

<p>FORM 2A Rev 04/01</p>	<p>State of Colorado Oil and Gas Conservation Commission 1120 Lincoln Street, Suite 801, Denver, Colorado 80205 Phone: (303) 894-2100 Fax: (303) 894-2109</p>		<table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td style="width:25%;">DE</td> <td style="width:25%;">ET</td> <td style="width:25%;">OE</td> <td style="width:25%;">ES</td> </tr> </table>	DE	ET	OE	ES																					
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			<p>Document Number: 400141517</p>																									
<p>Oil and Gas Location Assessment</p>																												
<p><input checked="" type="checkbox"/> New Location <input type="checkbox"/> Amend Existing Location Location#: _____</p>																												
<p>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.</p>			<p>Location ID: 422693</p> <p>Expiration Date: 04/16/2014</p>																									
<p><input checked="" type="checkbox"/> This location assessment is included as part of a permit application.</p>																												
<p>1. CONSULTATION</p> <p><input type="checkbox"/> This location is included in a Comprehensive Drilling Plan. CDP # _____</p> <p><input type="checkbox"/> This location is in a sensitive wildlife habitat area.</p> <p><input type="checkbox"/> This location is in a wildlife restricted surface occupancy area.</p> <p><input type="checkbox"/> This location includes a Rule 306.d.(1)A.ii. variance request.</p>																												
<p>2. Operator</p> <p>Operator Number: <u>49888</u></p> <p>Name: <u>LARIO OIL & GAS COMPANY</u></p> <p>Address: <u>PO BOX 29</u></p> <p>City: <u>DENVER</u> State: <u>CO</u> Zip: <u>80201</u></p>		<p>3. Contact Information</p> <p>Name: <u>Christopher Noonan</u></p> <p>Phone: <u>(303) 820-4480</u></p> <p>Fax: <u>(303) 820-4124</u></p> <p>email: <u>bob@banko1.com</u></p>																										
<p>4. Location Identification:</p> <p>Name: <u>Tebo</u> Number: <u>29-1H</u></p> <p>County: <u>ARAPAHOE</u></p> <p>Quarter: <u>SESE</u> Section: <u>29</u> Township: <u>4S</u> Range: <u>64W</u> Meridian: <u>6</u> Ground Elevation: <u>5858</u></p> <p>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.</p> <p>Footage at surface: <u>265</u> feet <u>FSL</u>, from North or South section line, and <u>765</u> feet <u>FEL</u>, from East or West section line.</p> <p>Latitude: <u>39.667460</u> Longitude: <u>-104.568360</u> PDOP Reading: <u>1.1</u> Date of Measurement: <u>03/02/2011</u></p> <p>Instrument Operator's Name: <u>R. Daley</u></p>																												
<p>5. Facilities (Indicate the number of each type of oil and gas facility planned on location):</p> <table style="width:100%; border-collapse: collapse;"> <tr> <td>Special Purpose Pits: <input type="text" value="0"/></td> <td>Drilling Pits: <input type="text" value=""/></td> <td>Wells: <input type="text" value="1"/></td> <td>Production Pits: <input type="text" value="0"/></td> <td>Dehydrator Units: <input type="text" value="0"/></td> </tr> <tr> <td>Condensate Tanks: <input type="text" value="0"/></td> <td>Water Tanks: <input type="text" value="2"/></td> <td>Separators: <input type="text" value="2"/></td> <td>Electric Motors: <input type="text" value="1"/></td> <td>Multi-Well Pits: <input type="text" value="0"/></td> </tr> <tr> <td>Gas or Diesel Motors: <input type="text" value="0"/></td> <td>Cavity Pumps: <input type="text" value="2"/></td> <td>LACT Unit: <input type="text" value="0"/></td> <td>Pump Jacks: <input type="text" value="1"/></td> <td>Pigging Station: <input type="text" value="0"/></td> </tr> <tr> <td>Electric Generators: <input type="text" value="1"/></td> <td>Gas Pipeline: <input type="text" value="1"/></td> <td>Oil Pipeline: <input type="text" value="1"/></td> <td>Water Pipeline: <input type="text" value="0"/></td> <td>Flare: <input type="text" value="1"/></td> </tr> <tr> <td>Gas Compressors: <input type="text" value="0"/></td> <td>VOC Combustor: <input type="text" value="1"/></td> <td>Oil Tanks: <input type="text" value="3"/></td> <td>Fuel Tanks: <input type="text" value="0"/></td> <td></td> </tr> </table> <p>Other: <u>Meter Run, cuttings trench</u></p>				Special Purpose Pits: <input type="text" value="0"/>	Drilling Pits: <input type="text" value=""/>	Wells: <input type="text" value="1"/>	Production Pits: <input type="text" value="0"/>	Dehydrator Units: <input type="text" value="0"/>	Condensate Tanks: <input type="text" value="0"/>	Water Tanks: <input type="text" value="2"/>	Separators: <input type="text" value="2"/>	Electric Motors: <input type="text" value="1"/>	Multi-Well Pits: <input type="text" value="0"/>	Gas or Diesel Motors: <input type="text" value="0"/>	Cavity Pumps: <input type="text" value="2"/>	LACT Unit: <input type="text" value="0"/>	Pump Jacks: <input type="text" value="1"/>	Pigging Station: <input type="text" value="0"/>	Electric Generators: <input type="text" value="1"/>	Gas Pipeline: <input type="text" value="1"/>	Oil Pipeline: <input type="text" value="1"/>	Water Pipeline: <input type="text" value="0"/>	Flare: <input type="text" value="1"/>	Gas Compressors: <input type="text" value="0"/>	VOC Combustor: <input type="text" value="1"/>	Oil Tanks: <input type="text" value="3"/>	Fuel Tanks: <input type="text" value="0"/>	
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6. Construction:

Date planned to commence construction: 05/23/2011 Size of disturbed area during construction in acres: 4.90
Estimated date that interim reclamation will begin: 08/23/2011 Size of location after interim reclamation in acres: 2.90
Estimated post-construction ground elevation: 5858 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: _____

7. Surface Owner:

Name: _____ Phone: _____
Address: _____ Fax: _____
Address: _____ Email: _____
City: _____ State: _____ Zip: _____ Date of Rule 306 surface owner consultation: 01/13/2011
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: 20100085 Gas Facility Surety ID: _____ Waste Mgmt. Surety ID: _____

9. Cultural:

Is the location in a high density area (Rule 603.b.): Yes No
Distance, in feet, to nearest building: 4100, public road: 3470, above ground utilit: 3490
, railroad: 5280, property line: 265

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 used when segregating topsoil.

IMPORTANT: SOME DATA FIELDS HAVE BEEN MODIFIED.

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: FoC - Fondis-Colby silt loams, 3 to 5 percent slopes

NRCS Map Unit Name: RhE - Renohill-Buick loams, 9 to 20 percent slopes

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: Western wheatgrass, Green needlegrass, Kentucky bluegrass, Slender wheatgrass, Needleandthread, Sideoats grama, Little bluestem, Fendler threeawn, Sand dropseed, Threadleaf sedge, Prairie junegrass

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):

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: 1460, water well: 1880, depth to ground water: 80

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:

Depth to ground water determined from Water Well Permit # 42011, which is the closest water well with depth to groundwater information. This water well lies to the SE of the location. The closest water well is the same well, Water Well Permit # 42011.

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

Signed: _____ Date: 03/16/2011 Email: bob@banko1.com

Print Name: Christopher A. Noonan Title: Permit Agent

IMPORTANT: SOME DATA FIELDS HAVE BEEN MODIFIED.

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: 4/17/2011

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.

Attachment Check List

Att Doc Num	Name
2085976	CORRESPONDENCE
400141517	FORM 2A SUBMITTED
400141551	LOCATION PICTURES
400141552	LOCATION DRAWING
400141553	HYDROLOGY MAP
400141555	REFERENCE AREA PICTURES
400141556	NRCS MAP UNIT DESC
400143266	WELL LOCATION PLAT
400143271	ACCESS ROAD MAP

Total Attach: 9 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
OGLA	Deleted 1 drilling pit, added 1 "cuttings trench".	4/8/2011 11:13:46 AM
Permit	THE SETBACKS ARE OK	3/28/2011 11:18:28 AM
Permit	On hold waiting This well appears to close to lease line and is 716 feet from another well.	3/18/2011 6:09:24 AM

Total: 3 comment(s)

BMP

<u>Type</u>	<u>Comment</u>

Total: 0 comment(s)