

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:
2587230

Oil and Gas Location Assessment

New Location Amend Existing Location Location#: 378715

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:
378715
Expiration Date:
08/14/2014

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: 69805
Name: PETROX RESOURCES INC
Address: P O BOX 2600
City: MEEKER State: CO Zip: 81641

3. Contact Information

Name: MIKE CLARK
Phone: (970) 878-5594
Fax: (970) 878-4489
email: MIKE.PETROXCBM@GMAIL.COM

4. Location Identification:

Name: ELLISON 33-5 Number: 29-1
County: ARCHULETA
Quarter: NWSE Section: 29 Township: 33N Range: 5W Meridian: N Ground Elevation: 6186

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: 1553 feet FSL, from North or South section line, and 2250 feet FEL, from East or West section line.
Latitude: 37.072830 Longitude: -107.414380 PDOP Reading: 3.0 Date of Measurement: 10/02/2008
Instrument Operator's Name: SCOTT WEIBE

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

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

Other: _____

6. Construction:

Date planned to commence construction: 08/02/2011 Size of disturbed area during construction in acres: 2.00
 Estimated date that interim reclamation will begin: 09/02/2011 Size of location after interim reclamation in acres: 0.51
 Estimated post-construction ground elevation: 6186 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: 04/22/2008
 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: 20090113 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: 1114, public road: 2511, above ground utilit: 1114
 , railroad: 5280, property line: 170

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.

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: VO-CD. CATDRAW LOAM 3-12%

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, MUTTONGRASS, BIG SAGEBRUSH, BOTTLEBRUSH
SQUIRRELTAIL, INDIAN RICE GRASS, NEEDLEANDTHREAD, PRAIRIE JUNEGRASS,
ANTELOPE BITTERBRUSH, GAMBEL OAK, TRUE MOUNTAIN MAHOGANY

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: 1696, water well: 981, depth to ground water: 30

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:

Reference area is located immediately adjacent and to the west of the well pad.

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

Signed: _____ Date: 07/01/2011 Email: BARB.PETROXCBM@GMAIL.COM
Print Name: BARBARA J. VAUGHN Title: ADMIN. ASST.

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. Nashin Director of COGCC Date: 8/15/2011

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.

ONSITE EXISTING DRILLING PIT COAs:

Operator shall provide documentation of disposal (i.e. waste manifests, truck tickets, landfill information, etc.) of salt based mud and cuttings to COGCC within 3 months of completion of drilling and well completion activities.

If salt based mud and cuttings are placed within the existing drilling pit, then the mud and cuttings must be managed to prevent accumulations of free liquid greater than de minimis amounts within the pit.

If salt based mud and cuttings are placed within the existing drilling pit, then operator must submit documentation to COGCC that soils beneath the liner meet Table 910-1 upon removal of cuttings and liner for disposal.

GENERAL SITE COAs:

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

The drilling fluids pit must be lined. The drilling fluids pits must be permitted and hydrotested prior to use. All cuttings generated during drilling must be kept in the pit, tanks, or placed either in containers or on a lined/bermed portion of the well pad; prior to offsite disposal. The moisture content of any drill cuttings in a cuttings container or pile shall be as low as practicable to prevent accumulation of liquids greater than de minimis amounts.

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 (at least every 14 days), and maintained in good condition.

Flowback and stimulation fluids must be sent to tanks, separators, or other containment/filtering equipment before the fluids can be placed into any pipeline or pit located on the well pad or into tanker trucks for offsite disposal. The flowback and stimulation fluid tanks, separators, or other containment/filtering equipment 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.

Attachment Check List

Att Doc Num	Name
2033954	CORRESPONDENCE
2587230	FORM 2A
2587231	NRCS MAP UNIT DESC
2587232	TOPO MAP

Total Attach: 4 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
OGLA	Operator has indicated that they will drill utilizing a closed loop system. Therefore they have requested a withdrawal of Form 15 for salt based mud drilling pit.	8/15/2011 8:58:10 AM
Permit	The horizontal portion will be on both Fee minerals and Tribal minerals. BY	8/11/2011 10:53:15 AM
Permit	Barb Vaughn corrected the distance to nearest property line to be 170'. BY	8/11/2011 8:28:00 AM
Permit	Large difference in distance to nearest property line, 170' on approved 2 versus 1553' on this form 2A. Emailed Barb Vaughn for review and clarification. BY	8/10/2011 11:27:28 AM
OGLA	Initiated/Completed OGLA Form 2A review on 08-02-11 by Dave Kubeczko; requested acknowledgement of fluid containment, spill/release BMPs, flowback to tanks, lined pit/permitting, hydrotesting, and cuttings low moisture content COAs from operator on 08-02-11; received clarifications and acknowledgement of COAs from operator on 08-02-11; no CDOW, BLM stipulations and COAs are sufficient (SUIT minerals); passed OGLA Form 2A review on 08-15-11 by Dave Kubeczko; fluid containment, spill/release BMPs, flowback to tanks, lined pit/permitting, hydrotesting, and cuttings low moisture content COAs.	8/2/2011 12:18:33 PM
Permit	filled in missing information at operators request.	7/21/2011 8:46:58 AM
Permit	Well surety ID missing. Missing construction info. Distance to nearest railroad missing.	7/20/2011 2:39:54 PM

Total: 7 comment(s)

BMP

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

Total: 0 comment(s)