

**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:

400121165

Oil and Gas Location Assessment☐ New Location ☒ Amend Existing Location Location#: 309552

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:

309552

Expiration Date:

01/27/2014☒ 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: 100264

Name: XTO ENERGY INC

Address: 382 CR 3100

City: AZTEC State: NM Zip: 87410

3. Contact Information

Name: Kelly Kardos

Phone: (505) 333-3145

Fax: (505) 213-0546

email: kelly_kardos@xtoenergy.com

4. Location Identification:

Name: APACHE CANYON Number: 09-02

County: LAS ANIMAS

Quarter: NWNE Section: 9 Township: 34S Range: 67W Meridian: 6 Ground Elevation: 7494

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: 488 feet FNL, from North or South section line, and 1970 feet FEL, from East or West section line.

Latitude: 37.104644 Longitude: -104.890858 PDOP Reading: 6.0 Date of Measurement: 11/09/2010

Instrument Operator's Name: GARY TERRY

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

| | | | | |
|--|---|--|---|--|
| Special Purpose Pits: <input type="text" value="0"/> | Drilling Pits: <input type="text" value="1"/> | Wells: <input type="text" value="1"/> | Production Pits: <input type="text" value="1"/> | Dehydrator Units: <input type="text" value="0"/> |
| Condensate Tanks: <input type="text" value="0"/> | Water Tanks: <input type="text" value="0"/> | Separators: <input type="text" value="1"/> | Electric Motors: <input type="text" value="1"/> | 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="1"/> | 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="0"/> |
| Gas Compressors: <input type="text" value="1"/> | VOC Combustor: <input type="text" value="0"/> | Oil Tanks: <input type="text" value="0"/> | Fuel Tanks: <input type="text" value="0"/> | |

Other: GAS AND/OR DIESEL MOTORS WILL BE USED FOR THE DRILLING RIG

6. Construction:

Date planned to commence construction: 02/15/2011 Size of disturbed area during construction in acres: 1.50
Estimated date that interim reclamation will begin: 06/30/2011 Size of location after interim reclamation in acres: 0.74
Estimated post-construction ground elevation: 7487 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/HAUL

7. Surface Owner:

Name: _____ Phone: _____
Address: _____ Fax: _____
Address: _____ Email: _____
City: _____ State: _____ Zip: _____ Date of Rule 306 surface owner consultation: 11/17/2010
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: 20100210 ☐ 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: 10560, public road: 10560, above ground utilit: 10560
, railroad: 10560, property line: 4900

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: SARUCHE-ROMBO-ROCK OUTCROP COMPLEX, 25 TO 50% 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: _____

List individual species: Western Wheatgrass, Sideoats Grama, Little Bluestem, Gambles Oak, NeedleandThread, Mountain Muhly

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: 244, water well: 2900, depth to ground water: 22

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:

THERE ARE NO ADJACENT LANDOWNERS WITHIN 500' OF THE PROPOSED LOCATION. DOW WATER WELL A1 IS LOCATED WITHIN ONE MILE. WATER WELL PERMIT #23097 IS THE CLOSEST WATER WELL WITH A STATIC WATER LEVEL (22'). SURFACE OWNER WAIVED CONSULTATION/NOTIFICATION REQUIREMENTS.

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

Signed: _____ Date: 01/06/2011 Email: kelly_kardos@xtoenergy.com

Print Name: KELLY KARDOS Title: SR. PERMITTING TECH

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. Neslin

COGCC Approved: _____ Director of COGCC Date: 1/28/2011

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.

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.

Operator must implement site-specific best management practices in accordance with good engineering practices, including, but not limited to, construction of a berm or diversion dike, site grading, or other comparable measures, sufficient to prevent a release of drilling, completion, produced fluids, or chemical products from migrating off of the oil and gas location.

Due to the SARUCHE-ROMBO-ROCK OUTCROP COMPLEX the following will apply: Location is in a sensitive area because of potential for adverse impacts to ground water/surface water; therefore all pits will be lined.

The site specific BMPS provided by XTO Energy for Erosion control and storm water management should be implemented immediately after pad construction.

Attachment Check List

| Att Doc Num | Name |
|-------------|-------------------------|
| 2533057 | CONST. LAYOUT DRAWINGS |
| 2533059 | OTHER |
| 400121165 | FORM 2A SUBMITTED |
| 400121176 | CONST. LAYOUT DRAWINGS |
| 400121177 | HYDROLOGY MAP B, AERIAL |
| 400121178 | HYDROLOGY MAP |
| 400121179 | LOCATION PICTURES |
| 400121180 | REFERENCE AREA MAP |
| 400121181 | REFERENCE AREA PICTURES |
| 400121182 | ACCESS ROAD MAP |
| 400121183 | LOCATION DRAWING |
| 400121184 | SURFACE AGRMT/SURETY |
| 400121185 | WAIVERS |
| 400121186 | NRCS MAP UNIT DESC |
| 400121187 | PROPOSED BMPs |

Total Attach: 15 Files

General Comments

| <u>User Group</u> | <u>Comment</u> | <u>Comment Date</u> |
|--------------------------|---|----------------------------|
| Permit | PERMITTING PASSED- JLV | 1/25/2011 3:26:17 PM |
| Permit | I spoke with Al Trujillo Colorado Department of Wildlife (CDOW) about XTO Energy's proposed locations in the Bosque Del Oso State Wildlife Area (SWA). Al Trujillo (CDOW) and his staff are aware of XTO Energy's plans for the proposed locations and further, there is an existing SUA in place for operations in this area; I also spoke with Kyla Vaughn (XTO Energy Inc.) and they are currently operating in the Bosque Del Oso SWA under the original SUA executed by Williams and CDOW. JLV | 1/25/2011 3:25:55 PM |
| OGLA | Ready to Pass 1/26/2011 | 1/14/2011 2:04:30 PM |

Total: 3 comment(s)

BMP

| <u>Type</u> | <u>Comment</u> |
|--------------------|-----------------------|
| | |

Total: 0 comment(s)