

**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:

400421904

Date Received:

06/17/2013

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:

433692

Expiration Date:

07/22/2016☒ 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: Jeff Reale

Phone: (970) 663-1448

Fax: (970) 667-0046

email: jeff@mistymountainop.com

4. Location Identification:

Name: Grant Brothers Number: 2Ae,4Ae,43,54

County: WELD

QuarterQuarter: SWSE Section: 23 Township: 2N Range: 68W Meridian: 6 Ground Elevation: 4920

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: 628 feet FSL, from North or South section line, and 1935 feet FEL, from East or West section line.

Latitude: 40.118634 Longitude: -104.967851 PDOP Reading: 1.9 Date of Measurement: 05/15/2013

Instrument Operator's Name: JDP

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="4"/> | Production Pits: <input type="text"/> | Dehydrator Units: <input type="text"/> |
| Condensate Tanks: <input type="text" value="3"/> | Water Tanks: <input type="text" value="1"/> | Separators: <input type="text" value="2"/> | 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: 07/15/2013 Size of disturbed area during construction in acres: 3.00
Estimated date that interim reclamation will begin: 08/15/2013 Size of location after interim reclamation in acres: 1.50
Estimated post-construction ground elevation: 4920 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: 03/18/2013
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: 20100117 ☐ 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: 355, public road: 270, above ground utility: 152,
railroad: 7678, property line: 628

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: #39 Nunn loam 0-1%

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: 150, water well: 277, depth to ground water: 13
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:

Water well permit # 33919-MH

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

Signed: _____ Date: 06/17/2013 Email: jeff@mistymountainop.com

Print Name: Jeff Reale Title: Agent

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: 7/23/2013

**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 |
|-------------|-----------------------|
| 2086402 | LOCATION DRAWING |
| 2086403 | ACCESS ROAD MAP |
| 400421904 | FORM 2A SUBMITTED |
| 400430662 | LOCATION PICTURES |
| 400432794 | NRCS MAP UNIT DESC |
| 400434981 | SURFACE AGRMT/SURETY |
| 400434984 | WASTE MANAGEMENT PLAN |
| 400434994 | ACCESS ROAD MAP |
| 400440054 | LOCATION DRAWING |
| 400440055 | MULTI-WELL PLAN |
| 400440057 | HYDROLOGY MAP |

Total Attach: 11 Files

General Comments

| <u>User Group</u> | <u>Comment</u> | <u>Comment Date</u> |
|-------------------|---|--------------------------|
| Permit | Final Review Completed. LGD comment addressed (see BMP's on form 2A); no public comment received. | 7/22/2013 10:07:42 AM |
| OGLA | Added BMPs that the Operator, neighbors and Town of Frederick agreed to. Added tank battery equipment and Location Drawing, and Access Road Map that shows the temporary access that the Operator agreed to use to reduce traffic impact to neighbors. | 7/19/2013 9:52:15 AM |
| OGLA | Discussed the public comments that were placed on a related Form 2 by the LGD with the LGD. Most of the public comments are being addressed by the USR process and I will request that the Operator work with the LGD to make sure that the correct attachments are included with Form. | 7/10/2013 3:00:02 PM |
| OGLA | Requesting additional information from Operator. | 7/9/2013 11:18:45 AM |
| Permit | ok to pass. | 6/28/2013 2:22:55 PM |
| Permit | This form has passed completeness. | 6/28/2013 10:26:36 AM |
| Permit | Previous issues not resolved. Returned to draft. | 6/28/2013 5:53:05 AM |
| Permit | Returned to draft: no Related forms missing footage for RR & utility needs checked as High Density Distances to building needs to be 350' | 6/18/2013 2:20:27 PM |

Total: 8 comment(s)

BMP

| <u>Type</u> | <u>Comment</u> |
|--------------------------------|---|
| Planning | 1. Sundance agrees to use all & best efforts to drill all 4 wells before August 15th or 16th (start of the school year) 2. Create & follow a landscaping plan to screen production/operations site for neighborhood - agree to specifications with Town and closest homeowners at neighborhood meeting 7/9/2013. |
| Traffic control | 1. Temporary access road at south end of location to minimize traffic impacts to nearby subdivision 2. Sundance has agreed to control drilling and completion traffic to minimize subdivision access problems and noise A.) No truck traffic allowed from 10pm to 6am unless emergency situation occurs B.) No hauling to/from site during before and after school times (7am-8:30am & 2pm-3:30pm Monday through Friday) C.) Sundance will provide site/traffic control supervisor (site guard 6am-10pm) D.) Will make best efforts to haul oil & water only during daylight hours E.) Sundance agrees to a hauling route with the Town for all drilling and completion traffic |
| Noise mitigation | 1. 12-16' high sound barrier (hay bales) on W/N/E sides of the drilling location 2. Will run sound survey to confirm noise level at or below decibel levels in Rule 802 3. Will apply further noise reduction measures as necessary (motor blankets, etc.) |
| Drilling/Completion Operations | 1. Site guard on site from 6am-10pm daily while drilling and completion operations take place 2. Drilling location fenced in 4' safety fence on W/N/E sides to block access 3. Pedestrian traffic supervision on existing walking path around W/N/E sides of location |

Total: 4 comment(s)