

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:

400302269

Date Received:

07/09/2012

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:

429970

Expiration Date:

08/17/2015

☒ 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@ecana.com

4. Location Identification:

Name: Latham Number: O12 8100
County: GARFIELD
QuarterQuarter: LOT 4 Section: 12 Township: 8S Range: 100W Meridian: 6 Ground Elevation: 6723
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: 1050 feet FSL, from North or South section line, and 484 feet FEL, from East or West section line.
Latitude: 39.370681 Longitude: -108.492781 PDOP Reading: 1.3 Date of Measurement: 04/14/2012
Instrument Operator's Name: Ben Johnson

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"/> |
| Condensate Tanks: <input type="text" value="8"/> | Water Tanks: <input type="text" value="8"/> | Separators: <input type="text" value="5"/> | 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" value="1"/> | Oil Pipeline: <input type="text"/> | Water Pipeline: <input type="text"/> | Flare: <input type="text"/> |
| Gas Compressors: <input type="text"/> | VOC Combustor: <input type="text" value="1"/> | Oil Tanks: <input type="text"/> | Fuel Tanks: <input type="text"/> | |

Other: 2 meter houses

6. Construction:

Date planned to commence construction: 06/15/2013 Size of disturbed area during construction in acres: 7.08
 Estimated date that interim reclamation will begin: 01/01/2014 Size of location after interim reclamation in acres: 1.92
 Estimated post-construction ground elevation: 6724 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: 04/11/2012
 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: 20100017 ☐ 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: 4960 , public road: 1260 , above ground utilit: 37760
 , railroad: 74801 , property line: 269

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: #29 Debeque very channery loam

NRCS Map Unit Name: #5 Battlement loam

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: 05/30/2012

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: 1970, water well: 10269, 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:

This pad is on fee surface and the wells will be drilled into both fee and fed minerals. This pad will be reclaimed to the south.

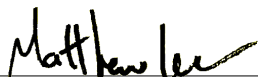
I hereby certify that the statements made in this form are, to the best of my knowledge, true, correct and complete.

Signed: _____ Date: 07/09/2012 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:



Director of COGCC

Date: 8/18/2012

**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 ensure 110 percent secondary containment for any volume of fluids contained at well site during drilling and completion operations (as indicated on the Location Drawing and Construction Layout Drawings attachments); 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.

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

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 the drill cuttings are to be disposed of onsite, they must also meet the applicable standards of table 910-1.

Notify the COGCC Oil and Gas Location Assessment (OGLA) Specialist for Western Colorado (Dave Kubeczko; email dave.kubeczko@state.co.us), the COGCC Field Inspection Supervisor for Northwest Colorado (Shaun Kellerby; email shaun.kellerby@state.co.us), and the COGCC Field Inspector for Garfield County (Mike Longworth; email mike.longworth@state.co.us) 48 hours prior to start of pad construction, pit liner installation (if applicable), rig mobilization, spud, and start of hydraulic stimulation operations using Form 42 (the appropriate COGCC individuals will automatically be email notified, including the LGD for hydraulic stimulation operations).

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.

Berms or other containment devices shall be constructed to be sufficiently impervious (preferably corrugated steel with a liner) to contain any spilled or released material around crude oil, condensate, and produced water storage tanks.

Attachment Check List

| Att Doc Num | Name |
|-------------|------------------------|
| 2034488 | CORRESPONDENCE |
| 400302269 | FORM 2A SUBMITTED |
| 400302272 | MULTI-WELL PLAN |
| 400302273 | NRCS MAP UNIT DESC |
| 400302274 | NRCS MAP UNIT DESC |
| 400302278 | ACCESS ROAD MAP |
| 400302283 | CONST. LAYOUT DRAWINGS |
| 400302289 | HYDROLOGY MAP |
| 400302306 | LOCATION DRAWING |
| 400303306 | LOCATION PICTURES |

Total Attach: 10 Files

General Comments

| <u>User Group</u> | <u>Comment</u> | <u>Comment Date</u> |
|-------------------|---|--------------------------|
| Final Review | checked "surface owner is executer of oil and gas lease" per APD "yes" for "Is the surface owner's signature on the lease?" | 8/18/2012 8:58:56 AM |
| Permit | No LGD or public comments. Final Review--passed. | 8/15/2012 7:53:40 AM |
| OGLA | Initiated/Completed OGLA Form 2A review on 08-07-12 by Dave Kubeczko; requested acknowledgement of fluid containment, spill/release BMPs, tank berming, moisture content cuttings, and flowback to tanks COAs from operator on 08-07-12; received acknowledgement of COAs from operator on 08-08-12; no CPW; passed OGLA Form 2A review on 08-14-12 by Dave Kubeczko; fluid containment, spill/release BMPs, tank berming, moisture content cuttings, and flowback to tanks COAs. | 3/7/2012 5:52:26 PM |
| Permit | Existing loc. ID #322518--use this #? | 7/30/2012 7:47:13 AM |
| LGD | Passed DB | 7/11/2012 10:59:35 AM |

Total: 5 comment(s)

BMP

| <u>Type</u> | <u>Comment</u> |
|--------------|--|
| Wildlife | 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 | 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)