

BOPCO
13 POINT SURFACE USE PLAN
FOR WELL
YCF XOM 2-22-2
LOCATED IN LOT #6
SECTION 2, T.1S, R98W, 6th P.M.
RIO BLANCO COUNTY, COLORADO
LEASE NUMBER: COC-62048
SURFACE OWNERSHIP: FEDERAL

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1. Existing Roads:

BOPCO, L. P.
Yellow Creek Federal XOM #2-22-2
Section 2, T1S, R98W, 6th PM

From the intersection of US Highway 64 and 10th Street in Meeker, Colorado proceed in a westerly direction along US Highway 64 approximately 19.8 miles to the junction of the Piceance Creek Road (County Road #5); exit left and proceed in a southerly direction along the Piceance Creek Road approximately 4.6 miles to the junction of County Road #20; exit right and proceed in a northwesterly direction along County Road #20 approximately 2.7 miles to the junction of County Road #83 (south) and County Road #88 (north). Continue on County Road #20 in a southwesterly direction approximately 2.3 miles to the junction of County Road #122; exit right and proceed in a westerly direction along County Road #122 approximately 5.2 miles to the intersection of a service road; exit left and proceed in a southeasterly direction along the service road approximately 1.8 miles to the proposed access road. Follow road flags in an easterly direction approximately 7,100 feet to the proposed location.

Total distance from Meeker, Colorado is approximately 37.7 miles in a westerly direction.

All existing roads to the proposed location are State of Colorado, BLM maintained or County Class D roads. Please see the attached map for additional details.

2. Planned access road

The proposed access road will be approximately 7100' of new construction. The road will be graded once per year minimum and maintained.

- A) Approximate length 7100 ft
- B) Right-of-Way width 30 ft
- C) Running surface 18 ft
- D) Surface material Native soil
- E) Maximum grade 8%
- F) Fence crossing None
- G) Culvert None
- H) Turnouts None
- I) Major cuts and fills None
- J) Road Flagged Yes
- K) Access road surface ownership Federal
- L) All new construction on lease Yes
- M) Pipe line crossing None

Please see the attached location plat for additional details.

An off lease Right-of-Way will be required for approximately 4,600'.

All surface disturbances for the road and location will not be within the lease boundary.

3. Location of existing wells

The following wells are located within a one-mile radius of the location site.

- A) Producing well Yellow Creek Federal 34-1
- B) Water well None
- C) Abandoned well None
- D) Temp. abandoned well None
- E) Disposal well None
- F) Drilling /Permitted well None
- G) Shut in wells None

H) Injection well None
I) Monitoring or observation well None

Please see the attached map for additional details.

4. Location of tank batteries, production facilities and production gathering service lines.

All production facilities are to be contained within the proposed location site. Please see the attached plat for a typical gas well separator installation and well site piping.

All permanent (on site for more than six months or longer) structures constructed or installed will be painted a **Beetle** color. Facilities required to comply with O.S.H.A. (Occupational Safety and Health Act) will be excluded. The required paint color is **Beetle**.

All tanks will be surrounded by a dike of sufficient capacity to contain the storage capacity of the largest tank in the battery. The integrity of the dike will be maintained.

The operator will adhere to all site security guidelines and regulation identified in 43 CFR 3126.7.

All off lease storage, off lease measurement, commingling on lease or off lease, of production, will have prior written approval from the authorized officer.

If the well is capable of economic production a surface gas line will be required.

Approximately 1,080' of 4" steel buried gas gathering line would be constructed on Federal Lands. A permanent right-of-way width of 15 feet will be required and approximately 60 feet will be required during construction for one week. The line will tie into an existing pipeline in Section 2, T1S, R98W, 6th PM. The pipeline would be buried to the south and west of the location and parallel to the access road.

An off lease Right-of-Way will not be required.

Please see the attached location diagrams for pipeline location.

The gas meter run will be located within 500' of the wellhead. The gas line will be buried or anchored down from the wellhead to the meter. Meter runs will be housed and/or fenced.

The gas meter will be calibrated and the tank strapped in place prior to any deliveries. Tests for meter accuracy will be conducted monthly for the first three months on new meter installations and at least quarterly thereafter. The authorized officer will be provided with a date and time for the initial meter calibration and all future meter-proving schedules. A copy of the meter calibration report will be submitted to the BLM's White River Field Office and The Colorado Oil and Gas Conservation Commission. All measurement facilities will conform to API (American Petroleum Institute) and AGA (American Gas Association) standards for gas and liquid hydrocarbon measurement.

5. Location and type of water supply

Water for drilling and cementing will be hauled by Daibo/A-1 Tanks and will come from the White River.

6. Source of construction materials

All construction material for this location site and access road shall be borrow material accumulated during construction of the location site and access road. If required, additional road gravel or pit lining material will be obtained from private resources.

7. Methods for handling waste disposal

A) Pit construction and liners:

The reserve pit will be approximately 15 ft. deep and most of the depth shall be below the surface of the existing ground. Please see the attached plat for details.

The reserve pit will be lined.

The reserve pit will be used to store water for drilling and for fracture stimulation during completion. A semi-closed system will be used to drill the well. All fresh water for drilling will come from a frac tank placed on location and from the rig tank. The pit will be used to hold non-flammable materials such as cuttings, salt, drilling fluids, chemicals, produced fluids, etc.

B) Produced fluids:

Produced water will be confined to the reserve pit, or if deemed necessary, a storage tank for a period

not to exceed 90 days after initial production. During the 90-day period an application for approval for permanent disposal method and location will be submitted to the authorized officer. **Evaporation may be used instead of trucking to facilitate closing and reclamation of the reserve pit. A pumping system would be used for evaporation.**

C) Garbage:

A commercial trash container will be used to hold trash on location and will be removed to an authorized landfill location.

D) Sewage:

Portable chemical toilets will be supplied for human waste.

E) Site clean-up:

After the rig is moved off the location the well site area will be cleaned and all refuse removed.

8. Ancillary facilities

There are no ancillary facilities planned at this time and none are foreseen for the future.

9. Well-site layout

Location dimensions are as follows:

| | |
|----------------------|---------------|
| A) Pad length | 385 ft |
| B) Pad width | 295 ft |
| C) Pit depth | 15 ft |
| D) Pit length | 130 ft |
| E) Pit width | 85 ft |

| | |
|-------------------------|--------------------|
| F) Max cut | 28.0 ft |
| G) Max fill | 11.1 ft |
| H) Total cut yds. | 26,420 cu yds |
| I) Pit location | South end |
| J) Top soil location | East and West ends |
| K) Access road location | West end |
| L) Flare Pit | Corner 7 |
| M) FW Pit length | 50 ft |
| N) FW Pit width | 85 ft |
| O) FW Pit depth | 15 ft |

Please see the attached location diagram for additional details.

All pits will be fenced according to the following minimum standards:

- A) Reserve pits used for drilling will be fenced on three sides prior to drilling activity and closed off on the fourth side after drilling is finished. All fence corners will be braced with an H-type brace. Within the wild horse range, the reserve pit fence shall be 48 inches high. In sheep allotments, the fence will have 48 inches of woven wire and cattle allotments will have four strands of barbed wire. Fences will be located at least four feet from the edge of the pit slope.
- B) Corner posts shall be cemented and/or braced in such a manner to keep the fence tight at all times.
- C) Standard steel, wood or pipe posts shall be used between the corner braces. Maximum distance between any two posts shall be no greater than 16 ft.

D) All wire shall be stretched by using a stretching device before it is attached to the corner posts.

10. Plans for restoration of the surface:

Prior to construction of the location, the top 6 inches of soil material will be stripped off the location and the pit area. The topsoil removed and piled will amount to approximately 2,190 cubic yards of material. Topsoil will be stockpiled in one distinct pile. Placement of the topsoil is noted on the attached location plat. The topsoil pile from the location will be seeded as soon as the soil is stock piled with the seed mix listed. When all drilling and completion activities have been completed and the pit back-filled the topsoil from the pit area will be spread on the pit area. The pit area will be seeded when the soil has been spread. The unused portion of the location (the area outside the dead men) will be re-contoured.

Once the drilling rig moves off location, the reserve pit will be bird netted. The dirt contractor will be provided with an approved copy of the surface use plan prior to construction activities.

Changes to the drainage during the construction activities shall be restored to its original line of flow or as near as possible when the pit is back-filled

All disturbed areas will be re-contoured to the approximate natural contours. Prior to back filling the pit the fences around the reserve pit will be removed.

The reserve pit will be reclaimed within 90 days of well completion. If the

reserve pit has not dried sufficiently to allow back filling, an extension on the time requirement for back filling the pit will be requested. Once reclamation activities have begun, they shall be completed within 30 days.

After the reserve pit has been reclaimed, no depressions in the soil covering the reserve pit will be allowed. The objective is to keep seasonal rainfall and run off from seeping into the soil used to cover the reserve pit. Diversion ditches and water bars will be used to divert the run off as needed.

When restoration activities have been completed, the location site and new access road cuts and shoulders shall be reseeded. Prior to reseeding, all disturbed areas will be scarified. And left with a rough surface.

A) Seeding dates:

Seed will be spread when topsoil is stock piled and when reclamation work is performed.

The seed mix and quantity list will be used whether the seed is broadcast or drilled.

B) Interim Seed Mix:

To be determined by the Authorized Officer.

11. Surface ownership:

| | |
|-------------|---------|
| Access road | Federal |
| Location | Federal |
| Pipe line | Federal |

12. Other information:

A) Vegetation

The vegetation coverage is slight. The majority of the existing vegetation consists of Sagebrush, Rabbit brush, Bitter Brush, and Indian Rice grass are also found on the location.

B) Dwellings:

There are no dwelling or other facilities within a one-mile radius of the location.

C) Archeology:

The location has been surveyed. A copy of that survey will be forwarded to your office.

If, during operations, any archaeological or historical sites, or any objects of antiquity (subject to the antiquities act of June 8, 1906) are discovered, all operations, which would affect such sites will be suspended and the discovery reported promptly to the surface management agency.

D) Water:

The nearest water is Yellow Creek located .75 miles +/- to the East.

E) Chemicals:

No pesticides, herbicides or other possible hazardous chemicals will be used without prior application.

F) Notification:

- a) Location Construction at least forty eight (48) hours prior to construction of location and access roads.
- b) Location completion prior to moving on the drilling rig.
- c) Spud notice at least twenty-four (24) hours prior to spudding the well.
- d) Casing string and cementing at least twenty-four (24) hours prior to running casing and cementing all casing strings.
- e) BOP and related equipment tests At least twenty-four (24) hours prior to initial pressure tests.
- f) First production notice within five (5) business days after the new well begins, or production resumes after well has been off production for more than 90 days.

G) Flare pit:

The flare pit will be located in corner 7 of the reserve pit out side the pit fences and 100 feet from the bore hole on the east side of the location. All fluids will be removed from the pit within 48 hours of occurrence.

13. Lessees or Operator's representative and certification:

A) Representative

Ginger Stringham
Paradigm Consulting
Vernal, UT 84079

Office 435-789-4162

Fax 435-789-8188
Cellular 435-790-4163

All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, onshore oil and gas orders, and any applicable notices to lessees. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished to the field representative to ensure compliance.

This drilling permit will be valid for a period of one year from the date of approval. After permit termination, a new application will be filed for approval for any future operations.

B) Certification:

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill-site and access route, that I am familiar with the conditions which presently exist, that the statements made in this plan are, to the best of my knowledge and belief, true and correct, and that the work associated with the operation proposed herein will be preformed by BOPCO, L. P. and its contractors and subcontractors in conformity with this plan and terms and conditions with this plan and the terms and conditions under which it is approved.

Onsite Dates: 4/10/06

Self Certification Statement:

The following self-certification statement is provided per Federal requirements dated June 15, 1988.

Please be advised that BOPCO, L. P. is considered to be the operator of the following well:

**Yellow Creek Federal XOM 2-22-2
Section 2, T1S, R98W, 6th PM
Lot 6
Lease COC-62048
Rio Blanco County, CO**

BOPCO, L. P. is responsible under the terms and conditions of the lease for the operations conducted upon the lease lands.

Bond COB000050 provides statewide bond coverage on all Federal Lands.

Date 10/13/06


Ginger Stringham
Paradigm Consulting

Statement of use of Hazardous Materials

No chemical (s) from the EPS's consolidated list of Chemicals subject to Reporting under Title III of the Superfund Amendments and Reauthorization Act (SARA) of 1986 will be used, produced, transported, stored, disposed, or associated with the proposed action. No extremely hazardous substances, as defined in 40 CFR 355, will be used, produced, stored, transported, disposed, or associated with the proposed action.

If you require additional information please contact:

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