

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:

400229400

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:

427293

Expiration Date:

01/14/2015☒ 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: 61250

Name: MULL DRILLING COMPANY INC

Address: 1700 N WATERFRONT PKWY B#1200

City: WICHITA State: KS Zip: 67206-6637

3. Contact Information

Name: CARL SMALLEY

Phone: (719) 767-8805

Fax: (719) 767-8994

email: CSMALLEY@MULLDRILLING.COM

4. Location Identification:

Name: TSA UNIT Number: 1-14

County: KIOWA

QuarterQuarter: SWNW Section: 14 Township: 17S Range: 45W Meridian: 6 Ground Elevation: 4129

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: 2150 feet FNL, from North or South section line, and 171 feet FWL, from East or West section line.

Latitude: 38.578810 Longitude: -102.434660 PDOP Reading: 3.1 Date of Measurement: 11/30/2011

Instrument Operator's Name: KEITH WESTFALL

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" 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" value="1"/>	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"/>	Oil Pipeline: <input type="text"/>	Water Pipeline: <input type="text"/>	Flare: <input type="text"/>
Gas Compressors: <input type="text"/>	VOC Combustor: <input type="text"/>	Oil Tanks: <input type="text" value="2"/>	Fuel Tanks: <input type="text"/>	

Other: _____

6. Construction:

Date planned to commence construction: 01/15/2012 Size of disturbed area during construction in acres: 2.19
Estimated date that interim reclamation will begin: 04/14/2012 Size of location after interim reclamation in acres: 2.07
Estimated post-construction ground elevation: 4129 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: DRY AND BURY

7. Surface Owner:

Name: _____ Phone: _____
Address: _____ Fax: _____
Address: _____ Email: _____
City: _____ State: _____ Zip: _____ Date of Rule 306 surface owner consultation: 11/30/2011
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: 20000063 ☐ 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: 1056, public road: 159, above ground utilit: 197
, railroad: 44880, property line: 171

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: FORT COLLINS LOAM 0 TO 3 PERCENT SLOPES MAP UNIT DESCRIPTION #13

NRCS Map Unit Name: KIM-HARVEY-STONEHAM LOAMS, 1 - 3 PERCENT SLOPES MAP UNIT DESCRIPTION #21

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: 2640, water well: 2650, depth to ground water: 22

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:

1. THERE ARE NO APPARENT RIPARIAN OR SURFACE WATER AREAS WITHIN 1,000' OF PROPOSED WELL PAD.
2. THERE IS A POWER LINE APPROX 197' WEST OF STAKED LOCATION (CENTER OF ROAD IS APPROX 171' WEST OF STAKED LOCATION AND THE EAST EDGE OF THE ROAD IS APPROX 159' WEST OF STAKED LOCATION). 3. NO CONSTRUCTION MAP NEEDED (<10 PERCENT SLOPES). 4. DEPTH TO GROUND WATER INFORMATION: PERMIT #105333 (RECEIPT: 9088182), DOMESTIC STOCK WELL 2,650' NORTHWEST OF PROPOSED WELL PAD. DEPTH OF STATIC WATER LEVEL = 22'. 5. NEAREST SURFACE WATER 2,640' NORTHWEST OF PROPOSED WELL PAD IS AN UNNAMED EPHEMERAL STREAM TO BIG SANDY CREEK.

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

Signed: _____ Date: 12/06/2011 Email: MSHREVE@MULLDRILLING.COM

Print Name: MARK SHREVE Title: PRESIDENT/COO

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: 1/15/2012

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.

In accordance with Rule 607.c., operator shall provide notice of any gas analysis indicating the presence of hydrogen sulfide on the proposed location including pipelines, production equipment and tanks. Submit notices to COGCC's area engineer, Dirk Sutphin, at dirk.sutphin@state.co.us and local government designee, Debra Lening at kiowaclerk@hotmail.com as follows:

1) Reporting of the presence of H₂S in concentrations less than 10 parts per million (PPM) shall be done via verbal and email notices. Verbal notice with a follow up email shall be provided as soon as practicable upon detection of H₂S to COGCC's area engineer and the local government designee.

2) All verbal and email notices shall include all of the following information:

a) Well or Facility name,

b) API Number or COGCC Facility Number,

c) H₂S concentration in PPM,

d) Date sample or measurement was collected,

e) Type of measurement or analysis (e.g., gas analysis, meter measurement, or colorimetric tube), and

f) Description of sample point.

3) Sundry Notices are required for H₂S concentrations equal to or exceeding 10 PPM. Only one H₂S Sundry Notice Form 4 is required per well or location following the initial H₂S detection, which exceeds 10 parts per million (PPM). Subsequent H₂S reporting shall be done on an annual basis and be submitted not later than January 31 for all measurements or sampling events during the prior calendar year.

4) Subsequent annual reports shall be provided in a spreadsheet and submitted to the COGCC's area engineer and/or COGCC's engineering supervisor via email.

5) Sundry Notices and annual report spreadsheets shall provide all of the following information:

a) Well or Facility name

b) API Number or COGCC Facility Number

c) H₂S concentration in PPM

Attachment Check List

Att Doc Num	Name
2533470	NRCS MAP UNIT DESC
2533471	CORRESPONDENCE
400229400	FORM 2A SUBMITTED
400229658	LOCATION PICTURES
400229660	LOCATION DRAWING
400229662	HYDROLOGY MAP
400229663	ACCESS ROAD MAP
400229664	NRCS MAP UNIT DESC
400229665	OTHER

Total Attach: 9 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Final review passed 1/10/2012 NKP	1/10/2012 2:09:23 PM
OGLA	Ready to pass 12/27/2011.	12/6/2011 3:07:06 PM
OGLA	The NRCS description for the KIM-HARVEY-STONEHAM LOAMS, 1 - 3 PERCENT SLOPES soil type has been added to the attachments.	12/6/2011 3:06:14 PM
OGLA	The KIM-HARVEY-STONEHAM LOAMS, 1 - 3 PERCENT SLOPES MAP UNIT DESCRIPTION #21 will need to be added to form 2A by the operator.	12/6/2011 1:54:37 PM

Total: 4 comment(s)

BMP

<u>Type</u>	<u>Comment</u>

Total: 0 comment(s)