

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:
400164359

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:
423653
Expiration Date:
06/16/2014

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: 100264
Name: XTO ENERGY INC
Address: 382 CR 3100
City: AZTEC State: NM Zip: 87410

3. Contact Information

Name: Kelly Kardos
Phone: (505) 333-3145
Fax: (505) 213-0546
email: kelly_kardos@xtoenergy.com

4. Location Identification:

Name: APACHE CANYON Number: 30-07
County: LAS ANIMAS
Quarter: SWNE Section: 30 Township: 34S Range: 67W Meridian: 6 Ground Elevation: 7845
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: 1952 feet FNL, from North or South section line, and 2051 feet FEL, from East or West section line.
Latitude: 37.057167 Longitude: -104.927291 PDOP Reading: 6.0 Date of Measurement: 01/27/2011
Instrument Operator's Name: GARY TERRY

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

| | | | | |
|--|---|--|---|--|
| Special Purpose Pits: <input type="text" value="0"/> | Drilling Pits: <input type="text" value="1"/> | Wells: <input type="text" value="1"/> | Production Pits: <input type="text" value="1"/> | 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="1"/> | Electric Motors: <input type="text" value="0"/> | Multi-Well Pits: <input type="text" value="0"/> |
| Gas or Diesel Motors: <input type="text" value="0"/> | Cavity Pumps: <input type="text" value="0"/> | 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="0"/> | Gas Pipeline: <input type="text" value="1"/> | Oil Pipeline: <input type="text" value="0"/> | Water Pipeline: <input type="text" value="1"/> | Flare: <input type="text" value="0"/> |
| Gas Compressors: <input type="text" value="1"/> | VOC Combustor: <input type="text" value="0"/> | Oil Tanks: <input type="text" value="0"/> | Fuel Tanks: <input type="text" value="0"/> | |

Other: GAS AND/OR DIESEL MOTORS WILL BE USED FOR THE DRILLING RIG

6. Construction:

Date planned to commence construction: 06/12/2011 Size of disturbed area during construction in acres: 1.05
Estimated date that interim reclamation will begin: 08/12/2011 Size of location after interim reclamation in acres: 0.74
Estimated post-construction ground elevation: 7833 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
Other: BURY/HAUL

7. Surface Owner:

Name: Phone:
Address: Fax:
Address: Email:
City: State: Zip: Date of Rule 306 surface owner consultation: 01/03/2011
Surface Owner: Fee State Federal Indian
Mineral Owner: X 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 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: 20100210 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: 10560 , public road: 10560 , above ground utilit: 10560
, railroad: 10560 , property line: 1770

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

Crop Land: Irrigated Dry land Improved Pasture Hay Meadow CRP
Non-Crop Land: X Rangeland X 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 X 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: SARUCHE-ROMBO-ROCK OUTCROP COMPLEX, 25 TO 50% 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: Western Wheatgrass, Sideoats Grama, Little Bluestem, Gambles Oak, NeedleandThread, Mountain Muhly

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: 380, water well: 5500, depth to ground water: 120

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:

THERE ARE NO ADJACENT LANDOWNERS WITHIN 500' OF THE PROPOSED LOCATION. SURFACE OWNER WAIVED CONSULTATION/NOTIFICATION REQUIREMENTS.

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

Signed: _____ Date: 05/12/2011 Email: kelly_kardos@xtoenergy.com

Print Name: KELLY KARDOS Title: SR. PERMITTING TECH

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: 6/17/2011

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.

Notify the COGCC Oil and Gas Location Assessment (OGLA) specialist for South Eastern Colorado (Arthur Koepsell; email arthur.koepsell@state.co.us) 72 hours prior to initiating pad construction.

Operator must implement site-specific best management practices in accordance with good engineering practices, including, but not limited to, construction of a berm or diversion dike, site grading, or other comparable measures, sufficient to protect the drainage located 400 feet south of the oil and gas location from a release of drilling, completion, produced fluids, and chemical products.

Due to the shallow soils and underlying fractured bed rock the following will apply: Location is in a sensitive area because of potential for adverse impacts to ground water/surface water; therefore all pits will be lined.

Location is on steep slopes; therefore the cut and fill slopes should be constructed in such a manner to manage site drainage and slope stability. The slopes shall be stabilized immediately after the location has been constructed.

Attachment Check List

| Att Doc Num | Name |
|-------------|-------------------------|
| 2533225 | OTHER |
| 2533226 | CORRESPONDENCE |
| 400164359 | FORM 2A SUBMITTED |
| 400164362 | SURFACE AGRMT/SURETY |
| 400164363 | WAIVERS |
| 400164364 | PROPOSED BMPs |
| 400164365 | NRCS MAP UNIT DESC |
| 400164450 | CONST. LAYOUT DRAWINGS |
| 400164451 | HYDROLOGY MAP |
| 400164452 | HYDROLOGY MAP B, AERIAL |
| 400164454 | LOCATION PICTURES |
| 400164455 | REFERENCE AREA MAP |
| 400164456 | REFERENCE AREA PICTURES |
| 400164457 | ACCESS ROAD MAP |
| 400164458 | LOCATION DRAWING |

Total Attach: 15 Files

General Comments

| <u>User Group</u> | <u>Comment</u> | <u>Comment Date</u> |
|--------------------------|---|----------------------------|
| Permit | See signed attachment. BY | 6/9/2011 10:28:03 AM |
| Permit | <p>I am not sure if Julie Vigil had notified you of the activity in the Bosque del Oro SWA.</p> <p>Pending are both wells and surface locations, form 2's and form 2A's respectively.</p> <p>Several of these are over a month old and that means that I am going to get heat to get them out of here.</p> <p>What do you need from me? I understand an earlier notification would help, but what else?</p> <p>Has XTO contacted you, if so, are you currently negotiation an SUA for these wells and surface locations?</p> <p>Let me know the best way to handle these and future applications. Email sent to Al Trujillo DOW. BY</p> | 5/19/2011 9:52:25 AM |
| OGLA | Ready to pass 6/3/2011. | 5/16/2011 4:28:24 PM |

Total: 3 comment(s)

BMP

| <u>Type</u> | <u>Comment</u> |
|-----------------------------|---|
| Interim Reclamation | <p>ONCE THE WELL PAD CUT AND FILL SLOPES HAVE ACHIEVED FINAL GRADE, DEPENDING ON SOIL CONTENT AND SEASONAL CONSTRAINTS, SEEDING WITH EROSION CONTROL BLANKETS SHALL BE INSTALLED. THIS WILL CONTROL EROSION AND PROMOTE THE ESTABLISHMENT OF VEGETATION.</p> <p>FOR SLOPES THAT CONSIST PRIMARILY OF ROCK, SEEDING WITH A MULCH TACKIFIER WILL BE UTILIZED WHICH WILL OCCUR AFTER ACCESS ROAD FINAL GRADE. USED TO ADHERE THE SEED TO THE SOIL AND PROMOTE THE ESTABLISHMENT OF VEGETATION.</p> <p>THE TOP SOIL STOCK PILE SHALL BESEEDED WITH A MULCH TACKIFIER DURING THE ACCESS ROAD FINAL GRADE AFTER UTILITY INSTALLATION. THIS WILL STABILIZE THE SOIL AND PROMOTE THE ESTABLISHMENT OF VEGETATION.</p> |
| Site Specific | XTO has provided a detailed BMP Implementation Plan. The plan is included in the Attachments under OTHER doc # 400164359 2533225. |
| Storm Water/Erosion Control | A CLEAN WATER RUN ON DIVERSION SHALL BE CREATED ABOVE THE CUT SLOPE PRIOR TO GRADING THE CUT SLOPE. THIS WILL PREVENT UPLAND WATER SHED FROM ENTERING THE PROJECT. THE DITCH SHALL BE A MINIMUM OF 4 FEET WIDE AND 2 FOOT DEEP. MAINTAIN A POSITIVE GRADE, DEPRESSIONS WILL NOT DRAIN AND MAY RESULT IN SLOPE INSTABILITY. |

| | |
|-----------------------------|---|
| Construction | <p>Certificate to Discharge Under CDPS General Permit No. COR-030000 Stormwater Discharges Associated with Construction Certification No. COR034312 Prior to construction perimeter controls will be installed utilizing cuttings from the clearing operations. Brush Barriers shall be placed down gradient of the disturbance. Once the well pad has been constructed a variety of B.M.P.'s shall be utilized for the site specific conditions. These devices may include but are not limited to:</p> <ul style="list-style-type: none"> • Brush Barriers • Dirt Berm/Bar Ditch • Clean Water Run on Diversion • Seeding • Erosion Control Blankets • Mulch Tackifier • Rip-Rap <p>During construction each site will be inspected every 14 days and 72 hours after any major storm event. These inspections will be recorded and maintained at the XTO office. Repairs shall be completed within 7 days of the initial inspection. Any modifications shall be revised on the site plan and then implemented at the site. A Field Wide Stormwater Management Plan (SWMP) for the Raton Basin is on file at the XTO Energy Inc. office. A Site Specific SWMP with a Site Plan will be developed for each location and can be found in:</p> <ul style="list-style-type: none"> • Appendix F- Apache Canyon Lease • Appendix G- Golden Eagle Lease • Appendix H- Hill Ranch Lease • Appendix I- New Elk Lease <p>Wildlife BMP required for Raton Basin utilize bear proof dumpsters and trash receptacles for food related trash at all facilities that generate such trash. Spill Prevention and Counter Measures (SPCC) for the Raton Basin is on file at the XTO Energy Inc. office. The Field SWMP and Site Specific SWMP each address SPCC during construction operations. Typical BMP Site Diagram Attached...</p> |
| Storm Water/Erosion Control | <p>THE FILL SLOPE WILL UTILIZE A TERRACE TO BREAK UP THE LENGTH OF THE FILL SLOPE REDUCING EROSION PROBLEMS AND SLOWING VELOCITIES.</p> |

Total: 5 comment(s)