

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:

400361453

Date Received:

12/29/2012

Oil and Gas Location Assessment

New Location

Amend Existing Location

Location#: 334438

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:

334438

Expiration Date:

02/13/2016

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: 10433

Name: PICEANCE ENERGY LLC

Address: 1512 LARIMER STREET #1000

City: DENVER State: CO Zip: 80202

3. Contact Information

Name: Julie Webb

Phone: (303) 339-4400

Fax: (303) 339-4399

email: jwebb@progressivepcs.net

4. Location Identification:

Name: NVega Pad Number: 5D

County: MESA

Quarter: NWNW Section: 25 Township: 9S Range: 93W Meridian: 6 Ground Elevation: 7799

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: 846 feet FNL, from North or South section line, and 612 feet FWL, from East or West section line.

Latitude: 39.250775 Longitude: -107.727536 PDOP Reading: 2.0 Date of Measurement: 10/29/2008

Instrument Operator's Name: B. Hunting

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="0"/>	Wells: <input type="text" value="31"/>	Production Pits: <input type="text"/>	Dehydrator Units: <input type="text"/>
Condensate Tanks: <input type="text" value="12"/>	Water Tanks: <input type="text" value="4"/>	Separators: <input type="text" value="31"/>	Electric Motors: <input type="text"/>	Multi-Well Pits: <input type="text" value="0"/>
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" value="1"/>	Flare: <input type="text" value="1"/>
Gas Compressors: <input type="text"/>	VOC Combustor: <input type="text" value="1"/>	Oil Tanks: <input type="text" value="0"/>	Fuel Tanks: <input type="text"/>	

Other: Cuttings Trench

6. Construction:

Date planned to commence construction: 02/01/2013 Size of disturbed area during construction in acres: 5.08
Estimated date that interim reclamation will begin: 02/01/2014 Size of location after interim reclamation in acres: 2.54
Estimated post-construction ground elevation: 7798 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: Bury & Reclaim

7. Surface Owner:

Name: _____ Phone: _____
Address: _____ Fax: _____
Address: _____ Email: _____
City: _____ State: _____ Zip: _____ Date of Rule 306 surface owner consultation: 06/06/2007
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: 20120081 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: 725, public road: 915, above ground utility: 10084,
railroad: 126720, property line: 475

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: 53: Pagdoda-Hesperus Complex, 12 to 40 Percent 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: 02/12/2008
List individual species: Gramma, Fescue, Rye

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: 1066, water well: 2439, depth to ground water: 80
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

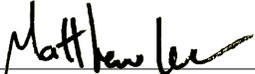
15. Comments:

Water well Permit # 243320 was used to find depth to ground water. I certify that all conditions in the original permit are the same. There have been no changes to land use, well construction or the lease. A closed loop system is being used so no pits need to be constructed.

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

Signed: _____ Date: 12/29/2012 Email: jwebb@progressivepcs.net
Print Name: Julie Webb 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: 2/14/2013

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:

Notify the COGCC 48 hours prior to start of pad construction, 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).

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.

The moisture content of any freshwater generated 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 left onsite, they must also meet the applicable standards of table 910-1.

Flowback and stimulation fluids must be sent to tanks, separators, or other containment/filtering equipment before the fluids can be placed into any pipeline, storage vessel, or lined pit (only if an amended Form 2A has been submitted/approved and a Form 15 Earthen Pit Permitted has been submitted/approved) 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 access road will be constructed as to not allow any sediment to migrate from the access road to nearby surface water or any drainages leading to surface water.

The location is in an area of moderate to high run off/run-on potential; therefore the pad shall be constructed to prevent any stormwater run-on and/or stormwater runoff.

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

Attachment Check List

Att Doc Num	Name
2106499	CORRESPONDENCE
2106514	CORRESPONDENCE
400361453	FORM 2A SUBMITTED

Total Attach: 3 Files

General Comments

User Group	Comment	Comment Date
OGLA	Per operator's review of surrounding water wells; depth to groundwater at this location has been changed from 5' bgs to 80' bgs.	2/14/2013 8:53:51 AM
Final Review	Placed ON HOLD. Left message for W. Bankert regarding waste disposal plans. Onsite disposal of cuttings in trench; DTW = 5'.	1/25/2013 1:24:47 PM
Permit	No LGD or public comments. Final Review--passed.	1/24/2013 9:11:41 AM
OGLA	Initiated/Completed OGLA Form 2A review on 01-11-13 by Dave Kubeczko; previously submitted and approved (10-31-09) Form 2A#1789352; OGCC Facility ID#334438; requested acknowledgement of fluid containment, spill/release BMPs, tank berming, flowback to tanks, cuttings low moisture content, and access road and pad sediment/stormwater control COAs from operator on 01-11-13; received acknowledgement of COAs from operator on 01-23-13; changed distance to SW to 1066'; no CPW; passed OGLA Form 2A review on 01-24-13 by Dave Kubeczko; fluid containment, spill/release BMPs, tank berming, flowback to tanks, cuttings low moisture content, and access road and pad sediment/stormwater control COAs.	1/11/2013 1:14:55 PM
Permit	Oper. sub. amended 2A at request of COGCC. Added related refile APD's.	1/8/2013 7:31:39 AM
Permit	operator corrected items #1 and #2. This form passed completeness.	1/3/2013 11:18:35 PM
Permit	Return to draft: 1. submitted location qtrqtr, NWNE, does not match COGIS mapping or original form 2A (NWNW), 2. water resources sensitive area determination performed response 'NO' does not match original form 2A 'Yes.'	1/2/2013 10:23:18 PM
Permit	Return to draft: 1. submitted location qtrqtr, NWNE, does not match COGIS mapping or original form 2A (NWNW), 2. water resources sensitive area determination performed response 'NO' does not match original form 2A 'Yes.'	12/30/2012 9:20:17 PM

Total: 8 comment(s)

BMP

Type	Comment

Total: 0 comment(s)