

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



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Document Number:
400117052

Oil and Gas Location Assessment

New Location Amend Existing Location Location#: 335825

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:
335825
Expiration Date:
02/03/2014

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: 100185
Name: ENCANA OIL & GAS (USA) INC
Address: 370 17TH ST STE 1700
City: DENVER State: CO Zip: 80202-5632

3. Contact Information

Name: Heather Mitchell
Phone: (720) 876-3070
Fax: (720) 876-4070
email: heather.mitchell@encana.com

4. Location Identification:

Name: N. Parachute Number: MF H17 696
County: GARFIELD
Quarter: LOT 7 Section: 17 Township: 6S Range: 96W Meridian: 6 Ground Elevation: 5654
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: 1582 feet FNL, from North or South section line, and 294 feet FEL, from East or West section line.
Latitude: 39.527319 Longitude: -108.123581 PDOP Reading: 2.3 Date of Measurement: 08/16/2007
Instrument Operator's Name: Robert Kay

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

Special Purpose Pits: <input type="text"/>	Drilling Pits: <input type="text" value="1"/>	Wells: <input type="text" value="22"/>	Production Pits: <input type="text"/>	Dehydrator Units: <input type="text"/>
Condensate Tanks: <input type="text"/>	Water Tanks: <input type="text" value="72"/>	Separators: <input type="text" value="72"/>	Electric Motors: <input type="text" value="4"/>	Multi-Well Pits: <input type="text"/>
Gas or Diesel Motors: <input type="text" value="18"/>	Cavity Pumps: <input type="text"/>	LACT Unit: <input type="text"/>	Pump Jacks: <input type="text"/>	Pigging Station: <input type="text"/>
Electric Generators: <input type="text" value="3"/>	Gas Pipeline: <input type="text" value="1"/>	Oil Pipeline: <input type="text"/>	Water Pipeline: <input type="text" value="1"/>	Flare: <input type="text" value="1"/>
Gas Compressors: <input type="text"/>	VOC Combustor: <input type="text"/>	Oil Tanks: <input type="text"/>	Fuel Tanks: <input type="text" value="1"/>	

Other: Please see attached facilities list

6. Construction:

Date planned to commence construction: 12/31/2010 Size of disturbed area during construction in acres: 5.19
Estimated date that interim reclamation will begin: 09/30/2011 Size of location after interim reclamation in acres: 1.24
Estimated post-construction ground elevation: 5653 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 [] Onsite [X] Method: Land Farming [] Land Spreading [] Disposal Facility []
Other: Recycle and bury

7. Surface Owner:

Name: Phone:
Address: Fax:
Address: Email:
City: State: Zip: Date of Rule 306 surface owner consultation: 12/22/2010
Surface Owner: [X] Fee [] State [] Federal [] Indian
Mineral Owner: [X] 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 [X] 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: 20100017 [] 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: 1015 , public road: 279 , above ground utilit: 166
, railroad: 21635 , property line: 294

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: 62 Rock outcrop - torriorthents complex, very steep

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: 08/16/2007

List individual species: Juniper, sagebrush and native grasses

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: 450, water well: 232, depth to ground water: 14

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:

Distances are calculated from the MF11A-16 H17 696. Chevron is the surface owner, Encana owns the minerals. Please see the attached facilities list form a more detailed account of what will be on the location. Reference Area Photos will be provided during the growing season.

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

Signed: _____ Date: 12/22/2010 Email: heather.mitchell@encana.com

Print Name: Heather Mitchell 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. Neslin

COGCC Approved: _____

Director of COGCC

Date: 2/4/2011

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.

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

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.

Location is in a sensitive area because of proximity to a domestic water well and shallow groundwater; therefore either a lined drilling pit or closed loop system must be implemented.

Flowback and stimulation fluids must be sent to tanks to allow the sand to settle out before the fluids can be placed into any pipeline or pit located on the well pad. The flowback and stimulation fluid tanks 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 (per Rule 604.a.(4)). Under unforeseen upset conditions during flowback operations, operator may discharge flowback fluids directly into the pit, as needed (notice of intent to directly discharge into the pit must be sent to Dave Kubeczko; email dave.kubeczko@state.co.us).

Berms or other containment devices shall be constructed in compliance with Rule 603.e.(12) around crude oil, condensate, and produced water storage tanks.

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., 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.

Location is in a sensitive area because of proximity to a domestic water well and shallow groundwater; therefore, any pit constructed to hold fluids (reserve pit, production pit, frac pit; except for flare pit, if built) must be lined.

The moisture content of any drill 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, the drill cuttings must also meet the applicable standards of table 910-1.

Attachment Check List

Att Doc Num	Name
2033586	CORRESPONDENCE
400117052	FORM 2A SUBMITTED
400118720	LOCATION DRAWING
400118723	HYDROLOGY MAP
400118724	REFERENCE AREA MAP
400118726	TOPO MAP
400118729	NRCS MAP UNIT DESC
400118730	MULTI-WELL PLAN
400118731	CONST. LAYOUT DRAWINGS
400118735	OTHER
400118739	PROPOSED BMPs

Total Attach: 11 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
DOW	The BMPs as submitted by the operator are applicable to the site. by Michael Warren on Thursday, February 3, 2011 at 8:40 A.M.	2/3/2011 8:43:40 AM
Permit	Hey Bill: I did some digging into this and this line is decommissioned! Heather Mitchell Regulatory Analyst	2/1/2011 7:19:32 AM
Permit	Chevron owns the Surface and Encana owns the minerals. #17 is calculated to the nearest utility.=STATEMENT FROM COMMENTS SECTION. EXTRAPILATION FROM CONSTRUCTION LAYOUT DRAWINGS SUGGESTS THE OVERHEAD ELECTRIC IS ONLY 185' FROM WELLHEAD THEREFORE RIG HEIGHT RESTRICTION WOULD BE IN EFFECT. MAXIMUM RIG HEIGHT WOULD BE 123' FOR THE DH10A AND 118' FOR THE DH14A	1/21/2011 6:57:17 AM
OGLA	Initiated/Completed OGLA Form 2A review on 01-01-11 by Dave Kubeczko; requested acknowledgement of fluid containment, spill/release BMPs, lined pits/closed loop, no pit in fill, and cuttings low moisture content COAs from operator on 01-01-11; received acknowledgement of COAs from operator on 01-11-10; passed by CDOW on 02-03-11 with operator submitted BMPs (with permit application) acceptable; passed OGLA Form 2A review on 02-03-11 by Dave Kubeczko; fluid containment, spill/release BMPs, lined pits/closed loop, no pit in fill, and cuttings low moisture content COAs.	1/1/2011 2:33:58 PM

Total: 4 comment(s)

BMP

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

Total: 0 comment(s)