

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: 2592654

Oil and Gas Location Assessment

[X] New Location [] Amend Existing Location Location#: _____

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: 424290 Expiration Date: 07/14/2014

[X] This location assessment is included as part of a permit application.

1. CONSULTATION

- [X] This location is included in a Comprehensive Drilling Plan. CDP # 2028
[X] 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: 100122 Name: GUNNISON ENERGY CORPORATION Address: 1801 BROADWAY #1200 City: DENVER State: CO Zip: 80202

3. Contact Information

Name: LEE FYOCK Phone: (303) 296-4222 Fax: (303) 296-4555 email: LEE.FYOCK@OXBOW.COM

4. Location Identification:

Name: HOTCHKISS WATER STORAGE FACILITY Number: _____ County: GUNNISON Quarter: NWNE Section: 18 Township: 12S Range: 89W Meridian: 6 Ground Elevation: 7310 Define a single point as a location reference for the facility location... Footage at surface: 966 feet FNL, from North or South section line, and 1038 feet FWL, from East or West section line. Latitude: 39.019738 Longitude: -107.376744 PDOP Reading: 3.7 Date of Measurement: 12/02/2010 Instrument Operator's Name: BE JOHNSON UNITAH ENGINEERING

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

Special Purpose Pits: 2 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: 1 Flare: [] Gas Compressors: [] VOC Combustor: [] Oil Tanks: [] Fuel Tanks: [] Other: 2 LEACHATE SUMP PUMPS (ELECTRIC); 2 IN-LINE BOOSTER PUMPS (ELECTRIC)

6. Construction:

Date planned to commence construction: 07/18/2011 Size of disturbed area during construction in acres: 15.27
Estimated date that interim reclamation will begin: 01/18/2012 Size of location after interim reclamation in acres: 10.00
Estimated post-construction ground elevation: 7310 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: _____
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: 730, public road: 3802, above ground utilit: 4000
, railroad: 38016, property line: 4000

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: 18-BULKLEY CLAY LOAM, 12 TO 25 PERCENT SLOPES

NRCS Map Unit Name: 19-BULKLEY CLAYLOAM, 25 TO 65 PERCENT SLOPES

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: SAGEBRUSH. GAMBEL OAK. 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: 498, water well: 4799, depth to ground water: 25

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: 01/12/2011 Email: LEE.FYOCK@OWBOW.COM

Print Name: LEE FYOCK Title: DIRECTOR OF ENVIRONMENTAL

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. Neslin

Director of COGCC

Date: 7/15/2011

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 FORM 28 PERMIT COAs:

Conditions of Approval (COAs) attached to the Form 28 Permit will also apply to this CDP (Form 2A permit) for this location.

Commencement of building/constructing this location is not authorized until the Form 28 permit has been approved.

Prior to the Form 28 permit approval (and therefore start of construction), adequate financial assurance per Rules 704 and 908.11.g.(1)B. are required.

Attachment Check List

Att Doc Num	Name
2566323	NRCS MAP UNIT DESC
2592654	FORM 2A
2592655	LOCATION DRAWING
2592656	CONST. LAYOUT DRAWINGS
2592657	TOPO MAP
2592658	CORRESPONDENCE
2592659	OTHER
400130317	HYDROLOGY MAP
400130422	LOCATION PICTURES

Total Attach: 9 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Agency	This oil and gas location was approved as an amendment to the Hotchkiss Federal CDP, Project #2028. The amendment was approved by the Commission on June 27, 2011 by Order 1-168. This Form 2A provides the detail for the information system for tracking the oil and gas location.	7/15/2011 3:06:54 PM
OGLA	Initiated/Completed OGLA Form 2A review on 04-28-11 by Dave Kubeczko; Form 28 COAs on 04-28-11; waived by CDOW on 03-31-11, will comment on revised Comprehensive Drilling Plan (CDP); passed OGLA Form 2A review on 07-11-11 by Dave Kubeczko; Form 28 COAs.	4/28/2011 6:41:53 AM
LGD	We are unable to attach the referenced documents in our initial comment. Please contact our office to view the attachments referenced in the comment. A copy will be sent to David Neslin by email today as well.	2/22/2011 2:31:57 PM
LGD	I am the Local Government Designee for Gunnison County, Colorado. Please see the two documents attached to these comments. In addition, Gunnison Energy Corporation (through Lee Fyock) and I have spoken and have agreed: That this proposed facility might better be reviewed by the COGCC under Rule 216, Comprehensive Drilling Plans; and That the instant Form 2A is withdrawn.	2/22/2011 2:28:57 PM
Permit	ON HOLD> Requesting SUA. plg.	2/11/2011 9:18:08 AM
Permit	After reviewing the information provided with the Form 28, Alex & I agreed to use the hydrology map and access road map attached with the 28. Other missing information is answers to distances in the cultural section and the 4 location pic's. Operator -Patty has been notified. Brendon Loucks sent the missing cultural information in an e-mail and I entered it. sf	2/3/2011 9:26:10 AM
Enviromental	The Form 28 is in review process as well as review of the estimated \$3.2M financial assurance. There is currently no surety ID. Financial assurance and a surety ID will be in place upon approval of the Form 28.	1/28/2011 11:20:47 AM
Permit	On Hold for: Location pictures, hydrology map, access road map, plugging bond, and answers to cultural/soil information. sf	1/27/2011 10:17:54 AM

Total: 8 comment(s)

BMP

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

Total: 0 comment(s)