

FORM
2ARev
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



DE	ET	OE	ES
----	----	----	----

Document Number:

400209466

Oil and Gas Location Assessment

☒ 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. 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:

426032

Expiration Date:

10/16/2014
☒ 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: 10360

Name: NAVEX RESOURCES LLC

Address: 4925 GREENVILLE AVENUE #915

City: DALLAS State: TX Zip: 75206

3. Contact Information

Name: Robert Helbing

Phone: (214) 3823227

Fax: (214) 3738035

email: rhelbing@trekresources.com

4. Location Identification:

Name: State 16 Number: 1

County: KIOWA

QuarterQuarter: NWSW Section: 16 Township: 19S Range: 50W Meridian: 6 Ground Elevation: 4393

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: 2108 feet FSL, from North or South section line, and 692 feet FWL, from East or West section line.

Latitude: 38.402060 Longitude: -103.022470 PDOP Reading: 2.5 Date of Measurement: 08/09/2011

Instrument Operator's Name: Keith Westfall

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="1"/>	Production Pits: <input type="text"/>	Dehydrator Units: <input type="text"/>
Condensate Tanks: <input type="text"/>	Water Tanks: <input type="text"/>	Separators: <input type="text" value="1"/>	Electric Motors: <input type="text" value="1"/>	Multi-Well Pits: <input type="text"/>
Gas or Diesel Motors: <input type="text"/>	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="1"/>	Gas Pipeline: <input type="text"/>	Oil Pipeline: <input type="text"/>	Water Pipeline: <input type="text"/>	Flare: <input type="text"/>
Gas Compressors: <input type="text" value="1"/>	VOC Combustor: <input type="text"/>	Oil Tanks: <input type="text" value="2"/>	Fuel Tanks: <input type="text" value="1"/>	

Other: _____

6. Construction:

Date planned to commence construction: 11/15/2011 Size of disturbed area during construction in acres: 0.50
Estimated date that interim reclamation will begin: 11/29/2011 Size of location after interim reclamation in acres: 0.30
Estimated post-construction ground elevation: 4393 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: 20110103 ☐ 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: 692, public road: 692, above ground utilit: 692
, railroad: 5280, property line: 692

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.

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: Wiley Loam Unit #41, 0 to 3 percent slope

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: _____

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: 5280, water well: 5280, depth to ground water: 60
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 Supply 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:

Company plans to re-seed the area disturbed by the drilling location with native grass or other appropriate grass seed. Any open pit will be fenced to prevent entry by livestock. Surface tenant will be consulted as to how best to cross over the ditch along the western boundary of the lease along CR27.

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

Signed: _____ Date: 09/28/2011 Email: conrad@trekresources.com
Print Name: Conrad Mirochna Title: Sr VP

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: 10/17/2011

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.

Attachment Check List

Att Doc Num	Name
1792333	CORRESPONDENCE
1792336	WAIVERS
1792337	WAIVERS
1792338	CORRESPONDENCE
400209466	FORM 2A SUBMITTED
400209517	ACCESS ROAD MAP
400209518	HYDROLOGY MAP
400209519	LOCATION DRAWING
400209522	LOCATION PICTURES
400209523	REFERENCE AREA PICTURES
400209524	REFERENCE AREA MAP
400213082	NRCS MAP UNIT DESC

Total Attach: 12 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Agency	Operator has requested exigent circumstances for early permit approval, request and waivers are attached.	10/17/2011 5:14:04 PM
Permit	Final review completed. NLP	10/17/2011 2:38:39 PM
Permit	Bill, We are ok with Navex and their drilling this well. Tim. See attachment. BY	10/17/2011 2:38:13 PM
Permit	Received email from LGD Debra C. Lening waiving the 20 day comment period. BY	10/17/2011 7:16:15 AM
OGLA	Nearest water well is 60 feet not 6 as stated. The depth to water was changed to 60 feet.	10/11/2011 4:12:19 PM
Permit	Operator correct errors. The form has passed completeness.	10/11/2011 9:39:34 AM
Permit	Returned to draft. Missing surface and minerals information.	10/11/2011 6:57:11 AM
Permit	Returned to draft. •Missing the well surety ID "plugging bond" •Location is part of a permit application (second box on form) •Under the surface and minerals tab if the surface and mineral owner are state then please check the box that the surface owner is the mineral owner •If you are using a oil and gas lease for the right to construct then "the surface owner is" question should have committed to an oil and gas lease box checked •IF using an oil and gas lease for right to construct then you do not need to use your bond. In that case where you entered \$5,000 should read N/A and the surety ID should be blank •Missing distance to nearest rail road under the cultural and soil tab. •Based on the water well to the NW of the proposed location I don't think the depth to ground water is one mile •NRCS map unit attachment will not open	9/28/2011 1:58:13 PM

Total: 8 comment(s)

BMP

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

Total: 0 comment(s)