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

Oil and Gas Location Assessment

Document Number: 400323420

Date Received: 09/26/2012

☒ 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: **430547**

Expiration Date: **10/22/2015**

☒ 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: 10340

Name: SUNDANCE ENERGY INC

Address: 633 17TH STREET #1950

City: DENVER State: CO Zip: 80202

3. Contact Information

Name: Julie Padilla

Phone: (303) 928-7128

Fax: (303) 962-6237

email: jpadilla@petro-fs.com

4. Location Identification:

Name: BDE Facility Number: 27NW

County: WELD

QuarterQuarter: NESW Section: 27 Township: 4N Range: 68W Meridian: 6 Ground Elevation: 5046

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: 2392 feet FSL , from North or South section line, and 145 feet FWL , from East or West section line.

Latitude: 40.283599 Longitude: -104.998181 PDOP Reading: 1.3 Date of Measurement: 08/15/2012

Instrument Operator's Name: Alan Hinizdo

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

Special Purpose Pits:		Drilling Pits:		Wells:		Production Pits:		Dehydrator Units:	
Condensate Tanks:		Water Tanks:	1	Separators:	3	Electric Motors:		Multi-Well Pits:	
Gas or Diesel Motors:		Cavity Pumps:		LACT Unit:		Pump Jacks:		Pigging Station:	
Electric Generators:		Gas Pipeline:		Oil Pipeline		Water Pipeline:		Flare:	
Gas Compressors:				VOC Combustor:	1	Oil Tanks:	3	Fuel Tanks:	

Other: _____

6. Construction:

Date planned to commence construction: 11/19/2012 Size of disturbed area during construction in acres: 2.40

Estimated date that interim reclamation will begin: 09/20/2013 Size of location after interim reclamation in acres: 2.00

Estimated post-construction ground elevation: 5046 Will a closed loop system be used for drilling fluids: Yes [X]

Will salt sections be encountered during drilling: Yes [ ] No [X] Is H2S anticipated? Yes [ ] No [X]

Will salt (>15,000 ppm TDS Cl) or oil based muds be used: Yes [ ] No [X]

Mud disposal: Offsite [X] Onsite [ ] Method: Land Farming [ ] Land Spreading [X] Disposal Facility [ ]

Other:

7. Surface Owner:

Name: Phone:

Address: Fax:

Address: Email:

City: State: Zip: Date of Rule 306 surface owner consultation:

Surface Owner: [X] Fee [ ] State [ ] Federal [ ] Indian

Mineral Owner: [X] Fee [ ] State [ ] Federal [ ] Indian

The surface owner is: [X] the mineral owner [X] 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: [X] 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:

[X] Well Surety ID: 20100117 [ ] Gas Facility Surety ID: [ ] Waste Mgnt. Surety ID:

9. Cultural:

Is the location in a high density area (Rule 603.b.): Yes [ ] No [X]

Distance, in feet, to nearest building: 1137 , public road: 147 , above ground utilit: 1518

, railroad: 5280 , property line: 75

10. Current Land Use (Check all that apply):

Crop Land: [ ] Irrigated [X] 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 [X] 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: 79 - Weld Loam

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: 844 , water well: 1819 , depth to ground water: 26

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:

This following wells will to utilize this facility: BDE 12-27, BDE 13-27, BDE 22-27, BDE 23-27 & BDE 27NW.

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

Signed: Date: 09/26/2012 Email: jpadilla@petero-fs.com

Print Name: Julie Padilla Title: Regulatory 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: Matthew Lee **Director of COGCC** Date: 10/23/2012

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.

Attachment Check List

Att Doc Num	Name
2086144	LOCATION DRAWING
400323420	FORM 2A SUBMITTED
400331171	ACCESS ROAD MAP
400331172	HYDROLOGY MAP
400331174	LOCATION DRAWING
400331175	REFERENCE AREA PICTURES
400331176	LOCATION PICTURES
400331177	LOCATION PICTURES
400331179	NRCS MAP UNIT DESC

Total Attach: 9 Files

General Comments

User Group	Comment	Comment Date
OGLA	Uploaded new Location Drawing, changed land use after consultation with the Operator.	10/22/2012 10:52:54 AM
Permit	Return to Draft: Permitter SF requested per conversation with operator to correct various issues.	9/27/2012 1:26:17 PM

Total: 2 comment(s)

BMP

Type	Comment
Planning	When feasible develop multiple well sites by using directional drilling to reduce cumulative impacts and adverse impacts on wildlife resources.
Construction	Remove only the minimum amount of vegetation necessary for the construction of roads and facilities. Conserve topsoil during excavation and reuse as cover on disturbed areas to facilitate regrowth of vegetation .No construction or routine maintenance activities will be performed during periods when the soil is too wet to adequately support construction equipment
Drilling/Completion Operations	When available and reasonable use a closed-loop drilling mud system to preclude the use of an earthen reserve pits when available.
Storm Water/Erosion Control	Use water bars, and other measures to prevent erosion and non-source pollution. Implement and maintain BMPs to control stormwater runoff in a manner that minimizes erosion, transport of sediment offsite, and site degradation. Co-locate gas and water gathering lines whenever feasible, and mitigate any erosion problems that arise due to the construction of any pipeline(s).
Site Specific	Fence the well site after drilling to restrict public and wildlife access. Keep well site location, the road, and the pipeline easement free of noxious weeds, litter and debris. Spray for noxious weeds, and implement dust control, as needed. Sundance Energy Inc., will not permit the release or discharge of any toxic or hazardous chemicals or wastes on Owner's Land. Construct and maintain gates where any roads used by Sundance Energy Inc., its employees, or contractors cross through fences on the leased premises.
Interim Reclamation	Utilize only such area around each producing well as is reasonably necessary. Restore the remainder of the well site location to its original condition within a reasonable time after the completion of operations. All reseeding shall be done with grasses consistent with the Rocky Mountain native mix or other grasses reasonably requested by surface owner and during planting period suggested by Owner.
Final Reclamation	All surface restoration shall be accomplished to the satisfaction of Owner. All reseeding shall be done with grasses consistent with the Rocky Mountain native mix or other grasses reasonably requested by surface owner and during planting period suggested by Owner. Final reclamation shall be completed to the reasonable satisfaction of the Owner as soon as practical after installation (weather permitting) and in accordance with regulatory agency standards (BLM/COGCC).

Total: 7 comment(s)