

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

1120 Lincoln Street, Suite 801, Denver, Colorado 80205 Phone: (303) 894-2100 Fax: (303) 894-2109



DE ET OE ES

Document Number:

400024625

Oil and Gas Location Assessment☐ New Location ☒ Amend Existing Location Location#: 312672

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 stand alone 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:

312672

Expiration Date:

03/18/2013☐ 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: DeAnne Spector

Phone: (720) 876-5826

Fax: ()

email: 20020067deanne.spector@encana.com

4. Location Identification:

Name: Nichols Number: 31-11 (PL31SW)

County: MESA

QuarterQuarter: NESW Section: 31 Township: 9S Range: 95W Meridian: 6 Ground Elevation: 5911

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: 2141 feet, from North or South section line: FSL and 1786 feet, from East or West section line: FWL

Latitude: 39.230360 Longitude: -108.037740 PDOP Reading: 0.0 Date of Measurement: 10/21/2009

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

| | | | | |
|--|---|--|---|--|
| Special Purpose Pits: <input type="text" value="1"/> | Drilling Pits: <input type="text" value="1"/> | Wells: <input type="text" value="2"/> | Production Pits: <input type="text" value="0"/> | Dehydrator Units: <input type="text" value="0"/> |
| Condensate Tanks: <input type="text" value="1"/> | Water Tanks: <input type="text" value="0"/> | Separators: <input type="text" value="2"/> | Electric Motors: <input type="text" value="0"/> | Multi-Well Pits: <input type="text" value="0"/> |
| Gas or Diesel Motors: <input type="text" value="0"/> | Cavity Pumps: <input type="text" value="0"/> | LACT Unit: <input type="text" value="0"/> | Pump Jacks: <input type="text" value="0"/> | Pigging Station: <input type="text" value="0"/> |
| Electric Generators: <input type="text" value="0"/> | Gas Pipeline: <input type="text" value="1"/> | Oil Pipeline: <input type="text" value="0"/> | Water Pipeline: <input type="text" value="1"/> | Flare: <input type="text" value="1"/> |
| Gas Compressors: <input type="text" value="0"/> | VOC Combustor: <input type="text" value="0"/> | Oil Tanks: <input type="text" value="0"/> | Fuel Tanks: <input type="text" value="0"/> | |

Other: _____

6. Construction:

Date planned to commence construction: 04/15/2010 Size of disturbed area during construction in acres: 3.73
Estimated date that interim reclamation will begin: 04/15/2011 Size of location after interim reclamation in acres: 1.36
Estimated post-construction ground elevation: 5911 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: _____

7. Surface Owner:

Name: Ben & Lois Nichols Phone: _____
Address: 55759 HWY 330 Fax: _____
Address: _____ Email: _____
City: Collbran State: CO Zip: 81624 Date of Rule 306 surface owner consultation: 12/17/2009
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: 20020067 ☐ 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: 1056, public road: 420, above ground utilit: 1584
, railroad: 58000, property line: 622

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: Biedsaw-Sunup gravelly loams

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: _____

List individual species: Cactus, Yucca, Cheatgrass, Rye, Bluestem, Grama, Wheatgrass, Buffalograss, Fescue, Oatgrass, Brome, Mahogany, Oak, Sage, Serviceberry, Chokecherry

Check all plant communities that exist in the disturbed area.

- ☒ Disturbed Grassland (Cactus, Yucca, Cheatgrass, Rye)
☒ Native Grassland (Bluestern, 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: 1115, water well: 12144, depth to ground water: 334

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:

The reference area will be located adjacent and to the south of the proposed well pad on undisturbed land.

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

Signed: _____ Date: 01/21/2010 Email: deanne.spector@encana.com

Print Name: DeAnne Spector 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.

David S. Nash

COGCC Approved: _____

Director of COGCC

Date: 3/19/2010

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.

Visits to the well site will be reduced by the use of remote monitoring (i.e. SCADA) and the use of multi-function contractors. EnCana and its contractors will maximize the use of state-of-the-art drilling technology when available to minimize disturbance. Post-development well site visitations will be conducted between the hours of 9:00 a.m. and 4:00 p.m. during December 1 and April 15 in mule deer critical winter range. On the occasion that well conditions are not stabilized, EnCana will be allowed to work any hours during the day or year, as necessary to stabilize the well. This BMP excludes fluid movement in order to protect the environment and workovers required for maintenance of the well. Hours for well site visits will not be restricted outside the mule deer critical winter range period of the December 1 to April 15.

Attachment Check List

| Att Doc Num | Name | Doc Description |
|-------------|------------------------|----------------------|
| 2032832 | CORRESPONDENCE | LF@2420862 2032832 |
| 2032860 | PROPOSED BMPs | LF@2420863 2032860 |
| 2032869 | PROPOSED BMPs | LF@2421295 2032869 |
| 400027810 | LOCATION PICTURES | LF@2216466 400027810 |
| 400027812 | WELL LOCATION PLAT | LF@2216467 400027812 |
| 400027823 | OTHER | LF@2216468 400027823 |
| 400027825 | CONST. LAYOUT DRAWINGS | LF@2216469 400027825 |
| 400027827 | ACCESS ROAD MAP | LF@2216470 400027827 |
| 400027828 | NRCS MAP UNIT DESC | LF@2216471 400027828 |
| 400027829 | TOPO MAP | LF@2216475 400027829 |
| 400027830 | 317B NOTIFICATION | LF@2216478 400027830 |
| 400027854 | PROPOSED BMPs | LF@2216480 400027854 |
| 400027861 | HYDROLOGY MAP | LF@2216482 400027861 |
| 400031045 | FORM 2A SUBMITTED | LF@2395157 400031045 |

Total Attach: 14 Files