


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 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> <p style="text-align: center;">Document Number: 400163806</p>	DE	ET	OE	ES																					
DE	ET	OE	ES																									
Oil and Gas Location Assessment			<div style="border: 1px solid black; padding: 5px; margin-bottom: 10px;"> Location ID: 424352 </div> <div style="border: 1px solid black; padding: 5px;"> Expiration Date: 07/18/2014 </div>																									
<input checked="" type="checkbox"/> New Location <input type="checkbox"/> Amend Existing Location Location#: _____																												
<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>																												
<input checked="" type="checkbox"/> This location assessment is included as part of a permit application.																												
1. CONSULTATION <input type="checkbox"/> This location is included in a Comprehensive Drilling Plan. CDP # _____ <input type="checkbox"/> This location is in a sensitive wildlife habitat area. <input type="checkbox"/> This location is in a wildlife restricted surface occupancy area. <input type="checkbox"/> This location includes a Rule 306.d.(1)A.ii. variance request.																												
2. Operator Operator Number: <u>10275</u> Name: <u>AUGUSTUS ENERGY PARTNERS LLC</u> Address: <u>P O BOX 250</u> City: <u>WRAY</u> State: <u>CO</u> Zip: <u>80758</u>		3. Contact Information Name: <u>Loni Davis</u> Phone: <u>(970) 332-3585</u> Fax: <u>(970) 332-3587</u> email: <u>ldavis@augustusenergy.com</u>																										
4. Location Identification: Name: <u>D Blach</u> Number: <u>42-10 1N47W</u> County: <u>YUMA</u> QuarterQuarter: <u>SENE</u> Section: <u>10</u> Township: <u>1N</u> Range: <u>47W</u> Meridian: <u>6</u> Ground Elevation: <u>4036</u> 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: <u>1453</u> feet <u>FSL</u> , from North or South section line, and <u>77</u> feet <u>FEL</u> , from East or West section line. Latitude: <u>40.071470</u> Longitude: <u>-102.605990</u> PDOP Reading: <u>2.9</u> Date of Measurement: <u>05/04/2011</u> Instrument Operator's Name: <u>Neal McCormick</u>																												
5. Facilities (Indicate the number of each type of oil and gas facility planned on location): <table style="width: 100%;"> <tr> <td>Special Purpose Pits: <input type="text"/></td> <td>Drilling Pits: <input type="text" value="1"/></td> <td>Wells: <input type="text" value="1"/></td> <td>Production Pits: <input type="text"/></td> <td>Dehydrator Units: <input type="text"/></td> </tr> <tr> <td>Condensate Tanks: <input type="text"/></td> <td>Water Tanks: <input type="text"/></td> <td>Separators: <input type="text"/></td> <td>Electric Motors: <input type="text" value="1"/></td> <td>Multi-Well Pits: <input type="text"/></td> </tr> <tr> <td>Gas or Diesel Motors: <input type="text"/></td> <td>Cavity Pumps: <input type="text"/></td> <td>LACT Unit: <input type="text"/></td> <td>Pump Jacks: <input type="text" value="1"/></td> <td>Pigging Station: <input type="text"/></td> </tr> <tr> <td>Electric Generators: <input type="text"/></td> <td>Gas Pipeline: <input type="text" value="1"/></td> <td>Oil Pipeline: <input type="text"/></td> <td>Water Pipeline: <input type="text" value="1"/></td> <td>Flare: <input type="text"/></td> </tr> <tr> <td>Gas Compressors: <input type="text"/></td> <td>VOC Combustor: <input type="text"/></td> <td>Oil Tanks: <input type="text"/></td> <td>Fuel Tanks: <input type="text"/></td> <td></td> </tr> </table> Other: _____				Special Purpose Pits: <input type="text"/>	Drilling Pits: <input type="text" value="1"/>	Wells: <input type="text" value="1"/>	Production Pits: <input type="text"/>	Dehydrator Units: <input type="text"/>	Condensate Tanks: <input type="text"/>	Water Tanks: <input type="text"/>	Separators: <input type="text"/>	Electric Motors: <input type="text" value="1"/>	Multi-Well Pits: <input type="text"/>	Gas or Diesel Motors: <input type="text"/>	Cavity Pumps: <input type="text"/>	LACT Unit: <input type="text"/>	Pump Jacks: <input type="text" value="1"/>	Pigging Station: <input type="text"/>	Electric Generators: <input type="text"/>	Gas Pipeline: <input type="text" value="1"/>	Oil Pipeline: <input type="text"/>	Water Pipeline: <input type="text" value="1"/>	Flare: <input type="text"/>	Gas Compressors: <input type="text"/>	VOC Combustor: <input type="text"/>	Oil Tanks: <input type="text"/>	Fuel Tanks: <input type="text"/>	
Special Purpose Pits: <input type="text"/>	Drilling Pits: <input type="text" value="1"/>	Wells: <input type="text" value="1"/>	Production Pits: <input type="text"/>	Dehydrator Units: <input type="text"/>																								
Condensate Tanks: <input type="text"/>	Water Tanks: <input type="text"/>	Separators: <input type="text"/>	Electric Motors: <input type="text" value="1"/>	Multi-Well Pits: <input type="text"/>																								
Gas or Diesel Motors: <input type="text"/>	Cavity Pumps: <input type="text"/>	LACT Unit: <input type="text"/>	Pump Jacks: <input type="text" value="1"/>	Pigging Station: <input type="text"/>																								
Electric Generators: <input type="text"/>	Gas Pipeline: <input type="text" value="1"/>	Oil Pipeline: <input type="text"/>	Water Pipeline: <input type="text" value="1"/>	Flare: <input type="text"/>																								
Gas Compressors: <input type="text"/>	VOC Combustor: <input type="text"/>	Oil Tanks: <input type="text"/>	Fuel Tanks: <input type="text"/>																									

6. Construction:

Date planned to commence construction: 10/01/2011 Size of disturbed area during construction in acres: 2.00
Estimated date that interim reclamation will begin: 12/01/2011 Size of location after interim reclamation in acres: 1.00
Estimated post-construction ground elevation: 4036 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: 02/10/2011
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: 20090025 ☐ Gas Facility Surety ID: _____ ☐ Waste Mgnt. Surety ID: _____

9. Cultural:

Is the location in a high density area (Rule 603.b.): Yes ☐ No ☒
Distance, in feet, to nearest building: 3057, public road: 77, above ground utilit: 108
, railroad: 5280, property line: 77

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 be 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: 29: Manter Loamy Sand

NRCS Map Unit Name: 23: Julesburg Loamy Sand 3-7% 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: Blue Grama, Buffalograss, Western Wheatgrass, sedges, green needlegrass, Prairie Sandgrass, Sand Bluestem, Little Bluestem, Needleandthread, Sand Dropseed, Sand Sagebrush, Yellow Indiangrass

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: 1880, water well: 976, depth to ground water: 91

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:

We will be setting a pumping unit sometime in the future as determined by daily production. The nearest Railroad is are greater than 1 mile from location. The reference area is on undisturbed ground immediately adjacent to and West of the facility location as shown in the location photo facing West. Location photo is reference area photo. Sensitive area due to location in Northern High Plains Designated Groundwater Basin. Separator may be set at meter shed if determined necessary.

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

Signed: _____ Date: 05/11/2011 Email: ldavis@augustusenergy.com

Print Name: Loni J. Davis Title: Oper Acctg & Reg Spec

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: 7/19/2011

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
2533208	LOCATION DRAWING
2533248	CORRESPONDENCE
400163806	FORM 2A SUBMITTED
400163816	ACCESS ROAD MAP
400163817	HYDROLOGY MAP
400163818	LOCATION DRAWING
400163819	NRCS MAP UNIT DESC
400163820	LOCATION PICTURES

Total Attach: 8 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Agency	Operator will close the adjacent County Road M during drilling, completion, workover and plugging operations. The operator will appropriately comply with county regulations prior to road closure. The power line will be deactivated prior to move in and rig up for drilling operations.	6/30/2011 2:41:50 PM

IMPORTANT: SOME DATA FIELDS HAVE BEEN MODIFIED.

Permit	<p>The operator is requesting a 318B variance and a 603 a.(1) variance , the proposed location will be approximately 55' west of a lease line, county road M and an overhead power line. The operator has furnished signed waivers from the offsetting affected mineral owner, the power company's willingness to deactivate the overhead line, and approval from Board of County Commissions to close the road with timing restrictions, fee stipulations, application and any special circumstances that may need addressed prior to closing the road. The operator states "the proposed location will give us the amplitude and we will gain more than the nine (9) feet of structural advantage to produce an economic well. If placed in a legal location we feel it would be uneconomical based on the 2 dry holes and the plugged well near the proposed location".</p> <p>ORDER 329-5</p> <p>NOW, THEREFORE, IT IS ORDERED, that Order No. 329-4 is hereby corrected to allow any first well drilled for production from the Niobrara Formation in the 160-acre drilling and spacing units described below to be located no closer than 560 feet from the outer boundaries of the 160-acre drilling and spacing unit. In addition, the permitted location for any additional well shall be located no closer than 560 feet from the outer boundaries of the 160-acre drilling and spacing unit for the lands described below:</p> <p>Rule 318B (4) Wells shall be located at least three hundred (300) feet from the boundary of said quarter sections,be located at least three hundred (300) feet from any lease line.</p> <p>Rule 603 a.(1) At the time of initial drilling of the well, the wellhead shall be located a distance of one hundred fifty (150) feet or one and one-half (1-1/2) times the height of the derrick, whichever is greater, from any building unit, public road, major above ground utility line or railroad.</p>	6/15/2011 10:28:01 AM
OGLA	Ready to pass 6/2/2011.	5/26/2011 8:47:51 AM
OGLA	<p>The location falls within the W-Y Groundwater Management District.</p> <p>W-Y Ground Water Contact Person: Jack Dowell</p> <p>Management District W-4</p> <p>PO Box 121, Yuma, CO 80759</p> <p>Phone: 970-848-5333</p>	5/12/2011 9:11:39 AM

Total: 4 comment(s)

BMP

<u>Type</u>	<u>Comment</u>
Drilling/Completion Operations	<p>To address construction during drilling and all other operations associated with Oil and Gas development throughout Northern Yuma County, Colorado area StormWater Management Plans(SWMP) are in place and in compliance with the Colorado Department of Health and Environment (CDPHE) under Permit # COR-039921.</p> <p>Best Management Practices (BMP's) will be reviewed and maintained prior to, during and after construction of drilling site, laying of flowlines, installation of surface equipment and reclamation of site. Each location's BMP's will vary according to terrain and phase of construction and will be implemented in accordance to SWMP.</p> <p>Regular location inspections will be performed and any BMP's not effectively working will be documented and resolved in a timely manner.</p> <p>Spill Prevention, Control and Countermeasures will be implemented. Should any spills occur they will be cleaned up immediately and effectively to minimize any integration with storm water runoff. General good housekeeping practices will be performed to keep spills at a minimum.</p>

Total: 1 comment(s)