

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 4 columns: DE, ET, OE, ES

Document Number: 400170489

Oil and Gas Location Assessment

[X] 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...

Location ID: 424424 Expiration Date: 07/22/2014

[X] This location assessment is included as part of a permit application.

1. CONSULTATION

- [] This location is included in a Comprehensive Drilling Plan. CDP # _____
[X] 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: 100185 Name: ENCANA OIL & GAS (USA) INC Address: 370 17TH ST STE 1700 City: DENVER State: CO Zip: 80202-5632

3. Contact Information

Name: Jevin Croteau Phone: (720) 876-5339 Fax: (720) 876-6339 email: jevin.croteau@encana.com

4. Location Identification:

Name: Federal Number: 2-6H (PL35NW) County: MESA Quarter: SENW Section: 35 Township: 9S Range: 94W Meridian: 6 Ground Elevation: 7519 Define a single point as a location reference for the facility location... Footage at surface: 1325 feet FNL, from North or South section line, and 2172 feet FWL, from East or West section line. Latitude: 39.237160 Longitude: -107.850941 PDOP Reading: 0.0 Date of Measurement: 01/18/2011 Instrument Operator's Name: Ted Taggart

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

Special Purpose Pits: [] Drilling Pits: [] Wells: [1] Production Pits: [] Dehydrator Units: [1] Condensate Tanks: [4] Water Tanks: [] Separators: [1] Electric Motors: [] Multi-Well Pits: [] Gas or Diesel Motors: [] Cavity Pumps: [] LACT Unit: [] Pump Jacks: [] Pigging Station: [1] Electric Generators: [] Gas Pipeline: [1] Oil Pipeline: [] Water Pipeline: [] Flare: [] Gas Compressors: [1] VOC Combustor: [] Oil Tanks: [] Fuel Tanks: []

Other: One well, the Federal 2-6H (PL35NW) and the associated facilities listed above are planned for this locaiton.

6. Construction:

Date planned to commence construction: 09/01/2011 Size of disturbed area during construction in acres: 4.37
Estimated date that interim reclamation will begin: 10/17/2011 Size of location after interim reclamation in acres: 1.00
Estimated post-construction ground elevation: 7519 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: BLM Phone: 970-244-3000
Address: 2815 H Road Fax: _____
Address: _____ Email: _____
City: Grand Junction State: CO Zip: 81506 Date of Rule 306 surface owner consultation: 03/25/2011
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: _____ 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: 3800, public road: 4890, above ground utilit: 4000
, railroad: 94000, property line: 32

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: 49 - Hesperus - Pagoda complex 3 to 12 percent slopes

NRCS Map Unit Name: 47 - Hesperus - Empedrado, moist-Pagoda complex 5 to 35 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: _____

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: 1705, water well: 4620, depth to ground water: 60

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:

According to the CO DWR web site the nearest water well, permit #25214, is located 4620' away and has a static water level of 60'. All distances and the single point as a location reference for this location are measured from the proposed Federal 2-6H (PL35NW) well stake.

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

Signed: _____ Date: 06/07/2011 Email: jevin.croteau@encana.com

Print Name: Jevin Croteau Title: Regulatory Analyst

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: 7/23/2011

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.

Berms or other containment devices shall be constructed to be sufficiently impervious to contain any spilled or released material around crude oil, condensate, and produced water storage tanks.

If fracing operations occur, flowback and stimulation fluids must be sent to tanks and/or filters before the fluids can be placed into any pipeline or pit. The flowback and stimulation fluid tanks and/or filters 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 access road will be constructed as to not allow any sediment to migrate from the access road to the nearby surface water or any drainages leading to surface water.

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

A closed loop system (which operator has indicated on the Form 2A - Section 6. Construction) must be implemented during drilling.

Attachment Check List

Att Doc Num	Name
2033932	CORRESPONDENCE
400170489	FORM 2A SUBMITTED
400170864	LOCATION PICTURES
400170865	LOCATION DRAWING
400170866	HYDROLOGY MAP
400170867	ACCESS ROAD MAP
400170868	CONST. LAYOUT DRAWINGS
400170870	NRCS MAP UNIT DESC
400170871	NRCS MAP UNIT DESC
400172499	SURFACE AGRMT/SURETY
400172501	WAIVERS

Total Attach: 11 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
DOW	CDOW has reviewed this application.CPW affirms that the BMPs, COAs, and lease stipulations assigned to this permit by the BLM suffice to address wildlife habitat and mitigation concerns. by Michael Warren on Monday, July 18, 2011 at 2:40 P.M.	7/18/2011 2:39:07 PM
Permit	This pad is on both federal and fee surface. There is a SUA with the fee surface interest.	7/11/2011 5:01:11 PM
OGLA	Initiated/Completed OGLA Form 2A review on 06-11-11 by Dave Kubeczko; requested acknowledgement of fluid containment, spill/release BMPs, flowback to tanks, tank berming, access road sediment control, and closed loop COAs from operator on 06-11-11; received clarifications and acknowledgement of COAs from operator on 06-15-11; passed by CDOW on 07-18-11 with operator submitted BMPs (with permit application) acceptable; passed OGLA Form 2A review on 07-19-11 by Dave Kubeczko; fluid containment, spill/release BMPs, flowback to tanks, tank berming, access road sediment control, and closed loop COAs.	6/11/2011 6:36:07 PM
Permit	Reverted by to 1 well in Facilities & Construction. BY	6/9/2011 8:26:32 AM
Permit	Some discussion as to if this should be one or two. A vertical pilot and a horizontal requires a form 2 for each as listed in the Related Forms on this form. Discussion to continue. BY	6/8/2011 8:21:26 AM
Permit	In Facilities & Construction only 1 well is given, but with a vertical and horizontal, as listed in Related Forms, it should state 2 wells. Emailed Jevin and pushed back to DRAFT. BY	6/8/2011 5:41:28 AM

Total: 6 comment(s)

BMP

<u>Type</u>	<u>Comment</u>
Site Specific	This location falls on both fee and federal surface with the SHL and BHL located on fed surface and a federal Lease. All wildlife stipulations and best managemnt practices that apply, are applicable and that have been agreed to with the surface owner and the BLM as outlined in our 12 Point Surface Use Plan Of Operations as approved by the BLM and any Conditions of Approval placed on our approved APDs will be followed.

Total: 1 comment(s)