

**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:

400237713

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:

427640

Expiration Date:

02/09/2015☒ 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: 100185

Name: ENCANA OIL & GAS (USA) INC

Address: 370 17TH ST STE 1700

City: DENVER State: CO Zip: 80202-5632

3. Contact Information

Name: Heather Mitchell

Phone: (720) 876-3070

Fax: (720) 876-4070

email: heather.mitchell@encana.com

4. Location Identification:

Name: Hay Canyon Number: H34 6102

County: GARFIELD

QuarterQuarter: SENE Section: 34 Township: 6S Range: 102W Meridian: 6 Ground Elevation: 5808

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: 2069 feet FNL, from North or South section line, and 960 feet FEL, from East or West section line.

Latitude: 39.498272 Longitude: -108.747447 PDOP Reading: 1.1 Date of Measurement: 11/22/2011

Instrument Operator's Name: Brian Baker

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

Special Purpose Pits:		Drilling Pits:		Wells:	4	Production Pits:		Dehydrator Units:	1
Condensate Tanks:	8	Water Tanks:	4	Separators:	4	Electric Motors:		Multi-Well Pits:	
Gas or Diesel Motors:		Cavity Pumps:		LACT Unit:		Pump Jacks:		Pigging Station:	
Electric Generators:		Gas Pipeline:	1	Oil Pipeline:		Water Pipeline:	1	Flare:	
Gas Compressors:	1	VOC Combustor:	1	Oil Tanks:		Fuel Tanks:			

Other: 1 meter house

6. Construction:

Date planned to commence construction: 03/30/2012 Size of disturbed area during construction in acres: 5.11
 Estimated date that interim reclamation will begin: 03/30/2013 Size of location after interim reclamation in acres: 2.09
 Estimated post-construction ground elevation: 5808 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: Recycle and bury

7. Surface Owner:

Name: BLM- GJFO 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: 10/27/2011
 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 Mgnt. Surety ID: _____

9. Cultural:

Is the location in a high density area (Rule 603.b.): Yes ☐ No ☒
 Distance, in feet, to nearest building: 800, public road: 885, above ground utilit: 1980
 , railroad: 100320, property line: 583

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.

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: #5 Battlement Loam

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: 11/17/2011

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: 900, water well: 1838, depth to ground water: 200

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:

BLM owns the surface for this location. This location was on-sited with the BLM on 10.27.11. Distances in the cultural section were taken from the HC DHS1C-34 H34 6102 wellhead. The location will be reclaimed to the area adjacent to the pad to the northwest.

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

Signed: _____ Date: 01/09/2012 Email: heather.mitchell@encana.com

Print Name: Heather Mitchell Title: Regulatory Analyst

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: 2/10/2012

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.

SITE SPECIFIC COAs:

Operator must implement best management practices to contain any unintentional release of fluids, including any fluids conveyed via temporary surface or buried 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.

Flowback and stimulation fluids must be sent to tanks, separators, or other containment/filtering equipment before the fluids can be placed into any pipeline or pit located on the well pad or into tanker trucks for offsite disposal. The flowback and stimulation fluid tanks, separators, or other containment/filtering equipment 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 moisture content of any drill cuttings in a cuttings pit, trench, or pile shall be as low as practicable to prevent accumulation of liquids greater than de minimis amounts. At the time of closure, if drill cuttings are to remain/disposed of onsite, or to be recycled and used offsite, the drill cuttings must also meet the applicable standards of table 910-1.

Attachment Check List

Att Doc Num	Name
2034134	CORRESPONDENCE
400237713	FORM 2A SUBMITTED
400238588	ACCESS ROAD MAP
400238590	HYDROLOGY MAP
400238591	MULTI-WELL PLAN
400238593	LOCATION DRAWING
400238594	CONST. LAYOUT DRAWINGS
400238597	LOCATION PICTURES
400238600	REFERENCE AREA PICTURES
400239220	NRCS MAP UNIT DESC

Total Attach: 10 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	LGD/public comments waived. Final Comprehensive Review Status--passed	2/6/2012 9:43:16 AM
LGD	Passed	1/26/2012 12:26:57 PM
OGLA	Initiated/Completed OGLA Form 2A review on 01-25-12 by Dave Kubeczko; requested acknowledgement of fluid containment, spill/release BMPs, moisture content cuttings, and flowback to tanks COAs from operator on 01-25-12; received acknowledgement of COAs from operator on 01-27-12; passed by CPW on 01-16-12 with BLM stipulations and COAs acceptable; passed OGLA Form 2A review on 02-03-12 by Dave Kubeczko; fluid containment, spill/release BMPs, moisture content cuttings, and flowback to tanks COAs.	1/25/2012 9:13:55 AM
DOW	CPW affirms that the lease stipulations and conitions of approval assigned to this permit by the BLM suffice to address wildlife habitat and mitigation concerns. Monday, January 16, 2012 at 12:30 p.m.	1/16/2012 12:38:51 PM
Permit	added related APD's	1/13/2012 10:55:41 AM
Permit	Operator attached full NRCS map unit attachment. This form has passed completeness.	1/10/2012 1:07:07 PM
Permit	Operator corrected Surface and Minerals information and the cultural data. Returned to draft for missing NRCS attachment.	1/10/2012 6:53:27 AM
Permit	Returned to draft. Missing surface and minerals information. Need verification of cultural data. Missing NRCS map unit attachment.	1/9/2012 1:46:52 PM

Total: 8 comment(s)

BMP

<u>Type</u>	<u>Comment</u>
Construction	<ul style="list-style-type: none"> • Use solar panels as an alternative energy source for on-location production equipment, where appropriate, economically and technically feasible. • Use multiple gathering lines placed in a single trench to minimize disturbance and construction, where appropriate, economically and technically feasible. • Install pipeline crossings at right angles to the drainages, wetlands, and perennial water bodies, where appropriate, economically and technically feasible.
Wildlife	<ul style="list-style-type: none"> • Prohibit Encana employees and contractors from carrying projectile weapons on Encana leases. • Prohibit pets on Encana leases. • Strategically apply fugitive dust control measures, including enforcing established speed limits on Encana private roads, to reduce fugitive dust and coating of vegetation and deposition in water sources. • Use enclosed, locking garbage receptacles or implement a strict daily trash removal regime on each temporary or permanent work location.

Total: 2 comment(s)