



FORM 15 Rev 6/99

State of Colorado Oil and Gas Conservation Commission



RECEIVED NOV 10 2010 FOR OGCC USE ONLY COGCC

1120 Lincoln Street, Suite 801, Denver, Colorado 80203 (303)894-2100 Fax:(303)894-2109

EARTHEN PIT REPORT/PERMIT

This form is to be used for both reporting and permitting pits. Rule 903 describes when a Permit with prior approval, or a Report within 30 days, is required for pits. Submit required attachments and forms.

Complete the Attachment Checklist

FORM SUBMITTED FOR:

Pit Report Pit Permit

Oper OGCC

Attachment Checklist table with columns for item and checkboxes.

OGCC Operator Number: 10150 Name of Operator: Black Hills Plateau Production Address: 1515 Wynkoop St., Suite 500 City: Denver State: CO Zip: 80202

Contact Name and Telephone: Jessica Donahue No: 720-210-1333 Fax: 303-566-3344

API Number (of associated well): 05-077-09403 OGCC Facility ID (of other associated facility): Location # 312741 Pit Location (QtrQtr, Sec, Twp, Rng, Meridian): SWSW Sect. 35, T9S R97W, 6th PM Latitude: 39.22639 Longitude: -108.19167 County: Mesa (077) Pit Use: Production Drilling Special Purpose Pit Type: Lined Unlined Surface Discharge Permit: Yes No Offsite disposal of pit contents: Injection Commercial Pit/Facility Name: Hancock Gulch #1 Pit/Facility No: 159293 (HG #1) Attach Form 26 to identify Source Wells and Form 25 to provide Produced Water Analysis results.

Existing Site Conditions

Is the location in a "Sensitive Area?" Yes No Attach data used for determination. Distance (in feet) to nearest surface water: 290' ground water: 3,914' water wells: 600' LAND USE (or attach copy of Form 2A if previously submitted for associated well) Select one which best describes land use: Crop Land: Irrigated Dry Land Improved Pasture Hay Meadow CRP Non-Crop Land: Rangeland Timber Recreational Other (describe): Subdivided: Industrial Commercial Residential SOILS (or attach copy of Form 2A if previously submitted for associated well) Soil map units from USNRCS survey: Sheet No: Soil Complex/Series No: 3 Soils Series Name: Barx Loam Horizon thickness (in inches): A: B: C: Soils Series Name: Horizon thickness (in inches): A: B: C: Attach detailed site plan and topo map with pit location.

Pit Design and Construction

Size of pit (feet): Length: 210' Width: 85' Depth: 20' Calculated pit volume (bbls): 29,540 Daily inflow rate (bbls/day): 1,800 bbls/day during flowback Daily disposal rates (attach calculations): Evaporation: 25 bbls/day Percolation: bbls/day Type of liner material: PVC Thickness: 24 mm Attach description of proposed design and construction (include sketches and calculations). Method of treatment of produced water prior to discharge into pit (separator, heater treater, other): Produced water will be stored in a tank Is pit fenced? Yes No Is pit netted? Yes No Pit to be netted 30-90 days after completion

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

Print Name: Jessica Donahue Signed: J. Donahue Title: Regulatory Technician Date: 10/19/10

OGCC Approved: David Kulyko Title: Oil and Gas Location Assessment Specialist Western Colorado Date: 11-19-10

CONDITIONS OF APPROVAL, IF ANY:

See Attached

FACILITY NUMBER:

Black Hills Plateau Production, Federal 35-2, SWSW Sec 35 T9S R97W, Mesa County, Form 15 Pit Permit Conditions of Approval, Associated Form 2A#400100493; Approved 11-19-2010

Location is in a sensitive area because of close proximity to surface water, therefore, operator must ensure 110 percent 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., BMPs associated with stormwater management) sufficiently protective of the nearby surface water.

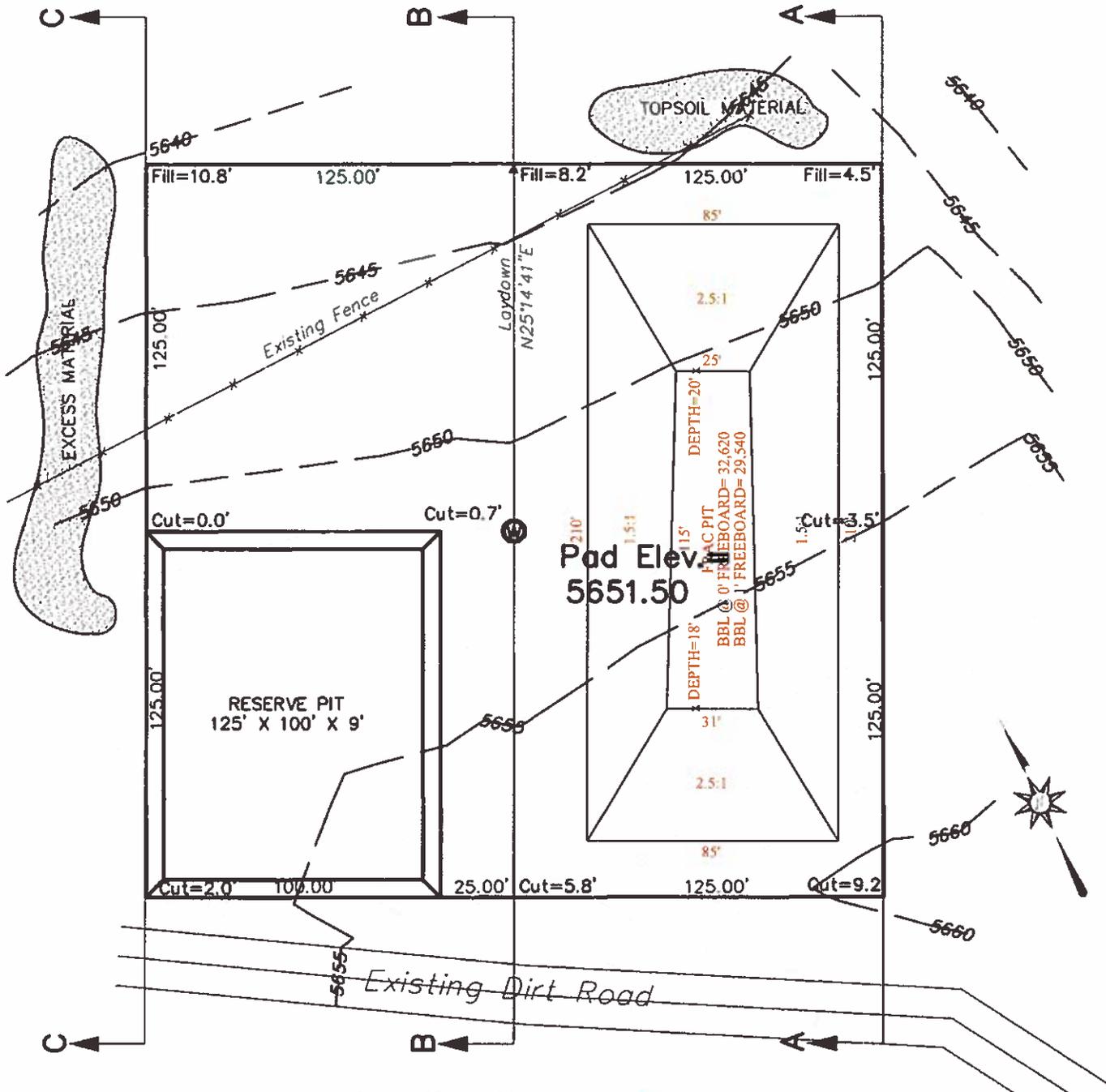
No portion of any pit that will be used to hold liquids shall be constructed on fill material, unless the pit and fill slope are designed and certified by a professional engineer, subject to review and approval by the director prior to construction of the pit. The construction and lining of the pit shall be supervised by a professional engineer or their agent. The entire base of the pit must be in cut.

Operator must submit a professional engineer (PE) approved/stamped as-built drawing (plan view and cross-sections) of the completion/flowback pit within 14 calendar days of construction.

If the completion/flowback pit is not closed (either drained and/or backfilled) immediately after well completion, then operator must appropriately fence and net the completion/flowback pit, in a timely manner, and maintain the fencing and netting until pit is closed.

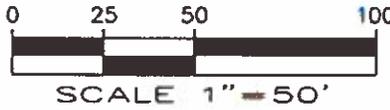
Operator must implement best management practices to contain any unintentional release of fluids, including any fluids are conveyed via temporary surface pipelines.

SECTION 35, T9S, R97W, 6th PM



ESTIMATED VOLUMES

Ungraded Elevation: 5652.22	
Finished Elevation: 5651.50	
PAD CUT:	3981 CY.
PAD FILL:	5035 CY.
PIT CUT:	3968 CY.
2' FREE BOARD ON RESERVE PIT	



BEFORE DIGGING CALL FOR UTILITY LINE LOCATION

NOTE: The dirt quantities on this drawing are estimated and the use of is at the responsibility of the user.

HIGH DESERT SURVEYING, LLC

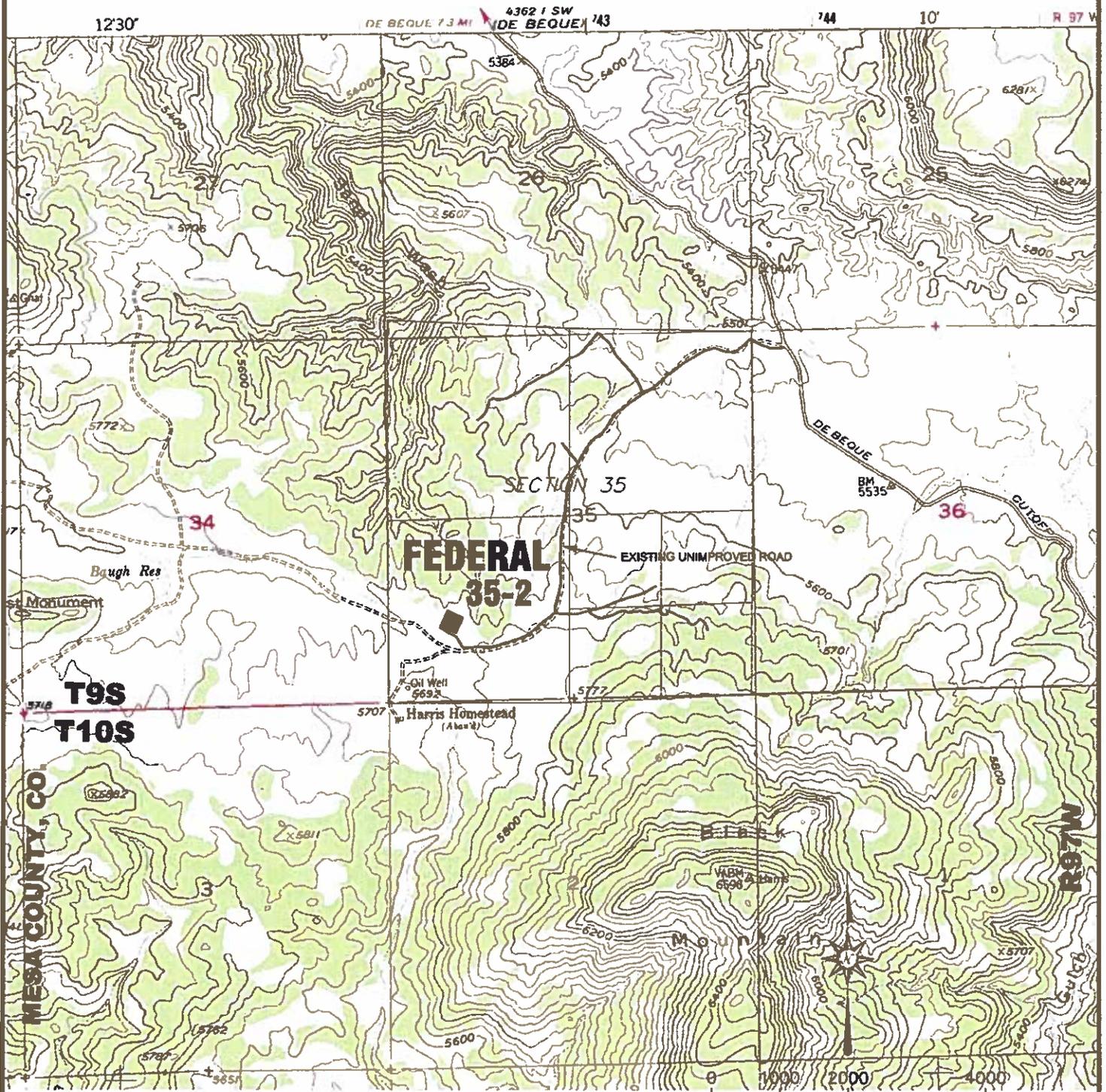
2591 B 3/4 ROAD
 GRAND JUNCTION, CO. 81503
 TELE: (970) 254-8649, FAX: (970) 255-7047



**Pad & Pit Layout – Plat 2
 FEDERAL 35-2
 BLACK HILLS PLATEAU PRODUCTION**

SURVEY BY: JT,CF	Survey Date: 3-31-06	Job No. 06-42
DRAWN BY: rsk	Draft Date: 04-03-06	PLAT 2

SECTION 35, T9S, R97W, 6th PM



Well Pad Surface Ownership: Donald L. Thompson
 Proposed Access Road Approximent Length: 0' ±
 Quadrangles Used: 1:24,000 - Mesa & De Beque, Colorado

SCALE 1" = 2000'

HIGH DESERT SURVEYING, LLC

2591 B ¾ ROAD
 GRAND JUNCTION, CO. 81503
 TELE: (970) 254-8649 FAX: (970) 255-7047

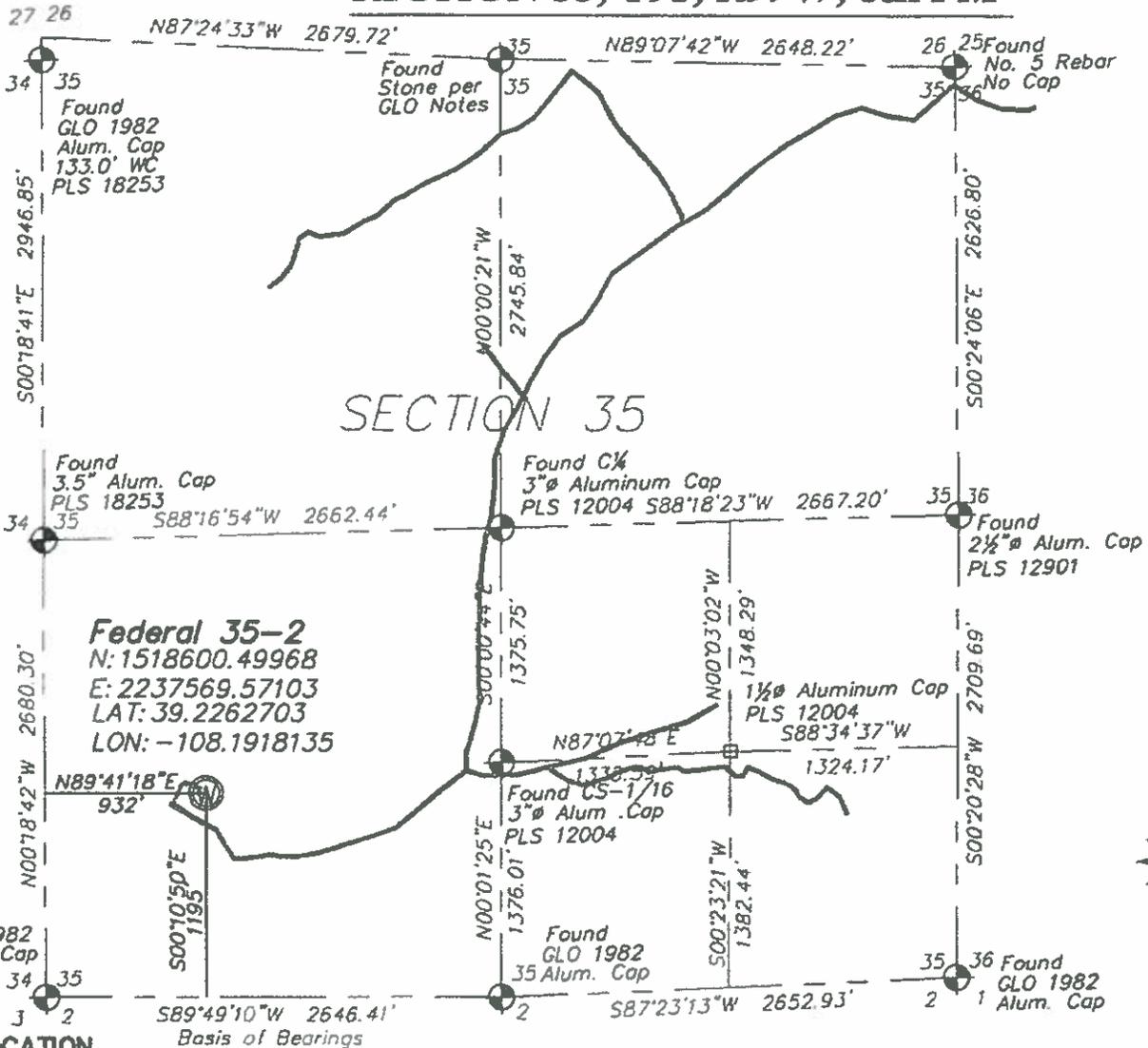


Topography & Access - Plat 5
FEDERAL 35-2

BLACK HILLS PLATEAU PRODUCTION

SURVEY BY: JT,CF	Survey Date: 3-31-06	Job No. 06-42
DRAWN BY: rsk	Draft Date: 04-03-06	PLAT 5

SECTION 35, T9S, R97W, 6th PM



Federal 35-2
 N: 1518600.49968
 E: 2237569.57103
 LAT: 39.2262703
 LON: -108.1918135

WELL LOCATION

1. This Well Location Plat was prepared for Black Hills Plateau Production to show the location Federal 35-2, located 1195 feet North and 932 feet East of the Southwest corner of Section 35, T9S, R97W, 6th PM., Mesa County, Colorado, based on the location of the South Quarter corner, the Southwest corner, and the West Quarter corner of said Section 35.
2. Latitude and Longitude are based on NAD 83.
3. Elevations are based on NAVD 88
4. Well ties are measured at 90° from the referenced Section Line.
5. Improvements: Access road at 150± feet, fence at 86± feet from well head.
6. Surface Use: Natural ground.
7. PDOP#: 1.762
8. Existing Ground Elevation at Wellhead 5652.22

LEGEND

- = SECTION CORNERS LOCATED
- = PROPOSED WELL HEAD

SURVEYOR'S STATEMENT

I, Jeffrey C. Fletcher, a Professional Surveyor in the State of Colorado do hereby certify that this survey was made under my direct supervision and that this Plat represents said Survey.

Jeffrey C. Fletcher
 Jeffrey C. Fletcher Colorado PLS 44953 6-19-07

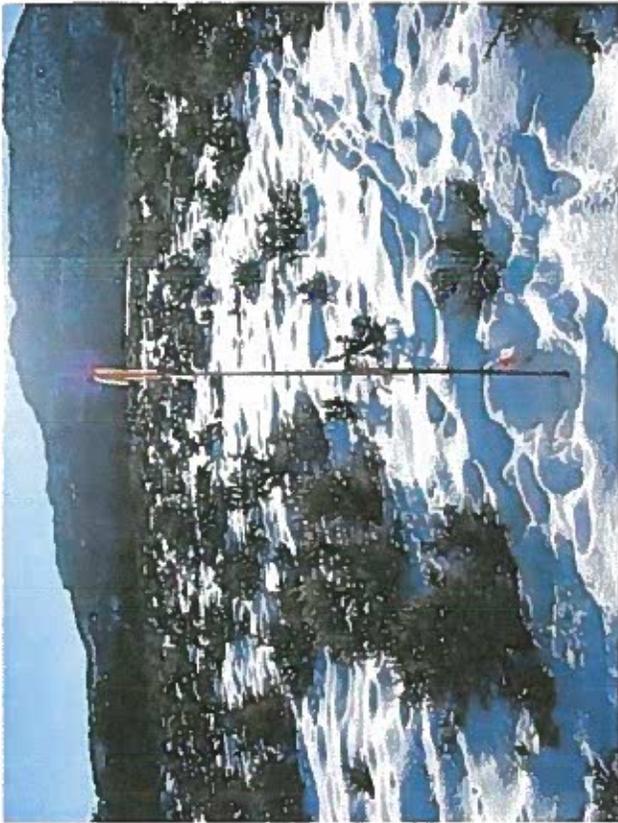
HIGH DESERT SURVEYING, LLC

1673 Highway 50 Unit C
 Grand Junction, Co. 81503
 Tele: (970) 254-8649 Fax: (970) 241-0451

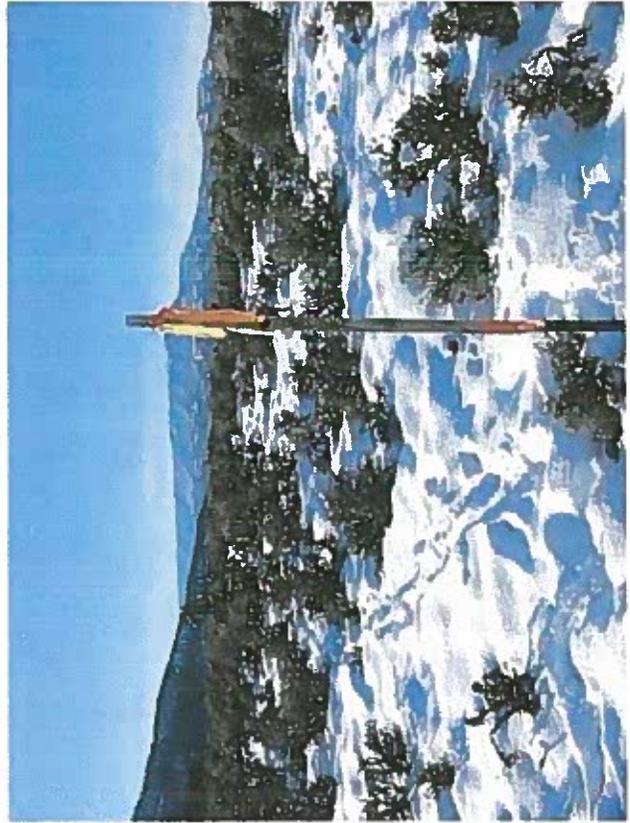
Well Plat - Plat 1
FEDERAL 35-2
BLACK HILLS PLATEAU PRODUCTION

SURVEY BY: JT,CF	Survey Date: 3-31-06	Job No. 06-42
DRAWN BY: rsk	Draft Date: 06-18-07	PLAT 1

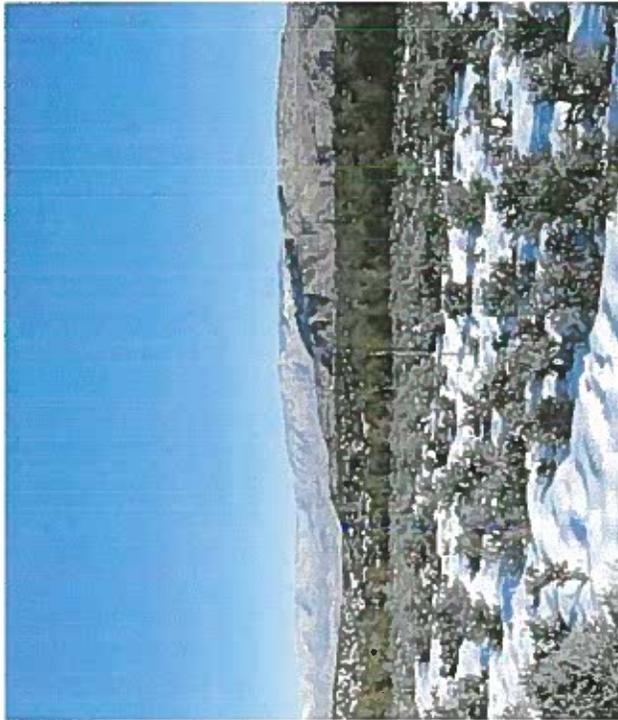
SECTION 35, T9S, R97W, 6th PM



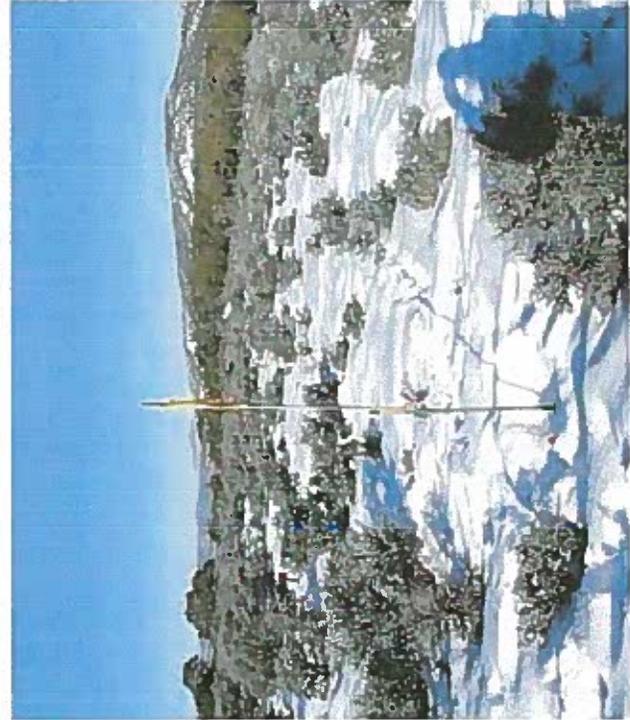
Federal 35-2, Looking East



Federal 35-2, Looking West



Federal 35-2, Looking North



Federal 35-2, Looking South

HIGH DESERT SURVEYING, LLC

1673 Highway 50 Unit C
 Grand Junction, Co. 81503
 Tele: (970) 254-8649 Fax: (970) 241-0451



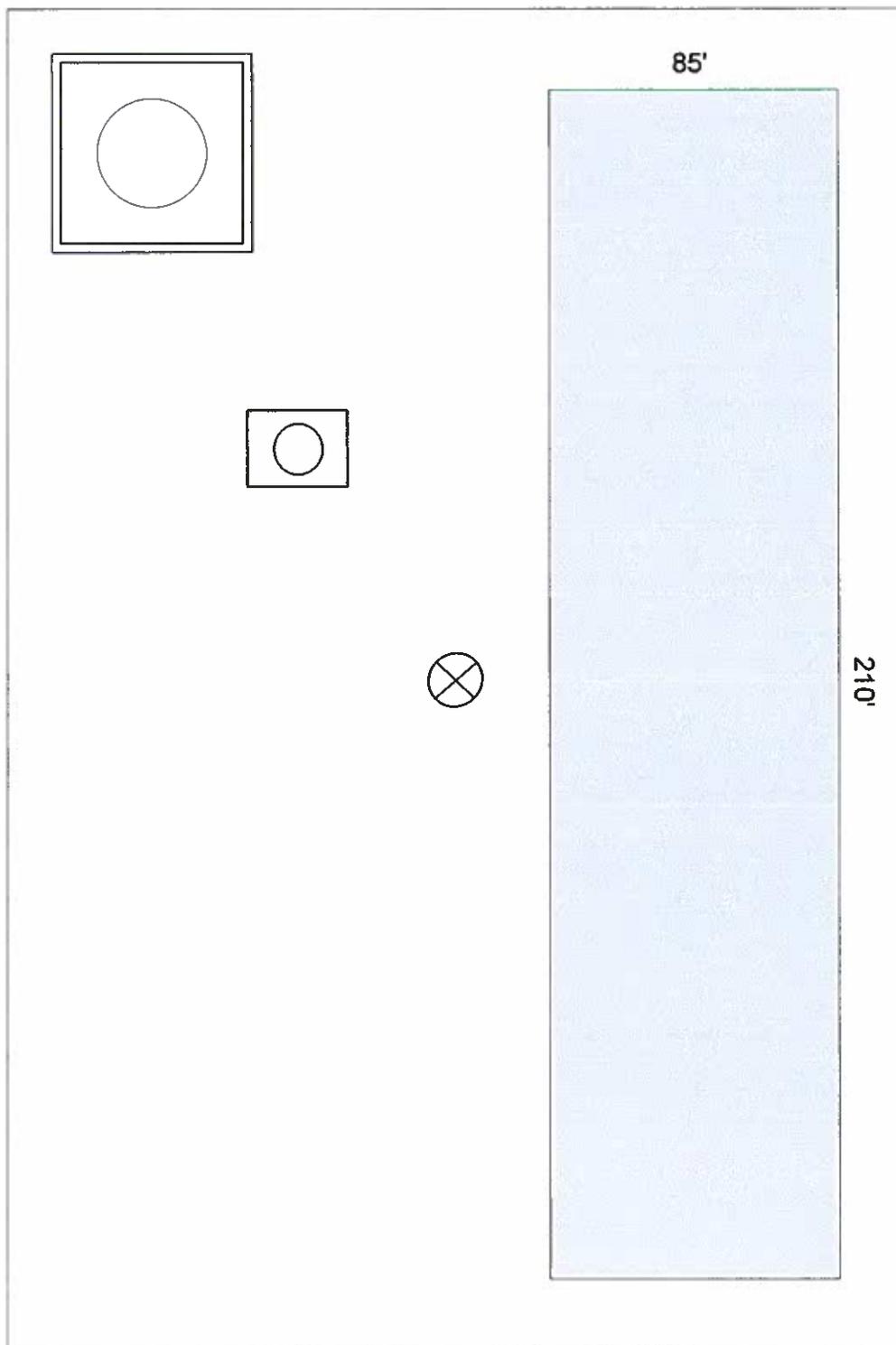
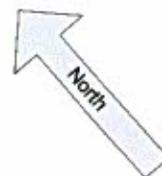
Drill Location Pictures - Plat 7

FEDERAL 35-2

BLACK HILLS PLATEAU PRODUCTION

SURVEY BY: JT,CF	Survey Date: 3-31-06	Job No. 06-42
DRAWN BY: rsk	Draft Date: 06-18-07	PLAT 7

Federal 35-2
API # 05-077-09403
SWSW Sect. 35 T9S R97W 6th PM
Proposed Frac Pit Layout



Legend	
	Separator
	Metal Berm
	Wellhead
	Tank
	Proposed Pit

Not to Scale

Pit volume is 32,620 bbl
with no freeboard.

05-09-97-35

To: Black Hills Plateau Production
2388 Leland
Grand Junction, CO 81505

Date: April 9, 2008
No: ECA/BHP 08-01

SAMPLE IDENTIFICATION

Submitted by: Stan

Date Sampled: Mar. 14, 2008

Sample I.D.: Water, Shire Gulch Fed 35-2

Date Received: March 20, 2008

Comments: Kept 4C till tested

Date Tested: March 20-April 4, 2008

RESULTS

Parameter	Result
pH	5.869
Conductivity	37,789 umhos/cm
Resistivity	0.264 ohms/m
Specific Gravity 60/60 F	1.0085
TDS	26,520 mg/L
TSS	1,210 mg/L
Chloride	14,607 mg/L
Bicarbonate	72.24 mg/L
Carbonate	0.00 mg/L
Sulfates	20.58 mg/L
Calcium	1,950 mg/L
Magnesium	160.0 mg/L
Sodium	9,030 mg/L
Potassium	117.0 mg/L
Iron	143.2 mg/L

Results submitted by
Enviro-Chem Analytical, Inc.
Liese K. Thompson
Liese K. Thompson
Lab Director

FORM
2
Rev
12/05

State 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
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Document Number:

400072109

Plugging Bond Surety

20060007

APPLICATION FOR PERMIT TO:

1. Drill, Deepen, Re-enter, **Recomplete and Operate**

2. TYPE OF WELL

OIL GAS COALBED OTHER _____
SINGLE ZONE MULTIPLE ZONE COMMINGLE ZONE

Refiling
Sidetrack

3. Name of Operator: BLACK HILLS PLATEAU PRODUCTION LLC 4. COGCC Operator Number: 10150

5. Address: 1515 WYNKOOP ST STE 500
City: DENVER State: CO Zip: 80202

6. Contact Name: Jessica Donahue Phone: (720)210-1333 Fax: (303)566-3344
Email: Jessica.Donahue@blackhillscorp.com

7. Well Name: Federal Well Number: 35-2

8. Unit Name (if appl): _____ Unit Number: _____

9. Proposed Total Measured Depth: 7589

WELL LOCATION INFORMATION

10. QtrQtr: SWSW Sec: 35 Twp: 9s Rng: 97w Meridian: 6

Latitude: 39.226270 Longitude: -108.191813

Footage at Surface: 1195 FNL/FSL FSL 932 FEL/FWL FWL

11. Field Name: Shire Gulch Field Number: 77450

12. Ground Elevation: 5652 13. County: MESA

14. GPS Data:

Date of Measurement: 03/31/2006 PDOP Reading: 1.7 Instrument Operator's Name: Jeffrey Fletcher

15. If well is Directional Horizontal (highly deviated) submit deviated drilling plan.

Footage at Top of Prod Zone: FNL/FSL _____ FEL/FWL _____ Bottom Hole: FNL/FSL _____ FEL/FWL _____

Sec: _____ Twp: _____ Rng: _____ Sec: _____ Twp: _____ Rng: _____

16. Is location in a high density area? (Rule 603b)? Yes No

17. Distance to the nearest building, public road, above ground utility or railroad: 1503 ft

18. Distance to nearest property line: 183 ft 19. Distance to nearest well permitted/completed in the same formation: 2600 ft

LEASE, SPACING AND POOLING INFORMATION

Objective Formation(s)	Formation Code	Spacing Order Number(s)	Unit Acreage Assigned to Well	Unit Configuration (N/2, SE/4, etc.)
Frontier	FRTR			
Mancos	MNCS			
Mowry	MWRY			
Niobrara	NBRR			

21. Mineral Ownership: Fee State Federal Indian Lease #: COC22503

22. Surface Ownership: Fee State Federal Indian

23. Is the Surface Owner also the Mineral Owner? Yes No Surface Surety ID#:

23a. If 23 is Yes: Is the Surface Owner(s) signature on the lease? Yes No

23b. If 23 is No Surface Owners Agreement Attached or \$25,000 Blanket Surface Bon \$2,000 Surface Bond \$5,000 Surface Bond

24. Using standard QtrQtr, Sec, Twp, Rng format enter entire mineral lease description upon which this proposed wellsite is located (attach separate sheet/map if you prefer):
T9S R97W Sect. 35 ALL

25. Distance to Nearest Mineral Lease Line: 932 ft 26. Total Acres in Lease: 640

DRILLING PLANS AND PROCEDURES

27. Is H2S anticipated? Yes No If Yes, attach contingency plan.

28. Will salt sections be encountered during drilling? Yes No

29. Will salt (>15,000 ppm TDS CL) or oil based muds be used during drilling? Yes No

30. If questions 27 or 28 are yes, is this location in a sensitive area (Rule 903)? Yes No If 28, 29, or 30 are "Yes" a pit permit may be required.

31. Mud disposal: Offsite Onsite

Method: Land Farming Land Spreading Disposal Facility Other: _____

Note: The use of an earthen pit for Recompletion fluids requires a pit permit (Rule 905b). If air/gas drilling, notify local fire officials.

Casing Type	Size of Hole	Size of Casing	Weight Per Foot	Setting Depth	Sacks Cement	Cement Bottom	Cement Top
CONDUCTOR				40		40	0
SURF	12+1/4	9+5/8	36#	2,604	293	2,604	1,995
1ST	7+7/8	5+1/2	17#	7,589	830	7,589	2,050
S.C. 1.1	12+1/4	9+5/8	36	1,995	529	1,995	0

32. BOP Equipment Type: Annular Preventer Double Ram Rotating Head None

33. Comments NO CONDUCTOR WILL BE SET. * SEE INTERNAL

34. Location ID: 312741

35. Is this application in a Comprehensive Drilling Plan? Yes No

36. Is this application part of submitted Oil and Gas Location Assessment? Yes No

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

Signed: _____ Print Name: Jessica Donahue

Title: Regulatory Technician Date: 7/6/2010 Email: Jessica.Donahue@blackhillscor

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: David S. Nesline Director of COGCC Date: 8/26/2010

API NUMBER 05 077 09403 00	Permit Number: _____	Expiration Date: <u>8/25/2012</u>
CONDITIONS OF APPROVAL, IF ANY:		

All representations, stipulations and conditions of approval stated in the Form 2A for this location shall constitute representations, stipulations and conditions of approval for this Form 2 Permit-to-Drill and are enforceable to the same extent as all other representations, stipulations and conditions of approval stated in this Permit-to-Drill.

(1) COMPLIANCE WITH THE MOST CURRENT REVISION OF THE NORTHWEST COLORADO NOTIFICATION POLICY IS REQUIRED.

Attachment Check List

Att Doc Num	Name	Doc Description
400072109	FORM 2 SUBMITTED	LF@2502927 400072109
400074711	SURFACE AGRMT/SURETY	LF@2502928 400074711
400074714	LOCATION PICTURES	LF@2502929 400074714
400074716	TOPO MAP	LF@2502930 400074716
400074717	WELL LOCATION PLAT	LF@2502931 400074717
400074801	OTHER	LF@2502932 400074801

Total Attach: 6 Files

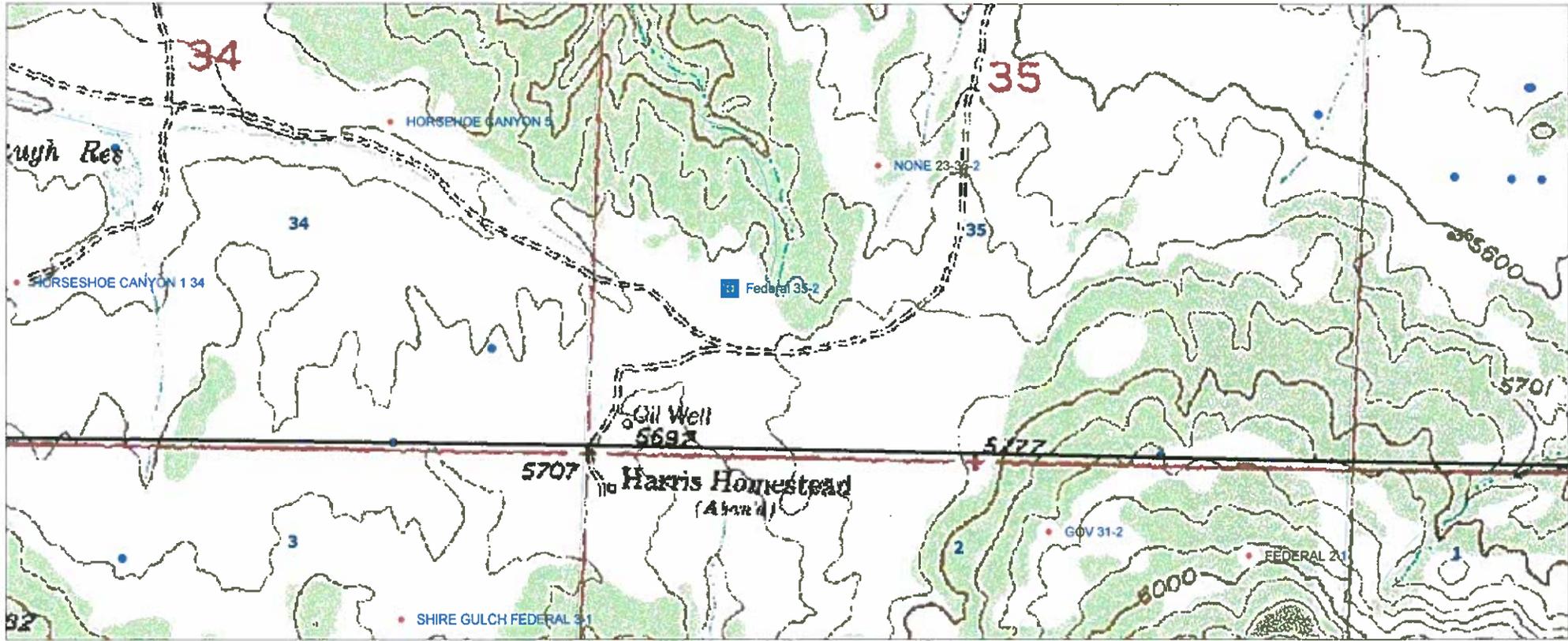
General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Requested & Changed Distance to the nearest building, public road, above ground utility or railroad to 1503' per JD.	8/26/2010 8:36:16 AM
Permit	Requested & Changed Distance to the nearest building, public road, above ground utility or railroad to 1503' per JD.	8/19/2010 1:57:02 PM
Permit	Requesting Rig Height. 8/5/10 plg.	8/5/2010 11:20:50 AM

Total: 3 comment(s)

Error: Subreport could not be shown.

Black Hills Federal 35-2



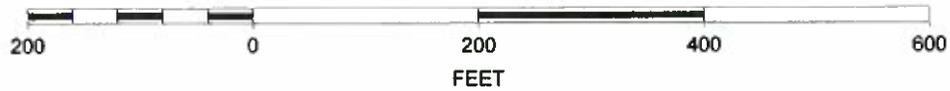
SCALE 1 : 12,509



Black Hills Federal 35-2



SCALE 1 : 2,030



FORM
2A
Rev
04/01

State 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:
400100493

Oil and Gas Location Assessment

New Location Amend Existing Location Location#: 312741

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:
312741
Expiration Date:

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: 10150
Name: BLACK HILLS PLATEAU PRODUCTION LLC
Address: 1515 WYNKOOP ST STE 500
City: DENVER State: CO Zip: 80202

3. Contact Information

Name: Jessica Donahue
Phone: (720) 210-1333
Fax: (303) 566-3344
email: Jessica.Donahue@blackhillscorp.com

4. Location Identification:

Name: Federal Number: 35-2
County: MESA
Quarter: SWSW Section: 35 Township: 9S Range: 97W Meridian: 6 Ground Elevation: 5652
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: 1195 feet FSL, from North or South section line, and 932 feet FWL, from East or West section line.
Latitude: 39.226390 Longitude: -108.191670 PDOP Reading: 2.1 Date of Measurement: 04/23/2009
Instrument Operator's Name: Alan Vrooman

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

Special Purpose Pits: Drilling Pits: Wells: Production Pits: Dehydrator Units:
Condensate Tanks: 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:
Gas Compressors: VOC Combustor: Oil Tanks: Fuel Tanks:
Other: _____

6. Construction:

Date planned to commence construction: 11/15/2010 Size of disturbed area during construction in acres: 2.06
 Estimated date that interim reclamation will begin: 05/01/2011 Size of location after interim reclamation in acres: 0.60
 Estimated post-construction ground elevation: 5652 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: David Firmin Phone: _____
 Address: P.O. Box 2502 Fax: _____
 Address: _____ Email: _____
 City: Basalt State: CO Zip: 81621-2502 Date of Rule 306 surface owner consultation: _____
 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: _____ 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: 1492, public road: 1503, above ground utilit: 1503
 , railroad: 16881, property line: 183

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: 3. Barx loam

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: 09/02/2010

List individual species: _____

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: 290, water well: 3914, depth to ground water: 600

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:

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

Signed: _____ Date: 10/14/2010 Email: Jessica.Donahue@blackhillscorp.com

Print Name: Jessica Donahue Title: Regulatory Technician

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: _____

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.

If the completion/flowback pit is not closed (either drained and/or backfilled) immediately after well completion, then operator must appropriately fence and net the completion/flowback pit, in a timely manner, and maintain the fencing and netting until pit is closed.

Operator must submit a professional engineer (PE) approved/stamped as-built drawing (plan view and cross-sections) of the completion/flowback pit within 14 calendar days of construction.

Location is in a sensitive area because of close proximity to surface water, therefore, operator must ensure 110 percent 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., BMPs associated with stormwater management) sufficiently protective of the nearby surface water.

A closed loop system must be implemented during drilling. Any other pit constructed that will hold any drilling or completion fluids must be lined.

Operator must implement best management practices to contain any unintentional release of fluids.

If fluids are conveyed via pipeline, operator must implement best management practices to contain any unintentional release of fluids.

No portion of any pit that will be used to hold liquids shall be constructed on fill material, unless the pit and fill slope are designed and certified by a professional engineer, subject to review and approval by the director prior to construction of the pit. The construction and lining of the pit shall be supervised by a professional engineer or their agent. The entire base of the pit must be in cut.

Attachment Check List

Att Doc Num	Name
2033482	CORRESPONDENCE
400100493	FORM 2A SUBMITTED
400100527	LOCATION DRAWING

Total Attach: 3 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
DOW	The CDOW affirms that the lease stipulations and conditions of approval originally assigned to this permit by the BLM suffice to address wildlife and habitat concerns. by Michael Warren on Thursday, November 18, 2010 at 2:00 P.M.	11/18/2010 2:00:00 PM
OGLA	Initiated/Completed OGLA Form 2A review on 10-21-10 by Dave Kubeczko; requested clarifications and acknowledgement of close SW fluid containment, spill/release BMPs, lined pits/closed loop COAs from operator on 10-21-10; received clarifications and acknowledgement of COAs from operator on 10-26-10; requested acknowledgement and received verbal concurrence of additional no pit in fill, PE stamped as-builts of pit, appropriate fencing and netting of completion/flowback pit COAs from operator on 11-19-10; passed by CDOW on 11-18-10, with operator submitted (with permit application) BMPs and BLM stipulations and COAs acceptable; passed OGLA Form 2A review on 11-19-10 by Dave Kubeczko; fluid containment, spill/release BMPs, lined pits/closed loop, no pit in fill, PE stamped as-builts of pit, appropriate fencing and netting of completion/flowback pit COAs.	10/21/2010 11:43:48 AM

Total: 2 comment(s)

BMP

<u>Type</u>	<u>Comment</u>

Total: 0 comment(s)