

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:
400208991

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:
426293
Expiration Date:
10/30/2014

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: 10275
Name: AUGUSTUS ENERGY PARTNERS LLC
Address: P O BOX 250
City: WRAY State: CO Zip: 80758

3. Contact Information

Name: Loni Davis
Phone: (970) 332-3585
Fax: (970) 332-3587
email: ldavis@augustusenergy.com

4. Location Identification:

Name: Lueking Number: 14-32 5N45W
County: YUMA
Quarter: SWSW Section: 32 Township: 5N Range: 45W Meridian: 6 Ground Elevation: 3863

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: 631 feet FSL, from North or South section line, and 603 feet FWL, from East or West section line.
Latitude: 40.353900 Longitude: -102.413150 PDOP Reading: 2.6 Date of Measurement: 09/07/2011
Instrument Operator's Name: Neal McCormick

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

| | | | | |
|--|---|--|---|--|
| Special Purpose Pits: <input type="checkbox"/> | Drilling Pits: <input type="checkbox"/> 1 | Wells: <input type="checkbox"/> 1 | Production Pits: <input type="checkbox"/> | Dehydrator Units: <input type="checkbox"/> |
| Condensate Tanks: <input type="checkbox"/> | Water Tanks: <input type="checkbox"/> | Separators: <input type="checkbox"/> | Electric Motors: <input type="checkbox"/> 1 | Multi-Well Pits: <input type="checkbox"/> |
| Gas or Diesel Motors: <input type="checkbox"/> | Cavity Pumps: <input type="checkbox"/> | LACT Unit: <input type="checkbox"/> | Pump Jacks: <input type="checkbox"/> 1 | Pigging Station: <input type="checkbox"/> |
| Electric Generators: <input type="checkbox"/> | Gas Pipeline: <input type="checkbox"/> 1 | Oil Pipeline: <input type="checkbox"/> | Water Pipeline: <input type="checkbox"/> 1 | Flare: <input type="checkbox"/> |
| Gas Compressors: <input type="checkbox"/> | VOC Combustor: <input type="checkbox"/> | Oil Tanks: <input type="checkbox"/> | Fuel Tanks: <input type="checkbox"/> | |

Other: _____

6. Construction:

Date planned to commence construction: 06/15/2012 Size of disturbed area during construction in acres: 2.00
Estimated date that interim reclamation will begin: 07/30/2012 Size of location after interim reclamation in acres: 1.00
Estimated post-construction ground elevation: 3863 Will a closed loop system be used for drilling fluids: Yes No
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: 09/06/2011
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: 5280, public road: 5280, above ground utilit: 5280
, railroad: 5280, property line: 631

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: 45: Valent Sand: 15-45% 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: Sand Bluestem, Prairie Sandreed, Blue Grama, Sand Sagebrush, Hairy Grama

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: 5280, water well: 3196, depth to ground water: 68

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:

Actual Location is less than 10% slope. We will be setting a pumping unit sometime in the future as determined by daily production. The nearest Building, Railroad, above Ground Utility, Public Road and surface water 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. We do not know the pipeline route at this time, due to the remoteness of the location. We have notified surface owner of this and will keep him update as the pipeline/facility design is reached.

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

Signed: _____ Date: 09/28/2011 Email: ldavis@augustusenergy.com

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

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: 10/31/2011

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.

Best management practices (BMPs) should be utilized to minimize disturbance of the vegetative cover while constructing and operating the location and to aid soil stabilization and revegetation of the disturbed area during interim reclamation. Cut and fill slopes should be minimized to the greatest extent practicable. The BMPs may include, but shall not be limited to, the use of mulches and/or tackifiers, erosion control mats and/or blankets, appropriate seed mixes and/or soil amendments and any other practices necessary to prevent soil erosion by wind and stormwater, and to encourage the growth of desirable soil stabilizing vegetation.

Attachment Check List

| Att Doc Num | Name |
|-------------|----------------------|
| 2533392 | CORRESPONDENCE |
| 400208991 | FORM 2A SUBMITTED |
| 400209017 | ACCESS ROAD MAP |
| 400209019 | HYDROLOGY MAP |
| 400209020 | LOCATION DRAWING |
| 400209021 | NRCS MAP UNIT DESC |
| 400209025 | PROPOSED BMPs |
| 400209149 | SURFACE AGRMT/SURETY |
| 400209546 | LOCATION PICTURES |

Total Attach: 9 Files

General Comments

| <u>User Group</u> | <u>Comment</u> | <u>Comment Date</u> |
|--------------------------|--|----------------------------|
| Permit | Final review passed 10/31/2011 NKP | 10/31/2011 8:05:09 AM |
| OGLA | The location falls within the Sand Hills Groundwater Management District. Sand Hills Groundwater Management District Nate Midcap bigfourgwmd@plains.net 342 Main Street Wray, CO 80758-1727 (970) 332-4155 | 10/5/2011 8:42:41 AM |
| OGLA | Ready to pass 10/21/2011. | 10/5/2011 8:30:30 AM |
| Permit | Returned to draft. Missing surface and minerals data. | 9/29/2011 6:29:51 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)