

**FORM
2A**Rev
04/01**State of Colorado
Oil and Gas Conservation Commission**

1120 Lincoln Street, Suite 801, Denver, Colorado 80203 Phone: (303) 894-2100 Fax: (303) 894-2109



Document Number:

2288439

Date Received:

04/30/2012

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:

429310

Expiration Date:

06/14/2015☒ 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: 54380

Name: MATRIX ENERGY LLC

Address: 1241 THOROUGHbred ROAD

City: DURANGO State: CO Zip: 81303

3. Contact Information

Name: DAVID M. BLANDFORD

Phone: (970) 247-1959

Fax: (970) 247-2359

email: ANDELEENERGY@GMAIL.COM

4. Location Identification:

Name: HOLTON Number: 31-12

County: WELD

QuarterQuarter: NWNE Section: 12 Township: 6N Range: 65W Meridian: 6 Ground Elevation: 4714

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: 660 feet FNL, from North or South section line, and 1980 feet FEL, from East or West section line.

Latitude: 40.505940 Longitude: -104.608760 PDOP Reading: 2.0 Date of Measurement: 12/20/2011

Instrument Operator's Name: C. VANMATRE

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"/> | Wells: <input type="text" value="1"/> | Production Pits: <input type="text"/> | Dehydrator Units: <input type="text"/> |
| Condensate Tanks: <input type="text" value="1"/> | Water Tanks: <input type="text" value="1"/> | Separators: <input type="text" value="1"/> | Electric Motors: <input type="text"/> | 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"/> | Gas Pipeline: <input type="text" value="1"/> | Oil Pipeline: <input type="text"/> | Water Pipeline: <input type="text"/> | Flare: <input type="text"/> |
| Gas Compressors: <input type="text"/> | VOC Combustor: <input type="text" value="1"/> | Oil Tanks: <input type="text"/> | Fuel Tanks: <input type="text"/> | |
| Other: _____ | | | | |

6. Construction:

Date planned to commence construction: 06/01/2012 Size of disturbed area during construction in acres: 3.00
Estimated date that interim reclamation will begin: 09/01/2012 Size of location after interim reclamation in acres: 1.00
Estimated post-construction ground elevation: 4714 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: 12/20/2011
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 _____

8. Reclamation Financial Assurance:

☒ Well Surety ID: 19960010 ☐ 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: 586, public road: 660, above ground utilit: 660
, railroad: 5619, property line: 265

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: MAP UNIT #4, AQUOLLS AND AQUEPTS, FLOODED.

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: 12/20/2011
List individual species: MOSTLY WEEDS AND SOME 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): MOSTLY WEEDS AND SOME GRASSES

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: 309, water well: 770, depth to ground water: 35
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:

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

Signed: _____ Date: 04/27/2012 Email: ANDELEENERGY@GMAIL.COM

Print Name: DAVID M. BLANDFORD Title: CO-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: 6/15/2012

**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.

If drill cuttings will be land applied, then a Waste Management Plan meeting the general requirements of Rule 907.a. must be submitted for the land application of drill cuttings. Submit the Waste Management Plan on a Form 4 Sundry Notice via email to ogccenvirosundry@state.co.us prior to moving the cuttings from the location.

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. At the time of closure, the drill cuttings must also meet the applicable standards of Table 910-1.

Attachment Check List

| Att Doc Num | Name |
|-------------|------------------------|
| 2288439 | FORM 2A SUBMITTED |
| 2288440 | LOCATION PICTURES |
| 2288441 | LOCATION DRAWING |
| 2288442 | HYDROLOGY MAP |
| 2288443 | ACCESS ROAD MAP |
| 2288444 | NRCS MAP UNIT DESC |
| 2288445 | CONST. LAYOUT DRAWINGS |
| 2288446 | OTHER |
| 2288447 | OTHER |
| 2613995 | CORRESPONDENCE |
| 400282827 | WASTE MANAGEMENT PLAN |

Total Attach: 11 Files

General Comments

| <u>User Group</u> | <u>Comment</u> | <u>Comment Date</u> |
|--------------------------|---|----------------------------|
| Permit | Final Review Completed. No LGD or public comment received. | 6/12/2012 8:37:43 AM |
| OGLA | Added operator comments regarding waste management practices; applied conditions of approval for cuttings handling. | 6/11/2012 2:52:24 PM |
| OGLA | WASTE MANAGEMENT: The operator provided the following additional information regarding waste management: All flowback fluids will be contained in flowback tanks. When oil production tanks have been set, the oil will be transferred and the water will be hauled by vacuum truck to a commercial disposal facility. Produced water will be stored in the produced water tank and emptied as necessary. The water will be hauled by vacuum truck to a commercial disposal facility. | 6/11/2012 2:51:03 PM |
| Permit | Corrected the distance to the nearest property line to 265' as per operator. | 6/11/2012 10:38:49 AM |
| OGLA | waiting on Waste Management Plan | 5/23/2012 7:54:58 AM |
| OGLA | Changed the Sensitive Area Designation to Yes; the location is in a Sensitive Area due to the potential for shallow ground water to be present. | 5/23/2012 7:54:12 AM |
| OGLA | Requested water resources information, information on drill cuttings disposal, and revisions to Waste Management Plan | 5/18/2012 10:36:19 AM |
| Permit | On hold for distance to the nearest property line discrepancy from 2A (12'), or Form 2 (265'). | 5/15/2012 11:58:28 AM |
| Permit | Operator emailed WMP, plugging bond changes, and surface and minerals information. Changes were made per operator and this form has passed completeness. | 5/9/2012 9:43:11 AM |
| Permit | Invalid plugging bond. Surface and minerals information. Missing WMP. Sent email to operator 5/2/12. | 5/2/2012 1:38:29 PM |

Total: 10 comment(s)

BMP

Type

Comment

| | |
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Total: 0 comment(s)