

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



Table with columns DE, ET, OE, ES

Document Number: 400166194

Oil and Gas Location Assessment

New Location Amend Existing Location Location#: 335008

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.

Location ID: 335008 Expiration Date: 07/13/2014

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: 96850 Name: WILLIAMS PRODUCTION RMT COMPANY LLC Address: 1001 17TH STREET - SUITE #1200 City: DENVER State: CO Zip: 80202

3. Contact Information

Name: Howard Harris Phone: (303) 606-4086 Fax: (303) 629-8268 email: howard.harris@williams.com

4. Location Identification:

Name: Diamond Elk, LLC Number: GV 84-1 County: GARFIELD Quarter: NWSW Section: 1 Township: 7S Range: 95W Meridian: 6 Ground Elevation: 6027 Define a single point as a location reference for the facility location. Footage at surface: 2331 feet FSL, from North or South section line, and 676 feet FWL, from East or West section line. Latitude: 39.466097 Longitude: -107.953993 PDOP Reading: 2.3 Date of Measurement: 02/15/2011 Instrument Operator's Name: J. Kirkpatrick

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

Special Purpose Pits: 0 Drilling Pits: 0 Wells: 31 Production Pits: 0 Dehydrator Units: 0 Condensate Tanks: 3 Water Tanks: 3 Separators: 31 Electric Motors: 0 Multi-Well Pits: 0 Gas or Diesel Motors: 0 Cavity Pumps: 0 LACT Unit: 0 Pump Jacks: 0 Pigging Station: 0 Electric Generators: 0 Gas Pipeline: 1 Oil Pipeline: 0 Water Pipeline: 1 Flare: 0 Gas Compressors: 0 VOC Combustor: 0 Oil Tanks: 0 Fuel Tanks: 0 Other: 0

6. Construction:

Date planned to commence construction: 01/01/2012 Size of disturbed area during construction in acres: 6.76
Estimated date that interim reclamation will begin: 05/01/2013 Size of location after interim reclamation in acres: 1.91
Estimated post-construction ground elevation: 6027 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: Re-use Evap & Backfill

7. Surface Owner:

Name: _____ Phone: _____
Address: _____ Fax: _____
Address: _____ Email: _____
City: _____ State: _____ Zip: _____ Date of Rule 306 surface owner consultation: _____
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: 20030107 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: 2221, public road: 2263, above ground utilit: 1591
, railroad: 6663, property line: 266

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): Existing Well Pad
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: 56. Potts Loam 6 to 12 percent 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: 04/12/2011

List individual species: Cheatgrass, Rye, Buffalograss, Sage

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): Existing Well Pad

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: 426, water well: 2024, depth to ground water: 155

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:

This Location Assessment is for an additional 14 wells to be drilled on the existing pad. The pad was constructed originally such that no additional disturbance will be required. Surface is owned by Diamond Elk LLC which is owned by Williams Production RMT. Minerals are both fee and Federal. There will be a total of 31 wells when drilled out. See Williams Master APD for 10 point drilling plan and 13 point surface use plan for the Federal wells. The PA 33-2 is the location reference point from which point all measurements were made. Reference photos will be provided at a later date. Closed mud system will be used.

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

Signed: _____ Date: 06/22/2011 Email: howard.harris@williams.com

Print Name: Howard Harris Title: Sr. Regulatory Specialist

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. Nesline

Director of COGCC

Date: 7/14/2011

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.

GENERAL SITES COAs:

Operator must implement best management practices to contain any unintentional release of fluids, including any fluids conveyed via temporary surface pipelines.

Operator must ensure secondary containment for any volume of fluids contained at well site during drilling and completion operations; including, but not limited to, construction of a berm or diversion dike, diversion/collection trenches within and/or outside of berms/dikes, site grading, or other comparable measures (i.e., best management practices (BMPs) associated with stormwater management) sufficiently protective of nearby surface water. Any berm constructed at the well pad location will be stabilized, inspected at regular intervals (at least every 14 days), and maintained in good condition.

Flowback and stimulation fluids must be sent to tanks, separators, or other containment/filtering equipment before the fluids can be placed into any pipeline or pit located on the well pad. The flowback and stimulation fluid tanks, separators, or other containment/filtering equipment must be placed on the well pad in an area with additional downgradient perimeter berming. The area where flowback fluids will be stored/reused must be constructed to be sufficiently impervious to contain any spilled or released material.

The moisture content of any drill cuttings in a cuttings pit, trench, or pile shall be as low as practicable to prevent accumulation of liquids greater than de minimis amounts. At the time of closure, the drill cuttings must also meet the applicable standards of table 910-1.

Attachment Check List

Att Doc Num	Name
2033926	CORRESPONDENCE
400166194	FORM 2A SUBMITTED
400177808	ACCESS ROAD MAP
400177809	PROPOSED BMPs
400177810	CONST. LAYOUT DRAWINGS
400177811	HYDROLOGY MAP
400177812	LOCATION DRAWING
400177813	LOCATION PICTURES
400177815	MULTI-WELL PLAN
400177817	NRCS MAP UNIT DESC
400177818	OTHER
400177819	OTHER
400177820	REFERENCE AREA MAP
400177821	SENSITIVE AREA DATA
400177822	SURFACE AGRMT/SURETY

Total Attach: 15 Files

General Comments

User Group	Comment	Comment Date
OGLA	Initiated/Completed OGLA Form 2A review on 07-07-11 by Dave Kubeczko; placed fluid containment, spill/release BMPs, flowback to tanks, and cuttings low moisture content COAs and sent email to operator on 07-07-11 requesting BLM stipulations and COAs; received information from operator on 07-?-11; passed by CDOW on 06-24-11 with operator/CDOW WMP acceptable; passed OGLA Form 2A review on 07-14-11 by Dave Kubeczko; fluid containment, spill/release BMPs, flowback to tanks, and cuttings low moisture content COAs.	7/7/2011 8:21:13 PM
DOW	This amended well pad is located within the boundary of a CDOW-Williams Wildlife Mitigation Plan. The BMPs were developed and agreed upon in consultation of the plan. The BMPs and COAs as submitted by the operator as well as those depicted in the WMP agreement are appropriate for the site and species effected. by Michael Warren on Thursday, June 24, 2011 at 4:35 P.M.	6/23/2011 4:35:13 PM
Permit	Location has 2 location ID's. this is being corrected by D. Ahlstrand to 335008. Opr - Howard notified. sbf	6/23/2011 1:58:01 PM

Total: 3 comment(s)

BMP

Type	Comment
Construction	<ul style="list-style-type: none"> • Close and reclaim roads not necessary for development, including removing all bridges and culverts and recontouring/reclaiming all stream crossings. • Structures for perennial or intermittent stream channel crossings should be constructed using appropriately sized bridges or culverts • Design road crossings of streams to allow fish passage at all flows and to minimize the generation of sediment. • Design road crossings of streams at right angles to all riparian corridors and streams to minimize the area of disturbance to the extent possible.
Final Reclamation	<ul style="list-style-type: none"> • Restore both form and function of impacted wetlands and riparian areas and mitigate erosion. • Remove well pad and road surface materials that are incompatible with post-production land use and re-vegetation requirements • Use only certified weed-free native seed in seed mixes, except for non-native plants that benefit wildlife • Williams will use certified, weed free grass hay, straw, hay or other mulch materials used for the reseeding and reclamation of disturbed areas. • Install exclusionary devices to prevent bird and other wildlife access to equipment stacks, vents and openings. • Reduce visits to well-sites through remote monitoring (i.e. SCADA) and the use of multi-function contractors. • Avoid dust suppression activities within 300 feet of the ordinary high water mark of any reservoir, lake, wetland, or natural perennial or seasonally flowing stream or river where possible. • Bore pipelines that cross perennial streams • Install and use locked gates or other means to prevent unauthorized vehicular travel on roads and facility rights-of-way.

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Drilling/Completion Operations	<ul style="list-style-type: none">• Use centralized hydraulic fracturing operations.• Install and maintain adequate measures to exclude all types of wildlife (e.g., big game, birds, and small rodents) from all fluid pits (e.g., fencing, netting, and other appropriate exclusion measures).• Conduct well completions with drilling operations to limit the number of rig moves and traffic.
Planning	<ul style="list-style-type: none">• Share/consolidate corridors for pipeline ROWs to the maximum extent possible.• Maximize the utility of surface facilities by developing multiple wells from a single pad (directional drilling), and by co-locating multipurpose facilities (for example, well pads and compressors) to avoid unnecessary habitat fragmentation and disturbance of additional geographic areas.• Minimize newly planned activities and operations within 300 feet of the ordinary high water mark of any reservoir, lake, wetland, or natural perennial or seasonally flowing stream or river.• Locate roads outside of drainages where possible and outside of riparian habitat.• Avoid constructing any road segment in the channel of an intermittent or perennial stream• Avoid new surface disturbance and placing new facilities in key wildlife habitats in consultation with CDOW.• Minimize the number, length, and footprint of oil and gas development roads• Use existing roads where possible• Combine utility infrastructure (gas, electric, and water) planning with roadway planning to avoid separate utility corridors• Combine and share roads to minimize habitat fragmentation• Where possible, consolidate pipeline and existing roadways, or roadways that are planned for development• Place roads to avoid obstructions to migratory routes for wildlife, and to avoid displacement of wildlife from public to private lands.• Accelerate development under a “clustered-development concept” on a site-specific basis where Williams has a 100% mineral interest or control of mineral development• Maximize the use of directional drilling to minimize habitat loss/fragmentation• Maximize use of long-term centralized tank batteries to minimize traffic• Maximize use of remote completion/frac operations to minimize traffic• Maximize use of remote telemetry for well monitoring to minimize traffic• Phase and concentrate development activities, so that large areas of undisturbed habitat for wildlife remain.• Maintain undeveloped areas within development boundaries sufficient to allow wildlife to persist within development boundaries during all phases of construction, drilling, and production.• Minimize the duration of development and avoid repeated or chronic disturbance of developed areas. Complete all anticipated drilling within a phased,

Total: 4 comment(s)