field Office, 220 East Market Street, Meeker, Colorado 81641.
 - i. Cultural Clearance for the referenced project is pending at this time and will be completed as soon as snow conditions allow.
 - j. If any fossils are discovered during construction, operator shall cease construction immediately and notify the Authorized Officer so as to determine the significance of the discovery.
 - k. The operator is responsible for informing all persons in the area who are associated with this project that they will be subject to prosecution for knowingly disturbing historic or archaeological sites, or for collecting artifacts. If historic or archaeological materials are uncovered during construction, the operator is to immediately stop work that might further disturb such materials, and contact the authorized officer (AO). Within five working days the AO will inform the operator as to: whether the materials appear eligible for the National Register of Historic Places; the mitigation measures the operator will likely have to undertake before the site can be used (assuming in site preservation is not necessary); and, a timeframe for the AO to complete and expedite
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review under 36 CFR 800-111 to confirm, through the State Historic Preservation Officer, that the findings of the AO are correct and that mitigation is appropriate.

- l. If the operator wishes, at any time, to relocate activities to avoid the expense of mitigation and/or the delays associated with this process, the AO will assume responsibility for whatever recordation and stabilization of the exposed materials may be required. Otherwise, the operator will be responsible for mitigation costs. The AO will provide technical and procedural guidelines for the conduct of mitigation. Upon verification from the AO that the required mitigation has been completed, the Operator will then be allowed to resume construction.
- m. Hazardous Materials:
- n. BOPCO L.P. maintains a file, per 29 CFR 1910.1200(g) containing current Material Safety Data Sheets (MSDS) for all chemicals, compounds, and/or substances which are used during the course of construction, drilling, completion, and production operations for this project. Hazardous materials (substances) which may be transported across these lands may include drilling mud and cementing products which are primarily inhalation hazards, fuel (flammable and/ or combustible), materials that may be necessary for well completion/stimulation activities such as flammable or combustible substances and acids/gels (corrosives). The opportunity for Superfund Amendments and Reauthorization Act (SARA) listed Extremely Hazardous Substances (EHS) at the site is generally limited to proprietary treating chemicals. All hazardous substances and EHSs and commercial preparations will be handled in an appropriate manner to minimize the potential for leaks or spills to the environment.

10) **LESSEE'S OR OPERATOR REPRESENTATIVE:**

Operator: BOPCO L.P., 9949 South Oswego Street, Suite 200, Parker, CO., 80134, Attn: Trent W. Green, Division Production Manager, 303-799-5080, twgreen@basspet.com.

Drilling Agent: New Tech Engineering, Bruce M. Patterson, Chief Engineer, 600 17th Street, Suite 2550 South, Denver, CO., 80202, 303-629-9334, bpatterson@newtecheng.com.

Permit Agent: Buys & Associates, Inc., Don Hamilton, 2580 Creekview Road, Moab, Utah 84532; 435-719-2018, starpont@etv.net.

Certification:

I hereby certify that I, or someone under my direct supervision, have inspected the drill site and access route proposed herein; that I am familiar with the conditions which currently exists; that I am familiar with the conditions which currently exist; that I have full knowledge of state and Federal laws applicable to this operation; that the statements made in this APD package are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed in conformity with this APD package and the terms and conditions under which it is approved. I also certify that I, or the company I represent, am responsible for the operations conducted under this application and that bond coverage is provided under BOPCO, LP's BLM bond COB 000050. These statements are subject to the provisions of 18 U.S.C. 1001 for the filing of false statements.

Executed this 5th day of February, 2008.

Trent W. Green

Trent W. Green – Division Production Manager
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