

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 columns DE, ET, OE, ES

Document Number: 1633793

Oil and Gas Location Assessment

New Location Amend Existing Location Location#: 333344

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: 333344 Expiration Date: 05/05/2014

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: 27480 Name: ENERGEN RESOURCES CORPORATION Address: 2010 AFTON PLACE City: FARMINGTON State: NM Zip: 87401

3. Contact Information

Name: DOUG THOMAS Phone: (505) 325-6800 Fax: (505) 325-6112 email: DTHOMAS@ENERGEN.COM

4. Location Identification:

Name: QUINTANA 32-5 Number: 6-1R County: ARCHULETA Quarter: LOT 4 Section: 6 Township: 32N Range: 5W Meridian: N Ground Elevation: 6325
Footage at surface: 993 feet FSL, from North or South section line, and 1105 feet FWL, from East or West section line.
Latitude: 37.042440 Longitude: -107.438680 PDOP Reading: 3.0 Date of Measurement: 10/15/2010
Instrument Operator's Name: SCOTT WIEBE

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

Special Purpose Pits: 0 Drilling Pits: 0 Wells: 3 Production Pits: 0 Dehydrator Units: 1
Condensate Tanks: 2 Water Tanks: 3 Separators: 1 Electric Motors: 0 Multi-Well Pits: 0
Gas or Diesel Motors: 1 Cavity Pumps: 0 LACT Unit: 0 Pump Jacks: 1 Pigging Station: 0
Electric Generators: 0 Gas Pipeline: 1 Oil Pipeline: 0 Water Pipeline: 1 Flare: 0
Gas Compressors: 1 VOC Combustor: 0 Oil Tanks: 0 Fuel Tanks: 0
Other: METER

6. Construction:

Date planned to commence construction: 05/01/2011 Size of disturbed area during construction in acres: 0.80
Estimated date that interim reclamation will begin: 10/01/2011 Size of location after interim reclamation in acres: 0.65
Estimated post-construction ground elevation: 6325 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: _____ Phone: _____
Address: _____ Fax: _____
Address: _____ Email: _____
City: _____ State: _____ Zip: _____ Date of Rule 306 surface owner consultation: 12/01/2010
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: 20090047 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: 860, public road: 990, above ground utilit: 975
, railroad: 5280, property line: 300

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.

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: V7-C. SILI CLAY LOAM, 3 TO 6% 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: 10/15/2010

List individual species: INDIAN RICEGRASS, JUNEGRASS, WESTERN WHEATGRASS, BIG SAGEBRUSH, PINYON, AND ROCKY MOUNTAIN JUNIPER.

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: 60, water well: 820, depth to ground water: 50

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:

NO SURFACE OR GROUND DISTURBING ACTIVITIES ARE PROPOSED FOR THIS WELL. IT WILL UTILIZE THE EXISTING WELLPAD AND ACCESS ROAD. SURFACE USE WITHIN 400' OF LOCATION IS ALL PRIVATE GRAZING LAND OR RANGELAND. THERE ARE NO OTHER VISIBLE IMPROVEMENTS OTHER THAN THOSE SHOWN ON LOCATION DRAWING. DEPTH TO GROUNDWATER INFO OBTAINED FROM PROXIMATE WATER WELLS' REPORTS. Reference area is located immediately adjacent to the well pad to the east on undisturbed land.

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

Signed: _____ Date: 02/23/2011 Email: MIKE@FINNEYLAND.COM

Print Name: MICHAEL J. FINNEY Title: AGENT

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: 5/6/2011

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.

A closed loop system (which operator has indicated on the Form 2A – Section 6. Construction) must be implemented during drilling.

Operator must ensure 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, 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.

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
1633793	FORM 2A
1633794	LOCATION PICTURES
1633795	LOCATION DRAWING
1633796	HYDROLOGY MAP
1633797	ACCESS ROAD MAP
1633798	REFERENCE AREA MAP
1633799	SURFACE AGRMT/SURETY
1633800	CONST. LAYOUT DRAWINGS
2033679	CORRESPONDENCE

Total Attach: 9 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
DOW	CDOW and Operator onsited this well location. It is unknown what the quality of liquids associated with drill cutting maybe (ie what chemicals, drilling additives, naturally occurring metals, etc.) or if toxic substances could be mobilized from the drill cuttings if a precipitation event were to occur. There is a concern that access by wildlife to free liquids on the drying pad could make them sick or cause mortality. The operator indicated that they promptly remove any liquids from the Drying pad via Vac Truck. The cuttings are hauled within several week to the land fill or used as fill material. Should free liquids be left in the drying pad trenches, CDOW recommends excluding access for wildlife by fencing and netting of the pad.	3/28/2011 2:10:42 PM
OGLA	Initiated/Completed OGLA Form 2A review on 03-07-11 by Dave Kubeczko; requested acknowledgement of fluid containment, spill/release BMPs, closed loop, flowback to tanks, tank berming, and cuttings low moisture content COAs from operator on 03-07-11; received acknowledgement of COAs from operator on 04-5-10; passed by CDOW on 03-28-11 with CDOW recommending pad be encded; passed OGLA Form 2A review on 04-05-11 by Dave Kubeczko; fluid containment, spill/release BMPs, closed loop, flowback to tanks, tank berming, and cuttings low moisture content COAs.	3/7/2011 11:32:45 AM
Permit	corrected and added answers to questions with operator approval	3/4/2011 7:54:24 AM
Permit	ON HOLD missing numerous answers to questions on the form	3/3/2011 7:49:03 AM
Data Entry	CHECK WILL SALT OR OIL BASED MUDS BE USED	2/28/2011 3:58:46 PM

Total: 5 comment(s)

BMP

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

Total: 0 comment(s)