

**FORM
2A**Rev
04/01**State of Colorado
Oil and Gas Conservation Commission**

1120 Lincoln Street, Suite 801, Denver, Colorado 80203 Phone: (303) 894-2100 Fax: (303) 894-2109



Document Number:

400284778

Date Received:

05/15/2012

Oil and Gas Location Assessment☐ New Location ☒ Amend Existing Location Location#: 427640

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:

06/12/2015☐ 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: 5809

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: 2015 feet FNL, from North or South section line, and 896 feet FEL, from East or West section line.

Latitude: 39.498422 Longitude: -108.747225 PDOP Reading: 1.3 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: <input type="text"/>	Drilling Pits: <input type="text"/>	Wells: <input type="text" value="4"/>	Production Pits: <input type="text"/>	Dehydrator Units: <input type="text" value="1"/>
Condensate Tanks: <input type="text" value="8"/>	Water Tanks: <input type="text" value="4"/>	Separators: <input type="text" value="4"/>	Electric Motors: <input type="text"/>	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"/>	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" 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: 1 meter house

6. Construction:

Date planned to commence construction: 05/31/2012 Size of disturbed area during construction in acres: 5.32
Estimated date that interim reclamation will begin: 10/31/2013 Size of location after interim reclamation in acres: 1.64
Estimated post-construction ground elevation: 5809 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: _____ Phone: _____
Address: _____ Fax: _____
Address: _____ Email: _____
City: _____ State: _____ Zip: _____ 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 Mgmt. Surety ID: _____

9. Cultural:

Is the location in a high density area (Rule 603.b.): Yes ☐ No ☒
Distance, in feet, to nearest building: 1997, public road: 968, above ground utilit: 1997
, railroad: 105600, property line: 761

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: #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: 05/02/2012
List individual species: White top

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: 2100, 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 requested that Encana move the location onto the adjacent pad. BLM owns the Surface for this location. A revised location drawing and construction layouts are attached.

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

Signed: _____ Date: 05/15/2012 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:  Director of COGCC Date: 6/13/2012

**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.

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Attachment Check List

Att Doc Num	Name
400284778	FORM 2A SUBMITTED
400284812	LOCATION DRAWING
400284813	CONST. LAYOUT DRAWINGS

Total Attach: 3 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Location moving 300' to east but not onto Maralex location ID#322464. Checked box "committed to O and G lease" per oper. No LGD or public comments. Final Review--passed.	6/12/2012 3:51:12 PM
OGLA	Initiated/Completed OGLA Form 2A review on 06-11-12 by Dave Kubeczko; previously reviewed (400237713) and approved (02-10-12) 2A; same COAs will apply - fluid containment, spill/release BMPs, moisture content cuttings, and flowback to tanks COAs; passed by CPW on 05-17-12 with BLM stipulations and COAs acceptable; passed OGLA Form 2A review on 06-11-12 by Dave Kubeczko; fluid containment, spill/release BMPs, moisture content cuttings, and flowback to tanks COAs.	6/11/2012 3:01:05 PM
Permit	Req'd sundries to move SHL's for related APD's.	3/7/2012 3:58:39 PM
LGD	Passed DB	5/31/2012 1:11:07 PM
DOW	<p>This site is located 18.6 miles north of Fruita, adjacent to Hay Canyon Road on BLM property. It is a greatly expanded amended site, incorporating 10 new wells in addition to the single well. The site falls within an Elk Winter Range SWH, and construction is planned from 31 May 2012 through 31 Oct 2013. The CPW has the following comments:</p> <p>Reduce site visits between 1 Dec and 15 April due to Elk Winter Range</p> <p>Restrict post-development site visits from 1 Dec to 15 April to between 10am and 3pm due to Elk Winter Range</p> <p>Establish company guidelines to minimize wildlife mortality from vehicle collisions on roads</p> <p>Avoid aggressive non-native grasses and shrubs; use only native shrubs, grasses and forbs appropriate to the ecological site disturbed.</p> <p>Use locally collected seed where possible</p> <p>Abide by all HB1298 Requirements</p> <p>Adhere to all BLM site access and development restrictions</p> <p>CPW supports BLMs stipulations and COAs</p> <p>Comments provided by Bill Buchholz on 17 May, 2012</p>	5/17/2012 12:08:45 PM

Total: 5 comment(s)

BMP

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

Total: 2 comment(s)