

FORM
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04/01State of Colorado
Oil and Gas Conservation Commission

1120 Lincoln Street, Suite 801, Denver, Colorado 80205 Phone: (303) 894-2100 Fax: (303) 894-2109



DE ET OE ES

Document Number:

400209341

Oil and Gas Location Assessment

☐ New Location
 ☒ Amend Existing Location
 Location#: 425092

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:

425092

Expiration Date:

10/27/2014☒ 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: 16800

Name: DELTA PETROLEUM CORPORATION

Address: 370 17TH ST STE 4300

City: DENVER State: CO Zip: 80202

3. Contact Information

Name: Jennifer Barnett

Phone: (303) 578-2536

Fax: ()

email: jbarnett@progressivepcs.net

4. Location Identification:

Name: NBC Elk Ranch Number: 17-22D

County: MESA

QuarterQuarter: SENW Section: 17 Township: 9S Range: 93W Meridian: 6 Ground Elevation: 7278

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: 2022 feet FNL, from North or South section line, and 2561 feet FWL, from East or West section line.

Latitude: 39.278525 Longitude: -107.793341 PDOP Reading: 3.0 Date of Measurement: 06/21/2011

Instrument Operator's Name: Kyle Tesky, SGM Inc.

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

Special Purpose Pits: <input type="text"/>	Drilling Pits: <input type="text"/>	Wells: <input type="text" value="2"/>	Production Pits: <input type="text"/>	Dehydrator Units: <input type="text" value="1"/>
Condensate Tanks: <input type="text" value="2"/>	Water Tanks: <input type="text" value="2"/>	Separators: <input type="text" value="2"/>	Electric Motors: <input type="text"/>	Multi-Well Pits: <input type="text"/>
Gas or Diesel Motors: <input type="text" value="1"/>	Cavity Pumps: <input type="text"/>	LACT Unit: <input type="text"/>	Pump Jacks: <input type="text"/>	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" value="1"/>	VOC Combustor: <input type="text" value="1"/>	Oil Tanks: <input type="text"/>	Fuel Tanks: <input type="text"/>	

Other: A pit will be used for drill cuttings only. A closed loop system will be used for the drilling fluids.

6. Construction:

Date planned to commence construction: 08/20/2011 Size of disturbed area during construction in acres: 3.80
Estimated date that interim reclamation will begin: 02/20/2012 Size of location after interim reclamation in acres: 1.50
Estimated post-construction ground elevation: 7278 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: Closed loop, bury cuttings

7. Surface Owner:

Name: _____ Phone: _____
Address: _____ Fax: _____
Address: _____ Email: _____
City: _____ State: _____ Zip: _____ Date of Rule 306 surface owner consultation: 07/12/2010
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: 20090069 ☐ 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: 2698, public road: 422, above ground utilit: 2940
, railroad: 10560, property line: 610

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: 47: Hesperus-Empedrado, moist-Padoga Complex 5 to 35 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: _____

List individual species: Gambel oak, Big bluegrass, Elk sedge, Nodding brome, Arizona fescue, Mountain snowberry,
Needleandthread, Saskatoon serviceberry, Western wheatgrass, Mountain brome, Slender
wheatgrass, Muttongrass

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: 284, water well: 2606, depth to ground water: 36

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 Supply 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 only changes made to this amended 2A from the previously approved 2A is adding 1 more well and 1 more separator to the facilities list. A multi well plan has been attached along with a new construction layout. The new well we are adding is submitted doc #400207734 (NBC Elk Ranch 17-23D). The depth to ground water was taken from the nearest water well permit # 92801. A closed loop system will be used for the drilling fluids, but a pit will be used to bury cuttings onsite if they meet Table 910 standards. The NBC Elk Ranch 17-22D well was used as the reference point for well distance measurements. Delta's reference area is undisturbed ground immediately adjacent and to the South of the proposed well pad as seen in the South location photo.

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

Signed: _____ Date: 10/02/2011 Email: jbarnett@progressivepcs.net

Print Name: Jennifer Barnett Title: Regulatory Agent

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. Nashin Director of COGCC Date: 10/28/2011

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
400209341	FORM 2A SUBMITTED
400210413	MULTI-WELL PLAN
400210414	CONST. LAYOUT DRAWINGS

Total Attach: 3 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	DOW not applicable; LGD/pub. comm. waived. Final Comprehensive Review Status--passed.	10/26/2011 7:22:48 AM
Permit	ready to approve in permitting.	10/24/2011 9:49:29 AM
OGLA	Initiated/Completed OGLA Form 2A review on 10-10-11 by Dave Kubeczko (previously reviewed and approved [08-28-11] Form 2A#400187528); same COAs from original permit will apply; fluid containment, spill/release BMPs, flowback to tanks, cuttings low moisture content; no CDOW; passed OGLA Form 2A review on 10-25-11 by Dave Kubeczko; fluid containment, spill/release BMPs, lined pits/closed loop, cuttings low moisture content, no pit in fill, flowback to tanks and surface pipeline spill/release BMP COAs.	10/10/2011 7:06:17 AM

Total: 3 comment(s)

BMP

<u>Type</u>	<u>Comment</u>
Storm Water/Erosion Control	*Use water bars, and other measures to prevent erosion and nonsource pollution. *Implement and maintain BMP's to control stormwater runoff in a manner that minimizes erosion, transport of sediment offsite, and site degradation. *Co-locate gas and water gathering lines, and mitigate any erosion problems that arise due to the construction of any pipeline(s).
Drilling/Completion Operations	Use a closed-loop drilling system to preclude the use of a reserve pit.
Final Reclamation	Final reclamation shall be completed as soon as practical after abandonment (weather permitting), and in accordance with COGCC standards.
Interim Reclamation	*Restore the remainder of the well site location to as close to its original condition as practicable within a reasonable time after the completion of operations and in accordance with the COGCC standards. *Ensure that a growing ground cover is established upon the disturbed soils that are not being used for ongoing drilling and completion operations, and reseed as necessary. If vegetation comparable to the original condition of the disturbed area is not established, such re-seeding shall be continued until such vegetation is established. *All reseeding shall be done with grasses consistent with a Rocky Mountain native mix and during an appropriate planting season.
Planning	Develop multiple well sites by using directional drilling to reduce cumulative impacts and adverse impacts on wildlife resources.
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. *All surface facilities not subject to safety requirements shall be painted to blend with the natural color of the landscape. *Utilize only such area around each producing well as is reasonably necessary.
Wildlife	*Fence the drill site to restrict public and wildlife access. *Keep the well site location, the road, and the pipeline easement safe and free of noxious weeds, litter and debris. *Spray for noxious weeds, and implement dust control, as needed.

Total: 7 comment(s)