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

Oil and Gas Location Assessment

Document Number: 400392924

Date Received: 05/13/2013

☐ New Location ☒ Amend Existing Location Location#: 413754

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: **413754**

Expiration Date: **07/20/2016**

☒ 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: 10450

Name: EE3 LLC

Address: 4410 ARAPAHOE AVENUE #100

City: BOULDER State: CO Zip: 80303

3. Contact Information

Name: CLAYTON DOKE

Phone: (303) 216-0703

Fax: (303) 216-2139

email: cdoke@iptengineers.com

4. Location Identification:

Name: MARR Number: PAD

County: JACKSON

QuarterQuarter: NWNE Section: 7 Township: 7N Range: 80W Meridian: 6 Ground Elevation: 8130

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: 420 feet FNL , from North or South section line, and 2361 feet FEL , from East or West section line.

Latitude: 40.598347 Longitude: -106.415444 PDOP Reading: 1.2 Date of Measurement: 11/21/2008

Instrument Operator's Name: UINTAH ENGINEERING & LAND SURVEYING

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

Special Purpose Pits:		Drilling Pits:		Wells:	1	Production Pits:		Dehydrator Units:	
Condensate Tanks:	12	Water Tanks:		Separators:		Electric Motors:		Multi-Well Pits:	
Gas or Diesel Motors:		Cavity Pumps:		LACT Unit:		Pump Jacks:		Pigging Station:	
Electric Generators:		Gas Pipeline:		Oil Pipeline		Water Pipeline:		Flare:	1
Gas Compressors:				VOC Combustor:	1	Oil Tanks:		Fuel Tanks:	

Other:

6. Construction:

Date planned to commence construction: 06/01/2013 Size of disturbed area during construction in acres: 5.11

Estimated date that interim reclamation will begin: 12/01/2013 Size of location after interim reclamation in acres: 1.51

Estimated post-construction ground elevation: 8130 Will a closed loop system be used for drilling fluids: Yes [X]

Will salt sections be encountered during drilling: Yes [ ] No [X] Is H2S anticipated? Yes [ ] No [X]

Will salt (>15,000 ppm TDS Cl) or oil based muds be used: Yes [ ] No [X]

Mud disposal: Offsite [X] Onsite [ ] Method: Land Farming [ ] Land Spreading [ ] Disposal Facility [ ]

Other: Cuttings backfill and cover

7. Surface Owner:

Name: _____ Phone: _____

Address: _____ Fax: _____

Address: _____ Email: _____

City: _____ State: _____ Zip: _____ Date of Rule 306 surface owner consultation: _____

Surface Owner: [X] Fee [ ] State [ ] Federal [ ] Indian

Mineral Owner: [X] Fee [ ] State [ ] Federal [ ] Indian

The surface owner is: [X] the mineral owner [X] 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: [X] 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:

[X] Well Surety ID: 20130007 [ ] Gas Facility Surety ID: _____ [ ] Waste Mgnt. Surety ID: _____

9. Cultural:

Is the location in a high density area (Rule 603.b.): Yes [ ] No [X]

Distance, in feet, to nearest building: 2790 , public road: 1694 , above ground utility: 2219 , railroad: 122860 , property line: 420

10. Current Land Use (Check all that apply):

Crop Land: [ ] Irrigated [ ] Dry land [ ] Improved Pasture [ ] Hay Meadow [ ] CRP

Non-Crop Land: [X] 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: [X] 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: Bs- Bosler sandy loam

NRCS Map Unit Name: Gn- Girardot silty clay loam

NRCS Map Unit Name: Wa- Walden sandy loam

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: 272 , water well: 635 , depth to ground water: 5

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:

Static water level was determined from water well permit #242234- -, located (SWSE) Sec. 6-T7N-R80W, approximately 635' northeast from location. This well pumped at a rate of 15 gpm with a static water level of 2'. There is no elevation listed for this well, but topographic maps show it as approximately 5' below location. Correcting for this difference results in an estimate of 7' to groundwater at location. This is what has been reported above. Location has been marked as a "sensitive area" due to proximity to surface waters and depth to groundwater. Reference area is located immediately adjacent to the well pad to the east as shown on the LOCATION PICTURES.

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

Signed: _____ Date: 05/13/2013 Email: cdoke@iptengineers.com

Print Name: CLAYTON DOKE Title: SENIOR ENGINEER

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: Matthew Lee **Director of COGCC** Date: 7/21/2013

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.

BASELINE GROUNDWATER/SURFACE WATER TESTING COA:

Operator shall comply with Rule 609. STATEWIDE GROUNDWATER BASELINE SAMPLING AND MONITORING.

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).

Reserve pit, or any other pit used to contain/hold fluids, if constructed, must be lined or a closed loop system (as indicated by operator on the Form 2A Permit application) must be implemented during drilling.

The access road will be constructed to prevent sediment migration from the access road to nearby surface water or any drainages leading to other nearby surface waters.

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

If the well is to be hydraulically stimulated, then 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.

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
2106666	CORRESPONDENCE
2106667	PROPOSED BMPs
2106668	CORRESPONDENCE
400392924	FORM 2A SUBMITTED
400392994	NRCS MAP UNIT DESC
400403752	WASTE MANAGEMENT PLAN
400410636	ACCESS ROAD MAP
400410638	HYDROLOGY MAP
400410640	LOCATION DRAWING
400410641	LOCATION PICTURES
400410642	REFERENCE AREA MAP
400410643	REFERENCE AREA PICTURES
400410645	TOPO MAP
400417013	MULTI-WELL PLAN

Total Attach: 14 Files

General Comments

User Group	Comment	Comment Date
Permit	Corrected number of wells from 2 to 1. Opr is submitting a Form 4 to abandon the Marr 6-07H well. Removed Opr comment regarding Marr well. Final review complete.	6/28/2013 9:01:52 AM
OGLA	Initiated/Completed OGLA Form 2A review on 06-09-13 by Dave Kubeczko; requested acknowledgement of fluid containment, spill/release BMPs, tank berming, flowback to tanks, sediment control access road, GW baseline sampling, notification, and cuttings low moisture content COAs from operator on 06-09-13; received acknowledgement of COAs from operator on 06-13-13; changed distance to SW to 272' per Hydrology Map; waived by CPW on 06-24-13 with no comment; COGCC added wildlife and operational BMPs received from EE3 on 06-26-13; passed OGLA Form 2A review on 06-26-13 by Dave Kubeczko; fluid containment, spill/release BMPs, tank berming, flowback to tanks, sediment control access road, GW baseline sampling, notification, and cuttings low moisture content COAs.	6/9/2013 8:16:31 AM
Permit	Ready to pass pending public comment 6/4/13.	5/15/2013 4:16:55 PM
Permit	Pass completeness.	5/14/2013 7:38:29 AM

Total: 4 comment(s)

BMP

Type	Comment
Drilling/Completion Operations	1) EE3 LLC will use hospital grade mufflers for compressors, pump jacks, or other engines necessary to run operations at the site. Mufflers will be pointed upward to dissipate potential vibration. 2) EE3 LLC will restore appropriate sagebrush species or subspecies on disturbed sagebrush sites, if agreeable by the landowner. EE3 LLC will use locally collected seed for reseeding where possible. 3) EE3 LLC will follow COGCC Rule 1204 a-1 for dumpsters and trash receptacles. 4) EE3 LLC will utilize a closed loop system to drill the referenced well. 5) EE3 LLC will attempt to reduce truck traffic to each well pad site.
Wildlife	1) Where drilling/completion activities occur within 4 miles of greater sage-grouse leks or within other mapped greater sage-grouse breeding or summer habitat, EE3 LLC will conduct these activities outside the period between March 1 and June 30. 2) EE3 LLC will establish company guidelines to minimize wildlife mortality from vehicle collisions on roads.

Total: 2 comment(s)