

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:
400149991

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 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.

Location ID:
422945
Expiration Date:
04/28/2014

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: 10340
Name: SUNDANCE ENERGY INC
Address: 380 INTERLOCKEN CRESCENT - STE #601
City: BROOMFIELD State: CO Zip: 80021

3. Contact Information

Name: Kallasandra Moran
Phone: (303) 928-7128
Fax: (303) 962-6237
email: kmoran@petro-fs.com

4. Location Identification:

Name: Schell Number: 42-6
County: WELD
QuarterQuarter: NENE Section: 6 Township: 3N Range: 67W Meridian: 6 Ground Elevation: 4916
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: 195 feet FNL, from North or South section line, and 1180 feet FEL, from East or West section line.
Latitude: 40.262120 Longitude: -104.927550 PDOP Reading: 1.8 Date of Measurement: 03/23/2011
Instrument Operator's Name: LK Stevenson / PFS

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"/>	Wells: <input type="text" value="2"/>	Production Pits: <input type="checkbox"/>	Dehydrator Units: <input type="checkbox"/>
Condensate Tanks: <input type="checkbox"/>	Water Tanks: <input type="text" value="1"/>	Separators: <input type="text" value="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"/>	Pigging Station: <input type="checkbox"/>
Electric Generators: <input type="checkbox"/>	Gas Pipeline: <input type="checkbox"/>	Oil Pipeline: <input type="checkbox"/>	Water Pipeline: <input type="checkbox"/>	Flare: <input type="text" value="1"/>
Gas Compressors: <input type="checkbox"/>	VOC Combustor: <input type="checkbox"/>	Oil Tanks: <input type="text" value="2"/>	Fuel Tanks: <input type="checkbox"/>	

Other: _____

6. Construction:

Date planned to commence construction: 06/30/2011 Size of disturbed area during construction in acres: 2.07
Estimated date that interim reclamation will begin: 10/11/2011 Size of location after interim reclamation in acres: 1.00
Estimated post-construction ground elevation: 4916 Will a closed loop system be used for drilling fluids: Yes [X]
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 [X] Land Spreading [] Disposal Facility []
Other: _____

7. Surface Owner:

Name: _____ Phone: _____
Address: _____ Fax: _____
Address: _____ Email: _____
City: _____ State: _____ Zip: _____ Date of Rule 306 surface owner consultation: 04/05/2011
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: [X] 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:

[X] Well Surety ID: 20100117 [] Gas Facility Surety ID: _____ [] Waste Mgmt. Surety ID: _____

9. Cultural:

Is the location in a high density area (Rule 603.b.): Yes [] No [X]
Distance, in feet, to nearest building: 426 , public road: 195 , above ground utilit: 223
, railroad: 4870 , property line: 150

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

Crop Land: [X] 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: [X] 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.

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: 82 - Wiley-Colby complex - 1-3% 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: _____

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: 888, water well: 6600, depth to ground water: 148

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:

The closest water well is an Unnamed well owned by Donald Hepp (Permit # 271611/Receipt #3609237) I certify that there have been no changes on land use, lease description. Pad has not been built. Wells have not been drilled. Conductors have not been set. No rig on site. The location does not require a variance from any of the rules listed in Rule 306.d. (1). (A). (ii). The location is not in a restricted surface occupancy area. The location is not in a sensitive wildlife habitat area.

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

Signed: _____ Date: 04/05/2011 Email: kmoran@petro-fs.com

Print Name: Kallasandra M. Moran Title: Regulatory Analyst

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. Nesline

Director of COGCC

Date: 4/29/2011

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
1693984	MULTI-WELL PLAN
400149991	FORM 2A SUBMITTED
400149992	LOCATION PICTURES
400149993	LOCATION DRAWING
400149995	HYDROLOGY MAP
400149996	ACCESS ROAD MAP
400149997	MULTI-WELL PLAN
400149998	NRCS MAP UNIT DESC

Total Attach: 8 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Received Exception Location and Twinning Requests and waivers. plg.	4/27/2011 10:18:58 AM
Permit	ON HOLD: Requesting Exception Location docs for form 2's. plg.	4/25/2011 2:16:51 PM
Permit	Received Mulit-Well Plan. plg.	4/25/2011 2:16:32 PM
Permit	ON HOLD: requesting a Multi-Well Plan. plg.	4/21/2011 2:22:39 PM

Total: 4 comment(s)

BMP

<u>Type</u>	<u>Comment</u>
Construction	Remove only the minimum amount of vegetation necessary for the construction of roads and facilities. Conserve topsoil during excavation and reuse as cover on disturbed areas to facilitate regrowth of vegetation. No construction or routine maintenance activities will be performed during periods when the soil is too wet to adequately support construction equipment.
Planning	When feasible develop multiple well sites by using directional drilling to reduce cumulative impacts and adverse impacts on wildlife resources.
Interim Reclamation	Utilize only such area around each producing well as is reasonably necessary. Restore the remainder of the well site location to its original condition within a reasonable time after the completion of operations. All reseeding shall be done with grasses consistent with the Rocky Mountain native mix or other grasses reasonably requested by surface owner and during planting period suggested by Owner.
Site Specific	Fence the well site after drilling to restrict public and wildlife access. Keep well site location, the road, and the pipeline easement free of noxious weeds, litter and debris. Spray for noxious weeds, and implement dust control, as needed. Sundance Energy will not permit the release or discharge of any toxic or hazardous chemicals or wastes on Owner's Land. Construct and maintain gates where any roads used by Sundance Energy cross through fences on the leased premises.
Final Reclamation	All surface restoration shall be accomplished to the satisfaction of Owner. All reseeding shall be done with grasses consistent with the Rocky Mountain native mix or other grasses reasonably requested by surface owner and during planting period suggested by Owner. Final reclamation shall be completed to the reasonable satisfaction of the Owner as soon as practical after installation (weather permitting) and in accordance with regulatory agency standards(BLM/COGCC).
Drilling/Completion Operations	Use a closed-loop drilling mud system to preclude the use of an earthen reserve pits when available.
Storm Water/Erosion Control	Use water bars, and other measures to prevent erosion and nonsource pollution. Implement and maintain BMPs to control stormwater runoff in a manner that minimizes erosion, transport of sediment offsite, and site degradation. Co-locate gas and water gathering lines whenever feasible, and mitigate any erosion problems that arise due to the construction of any pipeline(s).

Total: 7 comment(s)