

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



Table with 4 columns: DE, ET, OE, ES

Document Number: 400138594

Oil and Gas Location Assessment

New Location Amend Existing Location Location#: 415182

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.

Location ID: 415182 Expiration Date: 03/30/2014

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: Story Gulch Unit Number: 8506D-25 F25496 County: GARFIELD Quarter: SENW Section: 25 Township: 4S Range: 96W Meridian: 6 Ground Elevation: 8298 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: 2313 feet FNL, from North or South section line, and 1887 feet FWL, from East or West section line. Latitude: 39.674217 Longitude: -108.119833 PDOP Reading: 2.0 Date of Measurement: 08/07/2009 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: 0 Drilling Pits: 1 Wells: 33 Production Pits: 0 Dehydrator Units: 0 Condensate Tanks: 0 Water Tanks: 34 Separators: 32 Electric Motors: 6 Multi-Well Pits: 0 Gas or Diesel Motors: 13 Cavity Pumps: 0 LACT Unit: 0 Pump Jacks: 0 Pigging Station: 1 Electric Generators: 3 Gas Pipeline: 2 Oil Pipeline: 0 Water Pipeline: 1 Flare: 1 Gas Compressors: 0 VOC Combustor: 0 Oil Tanks: 0 Fuel Tanks: 2 Other: 8 meter houses and 1 injection/filtration skid

6. Construction:

Date planned to commence construction: 03/02/2011 Size of disturbed area during construction in acres: 8.39
Estimated date that interim reclamation will begin: 08/15/2011 Size of location after interim reclamation in acres: 2.14
Estimated post-construction ground elevation: 8298 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: Recycle, Amend and bury

7. Surface Owner:

Name: _____ Phone: _____
Address: _____ Fax: _____
Address: _____ Email: _____
City: _____ State: _____ Zip: _____ Date of Rule 306 surface owner consultation: 08/12/2009
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: _____ 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: 68930, public road: 325, above ground utilit: 34460
, railroad: 73400, property line: 1887

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.

IMPORTANT: SOME DATA FIELDS HAVE BEEN MODIFIED.

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: #53: Parachute-Rhone loams, 5 to 30 percent 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: 08/10/2009

List individual species: Spotted Knapweed, trace of hounds tongue

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): Big Sagebrush, Serviceberry, Rabbitbrush, Antelope, Bitterbrush, Grass & Forbs

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: 653, water well: 11140, depth to ground water: 20

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:

Onsite date was 8/12/2009 with DOW and Meeker BLM. This amendment to the 2A is to add an additional wellhead for a water disposal well and expanding the pad to accomodate cuttings. A revised facilities list, multiwell plan, location drawing and construction drawings are attached.

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

Signed: _____ Date: 03/02/2011 Email: heather.mitchell@encana.com

Print Name: Heather Mitchell Title: Regulatory Analyst

IMPORTANT: SOME DATA FIELDS HAVE BEEN MODIFIED.

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: 3/31/2011

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.

GENERAL SITE COAs:

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

Reserve pit, or any other pit used to contain/hold fluids, if constructed, must be lined or a closed loop system (as indicated on the Form 2A Permit application by operator in Section 6. Construction) must be implemented during drilling.

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.

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.

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.

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)).

Berms or other containment devices shall be constructed in compliance with Rule 604.a.(4) around crude oil, condensate, and produced water storage tanks.

Attachment Check List

| Att Doc Num | Name |
|-------------|------------------------|
| 2033654 | CORRESPONDENCE |
| 400138594 | FORM 2A SUBMITTED |
| 400138624 | MULTI-WELL PLAN |
| 400138625 | CONST. LAYOUT DRAWINGS |
| 400138627 | LOCATION DRAWING |
| 400138628 | EQUIPMENT LIST |

Total Attach: 6 Files

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General Comments

| <u>User Group</u> | <u>Comment</u> | <u>Comment Date</u> |
|--------------------------|--|----------------------------|
| Permit | At this point in time it appears no paperwork, 31,33,26, or2, for the injection well has been submitted. Will check with Denise Onyskiw. BY | 3/25/2011 9:09:21 AM |
| OGLA | Initiated/Completed OGLA Form 2A review on 03-22-11 by Dave Kubeczko; requested acknowledgement of fluid containment, spill/release BMPs, lined pits/closed loop, no pit in fill, flowback to tanks, tank berming, and cuttings low moisture content COAs from operator on 03-22-11; received acknowledgement of COAs from operator on 03-22-10; passed by CDOW on 03-04-11 with operator submitted BMPs (with permit application) and WMP acceptable; passed OGLA Form 2A review on 03-25-11 by Dave Kubeczko; fluid containment, spill/release BMPs, monitoring hillside, lined pits/closed loop, no pit in fill, flowback to tanks, tank berming, and cuttings low moisture content COAs. | 3/22/2011 8:58:28 AM |
| DOW | This well pad is located within an approved, signed Wildlife Mitigation Plan; the BMPs were developed during the consultation process. The BMPs as submitted are appropriate for the site and species affected. by Michael Warren on Friday, March 4, 2011 at 9:15 A.M. | 3/4/2011 9:16:48 AM |
| Permit | deleted plugging bond at operator request | 3/4/2011 7:51:49 AM |

Total: 4 comment(s)

BMP

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

Total: 0 comment(s)