

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:

400303461

Date Received:

07/10/2012

Oil and Gas Location Assessment

New Location

Amend Existing Location

Location#: 321527

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:

321527

Expiration Date:

08/21/2015

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: 10383
 Name: SOVEREIGN OPERATING COMPANY LLC
 Address: 621 17TH STREET #950
 City: DENVER State: CO Zip: 80293

3. Contact Information

Name: STEPHANIE CLASEN
 Phone: (303) 297-0347
 Fax: (303) 297-9075
 email: SOVEREIGNENERGY@AOL.CO
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4. Location Identification:

Name: HULSTROM G UNIT Number: 1 PAD
 County: BROOMFIELD
 Quarter: SENE Section: 4 Township: 1S Range: 68W Meridian: 6 Ground Elevation: 5210

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: 1760 feet FNL, from North or South section line, and 596 feet FEL, from East or West section line.
 Latitude: 39.995470 Longitude: -104.999370 PDOP Reading: 1.2 Date of Measurement: 03/21/2012
 Instrument Operator's Name: MARC WOODARD

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"/>	Wells: <input type="text" value="7"/>	Production Pits: <input type="checkbox"/>	Dehydrator Units: <input type="checkbox"/>
Condensate Tanks: <input type="checkbox"/>	Water Tanks: <input type="text" value="2"/>	Separators: <input type="text" value="3"/>	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="text" value="1"/>	Oil Tanks: <input type="text" value="4"/>	Fuel Tanks: <input type="checkbox"/>	

Other: _____

6. Construction:

Date planned to commence construction: 09/15/2012 Size of disturbed area during construction in acres: 3.40
 Estimated date that interim reclamation will begin: 11/15/2012 Size of location after interim reclamation in acres: 1.50
 Estimated post-construction ground elevation: 5210 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: 20110169 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: 720, public road: 596, above ground utilit: 600
 , railroad: 5280, property line: 590

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: RED, RENOHILL LOAM, 3-9% SLOPES

NRCS Map Unit Name: ULC, ULM LOAM, 3-5% SLOPES

NRCS Map Unit Name: PLC, PLATNER LOAM, 3-5% SLOPES

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: 235, water well: 1360, depth to ground water: 22

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:

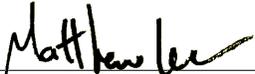
REFERENCED WATER WELL: RECEIPT 9003983, PERMIT 51870--; SWNE 4, T1S, R68W

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

Signed: _____ Date: 07/10/2012 Email: sovereignenergy@aol.com

Print Name: Stephanie Clasen Title: Office 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: 8/22/2012

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
400303461	FORM 2A APPROVED
400303570	ACCESS ROAD MAP
400303571	LOCATION DRAWING
400303572	HYDROLOGY MAP
400303574	REFERENCE AREA MAP
400303576	REFERENCE AREA PICTURES
400303578	CONST. LAYOUT DRAWINGS
400303591	MULTI-WELL PLAN
400303599	NRCS MAP UNIT DESC
400304824	SURFACE AGRMT/SURETY
400304826	LOCATION PICTURES
400319169	FORM 2A SUBMITTED

Total Attach: 12 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Final Review Completed. No LGD or public comment received.	8/20/2012 10:55:21 AM
OGLA	Checked "closed loop, yes" per Operator. Reviewed 7/26/2012.	7/26/2012 11:24:05 AM
Permit	Changed location from new to amended doc #321527, qtr/qtr from NWSE to SENE, distance to nearest road to 596' & distance to nearest railroad to 5280' per operator. ok to pass.	7/24/2012 3:49:24 PM
OGLA	This Form 2A should amend existing location id 321527. Operator should clarify pit use (no pits indicated in facilities, but not indicated as closed loop). Reference area info not required for Dry Land use. Distance to RR should be in feet.	7/13/2012 9:34:14 AM
Permit	Operator added SUA and location pictures. Only has one form 2 to reference at present.	7/12/2012 7:59:02 AM
Permit	Right to construct is given by SUA, please attach (it does say that there is a signature on the lease, however, so SUA as right to construct needs to be removed) Need Location Pictures Recommend referencing the 7 well APDs as related forms	7/11/2012 9:25:11 AM

Total: 6 comment(s)

BMP

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

Total: 0 comment(s)