

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



Document Number:

400248985

Date Received:

02/09/2012

## 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:

**428424**

Expiration Date:

**03/29/2015**

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: 19035

Name: OVERLAND RESOURCES LLC

Address: 1376 S PERRY PARK RD

City: SEDALIA      State: CO      Zip: 80135

### 3. Contact Information

Name: Gregory Pandolfo

Phone: (303) 800-6175

Fax: (303) 385-0690

email: greg@overlandresourcesllc.com

### 4. Location Identification:

Name: Handke      Number: 3

County: ADAMS

Quarter: SESE      Section: 10      Township: 3S      Range: 64W      Meridian: 6      Ground Elevation: 5452

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: 638 feet FSL, from North or South section line, and 634 feet FEL, from East or West section line.

Latitude: 39.798470      Longitude: -104.529340      PDOP Reading: 2.5      Date of Measurement: 01/19/2012

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="checkbox"/> | Drilling Pits: <input type="checkbox"/> <u>1</u> | Wells: <input type="checkbox"/> <u>1</u> | Production Pits: <input type="checkbox"/> | Dehydrator Units: <input type="checkbox"/> |
| Condensate Tanks: <input type="checkbox"/>     | Water Tanks: <input type="checkbox"/>            | Separators: <input type="checkbox"/>     | Electric Motors: <input type="checkbox"/> | 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"/>      | Pigging Station: <input type="checkbox"/>  |
| Electric Generators: <input type="checkbox"/>  | Gas Pipeline: <input type="checkbox"/>           | Oil Pipeline: <input type="checkbox"/>   | Water Pipeline: <input type="checkbox"/>  | Flare: <input type="checkbox"/>            |
| Gas Compressors: <input type="checkbox"/>      | VOC Combustor: <input type="checkbox"/>          | Oil Tanks: <input type="checkbox"/>      | Fuel Tanks: <input type="checkbox"/>      |  |

Other: \_\_\_\_\_

### 6. Construction:

Date planned to commence construction: 03/15/2012 Size of disturbed area during construction in acres: 0.90  
Estimated date that interim reclamation will begin: 09/23/2012 Size of location after interim reclamation in acres: 0.50  
Estimated post-construction ground elevation: 5452 Will a closed loop system be used for drilling fluids: Yes  No   
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: 11/29/2011  
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 20120010

### 8. Reclamation Financial Assurance:

Well Surety ID: 20110057  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: 4169, public road: 630, above ground utilit: 4169  
, railroad: 5280, property line: 630

### 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: AcC Adena-Colby association, gently sloping. StD Stoneham loam, 3 to 9 percent

NRCS Map Unit Name: WmB Weld Loam, 1 to 3 percent slopes. WrB Weld-Deertrail complex, 0 to 3 percent slope.  
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: 903, water well: 1985, depth to ground water: 0  
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:

There are no apparent improvements within 400' of proposed well pad. Please see the Handke #4 Offset Plan #1.pdf showing the proposed wellbore trajectory with bottom-hole locations for the Handke #2 and Handke #4. The Handke #2 is a proposed vertical well. The Handke #4 is a proposed directional well. The location is not in a restricted surface occupancy area. The location is not in a sensitive wildlife habitat area.

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

Signed: \_\_\_\_\_ Date: 02/09/2012 Email: greg@overlandresourcesllc.com  
Print Name: Gregory Pandolfo Title: Manager

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:  Director of COGCC Date: 3/30/2012

**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.

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### Attachment Check List

| Att Doc Num | Name                    |
|-------------|-------------------------|
| 400248985   | FORM 2A SUBMITTED       |
| 400249055   | ACCESS ROAD MAP         |
| 400249056   | HYDROLOGY MAP           |
| 400249057   | LOCATION DRAWING        |
| 400249069   | NRCS MAP UNIT DESC      |
| 400249072   | LEGAL/LEASE DESCRIPTION |
| 400249073   | LOCATION PICTURES       |
| 400249074   | LOCATION PICTURES       |
| 400249075   | LOCATION PICTURES       |
| 400249076   | LOCATION PICTURES       |

Total Attach: 10 Files

### General Comments

| <u>User Group</u> | <u>Comment</u>  | <u>Comment Date</u>     |
|-------------------|---|-------------------------|
| Permit            | LGD comment received; final review completed.   | 3/29/2012<br>9:23:03 AM |
| LGD               | <p>The City of Aurora would like to begin a discussion with the COGCC and the operators on how best to harmonize drilling operations with city land use planning. With that in mind we offer the following comments:</p> <ul style="list-style-type: none"> <li>- Require a Road Management Plan including a haul route map and access points from COA roads. A traffic impact report may be required based on the routes.</li> <li>- Require an Emergency Response Plan with coordination between the Bennett Fire Protection District and the COA Fire Department.</li> <li>- Recommend (not require) that Best Management Practices be utilized to such as Closed Loop Systems and Baseline Water Quality Planning.</li> </ul> | 3/5/2012 1:17:38<br>PM  |
| Permit            | Operator corrected salt question, surface and minerals information, and cultural data. This form has passed completeness.   | 2/14/2012<br>1:08:02 PM |
| Permit            | Returned to draft. Missing salt section question. Invalid surface and minerals information. Cultural information.   | 2/10/2012<br>9:01:31 AM |

Total: 4 comment(s)

### BMP

| <u>Type</u>                    | <u>Comment</u>  |
|--------------------------------|---|
| Drilling/Completion Operations | Endeavor to comply with oil and gas industry BMP's in addition to applicable county, state and federal regulations. |

Total: 1 comment(s)