

|                               |                                                                                                                                                                            |                                                                                    |                      |
|-------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------|----------------------|
| <b>FORM INSP</b><br>Rev 05/11 | <b>State of Colorado</b><br><b>Oil and Gas Conservation Commission</b><br>1120 Lincoln Street, Suite 801, Denver, Colorado 80203 Phone: (303) 894-2100 Fax: (303) 894-2109 |  | DE<br>ET<br>OE<br>ES |
|-------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------|----------------------|

Inspection Date:  
06/11/2013

Document Number:  
670200552

Overall Inspection:  
Satisfactory

**FIELD INSPECTION FORM**

|                     |               |               |                      |                                             |                   |
|---------------------|---------------|---------------|----------------------|---------------------------------------------|-------------------|
| Location Identifier | Facility ID   | Loc ID        | Inspector Name:      | On-Site Inspection <input type="checkbox"/> | 2A Doc Num: _____ |
|                     | <u>296457</u> | <u>336037</u> | <u>BURGER, CRAIG</u> |                                             |                   |

**Operator Information:**

OGCC Operator Number: 10447 Name of Operator: URSA OPERATING COMPANY LLC

Address: 602 SAWYER STREET #710

City: HOUSTON State: TX Zip: 77007

**Contact Information:**

| Contact Name    | Phone        | Email                      | Comment                              |
|-----------------|--------------|----------------------------|--------------------------------------|
| Kellerby, Shaun |              | Shaun.Kellerby@state.co.us | NW Field Supervisor                  |
| Bleil, Robert   | 720-425-0303 | rbleil@ursaresources.com   | Regulatory and Environmental Manager |

**Compliance Summary:**

QtrQtr: NWNE Sec: 14 Twp: 6S Range: 93W

| Insp. Date | Doc Num   | Insp. Type | Insp Status | Satisfactory /Unsatisfactory | PA P/F/I | Pas/Fail (P/F) | Violation (Y/N) |
|------------|-----------|------------|-------------|------------------------------|----------|----------------|-----------------|
| 12/10/2010 | 200287174 | PR         | SI          | S                            |          |                | N               |
| 06/25/2010 | 200261400 | SR         | WO          | S                            | I        |                | N               |
| 08/15/2007 | 200193848 | DG         | DG          | S                            |          |                | N               |

**Inspector Comment:**

Temporarily abandoned well on location that is not in compliance with rule 326.b(1).

**Related Facilities:**

| Facility ID | Type         | Status | Status Date | Well Class | API Num   | Facility Name      |                                     |
|-------------|--------------|--------|-------------|------------|-----------|--------------------|-------------------------------------|
| 295456      | WELL         | XX     | 04/10/2008  | LO         | 045-15762 | Gypsum Ranch B1    | <input type="checkbox"/>            |
| 295457      | WELL         | XX     | 04/10/2008  | LO         | 045-15763 | Gypsum Ranch B2    | <input type="checkbox"/>            |
| 296416      | WELL         | PR     | 06/10/2008  | GW         | 045-16013 | GYPSUM RANCH B3    | <input checked="" type="checkbox"/> |
| 296417      | WELL         | XX     | 06/10/2008  | LO         | 045-16014 | Gypsum Ranch B12   | <input type="checkbox"/>            |
| 296454      | WELL         | PR     | 06/13/2008  | GW         | 045-16036 | GYPSUM RANCH B4    | <input checked="" type="checkbox"/> |
| 296455      | WELL         | XX     | 06/13/2008  | LO         | 045-16037 | Gypsum Ranch B5    | <input type="checkbox"/>            |
| 296456      | WELL         | XX     | 06/13/2008  | LO         | 045-16038 | Gypsum Ranch B6    | <input type="checkbox"/>            |
| 296457      | WELL         | DG     | 04/16/2008  | GW         | 045-16039 | GYPSUM RANCH B7    | <input checked="" type="checkbox"/> |
| 296458      | WELL         | XX     | 06/13/2008  | LO         | 045-16040 | Gypsum Ranch B8    | <input type="checkbox"/>            |
| 296459      | WELL         | PR     | 06/13/2008  | GW         | 045-16041 | GYPSUM RANCH B9    | <input checked="" type="checkbox"/> |
| 296460      | WELL         | XX     | 06/13/2008  | LO         | 045-16042 | Gypsum Ranch B11   | <input type="checkbox"/>            |
| 296461      | WELL         | PR     | 02/01/2012  | GW         | 045-16043 | GYPSUM RANCH B13   | <input checked="" type="checkbox"/> |
| 299255      | WELL         | XX     | 10/24/2008  | LO         | 045-17626 | Gypsum Ranch B10   | <input type="checkbox"/>            |
| 426957      | NONFACILIT Y | AC     | 12/19/2011  |            | -         | GYPSUM RANCH B PAD | <input type="checkbox"/>            |

**Equipment:**

Location Inventory

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

**Location**

**Signs/Marker:**

| Type                 | Satisfactory/Unsatisfactory | Comment | Corrective Action | CA Date |
|----------------------|-----------------------------|---------|-------------------|---------|
| WELLHEAD             | Satisfactory                |         |                   |         |
| BATTERY              | Satisfactory                |         |                   |         |
| TANK LABELS/PLACARDS | Satisfactory                |         |                   |         |

Emergency Contact Number: (S/U/V) Satisfactory Corrective Date: \_\_\_\_\_

Comment: \_\_\_\_\_

Corrective Action: \_\_\_\_\_

**Good Housekeeping:**

| Type            | Satisfactory/Unsatisfactory | Comment                               | Corrective Action | CA Date |
|-----------------|-----------------------------|---------------------------------------|-------------------|---------|
| STORAGE OF SUPL | Satisfactory                | Some pipe stored on east side of pad. |                   |         |

**Spills:**

| Type | Area | Volume | Corrective action | CA Date |
|------|------|--------|-------------------|---------|
|------|------|--------|-------------------|---------|

Multiple Spills and Releases?

**Fencing/:**

| Type     | Satisfactory/Unsatisfactory | Comment      | Corrective Action | CA Date |
|----------|-----------------------------|--------------|-------------------|---------|
| WELLHEAD | Satisfactory                | cattle panel |                   |         |

**Equipment:**

| Type                        | # | Satisfactory/Unsatisfactory | Comment                   | Corrective Action | CA Date |
|-----------------------------|---|-----------------------------|---------------------------|-------------------|---------|
| Bird Protectors             | 5 | Satisfactory                |                           |                   |         |
| Emission Control Device     | 1 | Satisfactory                | Intake valve turned off.  |                   |         |
| Horizontal Heated Separator | 8 | Satisfactory                |                           |                   |         |
| Gas Meter Run               | 1 | Satisfactory                |                           |                   |         |
| Ancillary equipment         | 1 | Satisfactory                | water pump on containment |                   |         |
| Plunger Lift                | 4 | Satisfactory                |                           |                   |         |
| Gathering Line              | 1 | Satisfactory                |                           |                   |         |
| Deadman # & Marked          | 7 | Satisfactory                |                           |                   |         |

|                    |                             |                                   |                     |                       |  |
|--------------------|-----------------------------|-----------------------------------|---------------------|-----------------------|--|
| <b>Facilities:</b> |                             | <input type="checkbox"/> New Tank | Tank ID: _____      |                       |  |
| Contents           | #                           | Capacity                          | Type                | SE GPS                |  |
| CONDENSATE         | 6                           | 300 BBLS                          | STEEL AST           | 39.531250,-107.740720 |  |
| S/U/V:             | Satisfactory                | Comment:                          |                     |                       |  |
| Corrective Action: |                             |                                   |                     | Corrective Date:      |  |
| <b>Paint</b>       |                             |                                   |                     |                       |  |
| Condition          | Adequate                    |                                   |                     |                       |  |
| Other (Content)    | _____                       |                                   |                     |                       |  |
| Other (Capacity)   | _____                       |                                   |                     |                       |  |
| Other (Type)       | _____                       |                                   |                     |                       |  |
| <b>Berms</b>       |                             |                                   |                     |                       |  |
| Type               | Capacity                    | Permeability (Wall)               | Permeability (Base) | Maintenance           |  |
| Metal              | Adequate                    | Walls Sufficient                  | Base Sufficient     | Adequate              |  |
| Corrective Action  |                             |                                   |                     | Corrective Date       |  |
| Comment            |                             |                                   |                     |                       |  |
| <b>Venting:</b>    |                             |                                   |                     |                       |  |
| Yes/No             | Comment                     |                                   |                     |                       |  |
| NO                 |                             |                                   |                     |                       |  |
| <b>Flaring:</b>    |                             |                                   |                     |                       |  |
| Type               | Satisfactory/Unsatisfactory | Comment                           | Corrective Action   | CA Date               |  |
| Ignitor/Combustor  | Satisfactory                | Turned off.                       |                     |                       |  |

**Predrill**

Location ID: 336037

**Site Preparation:**

Lease Road Adeq.: \_\_\_\_\_ Pads: \_\_\_\_\_ Soil Stockpile: \_\_\_\_\_  
 Corrective Action: \_\_\_\_\_ Date: \_\_\_\_\_ CDP Num.: \_\_\_\_\_

**Form 2A COAs:**

**Comment:** \_\_\_\_\_

**CA:** \_\_\_\_\_ **Date:** \_\_\_\_\_

**Wildlife BMPs:**

**Comment:** \_\_\_\_\_

**CA:** \_\_\_\_\_ **Date:** \_\_\_\_\_

**Stormwater:**

| Erosion BMPs | Present | Other BMPs | Present |
|--------------|---------|------------|---------|
|              |         |            |         |

Corrective Action: \_\_\_\_\_ Date: \_\_\_\_\_

Comments: Erosion BMPs: \_\_\_\_\_  
 Other BMPs: \_\_\_\_\_

**Comment:** \_\_\_\_\_

**Staking:**

**On Site Inspection (305):**

Surface Owner Contact Information:

Name: \_\_\_\_\_ Address: \_\_\_\_\_  
 Phone Number: \_\_\_\_\_ Cell Phone: \_\_\_\_\_

Operator Rep. Contact Information:

Landman Name: \_\_\_\_\_ Phone Number: \_\_\_\_\_  
 Date Onsite Request Received: \_\_\_\_\_ Date of Rule 306 Consultation: \_\_\_\_\_

Request LGD Attendance: \_\_\_\_\_

LGD Contact Information:

Name: \_\_\_\_\_ Phone Number: \_\_\_\_\_ Agreed to Attend: \_\_\_\_\_

Summary of Landowner Issues:

\_\_\_\_\_

Summary of Operator Response to Landowner Issues:

\_\_\_\_\_

Onsite Inspection Memorandum Summarizing Discussions at Inspection as Attachment:

\_\_\_\_\_

**Facility**

Facility ID: 296416 Type: WELL API Number: 045-16013 Status: PR Insp. Status: PR

**Producing Well**

Comment: plunger lift

Facility ID: 296454 Type: WELL API Number: 045-16036 Status: PR Insp. Status: PR

**Producing Well**

Comment: plunger lift

Facility ID: 296457 Type: WELL API Number: 045-16039 Status: DG Insp. Status: TA

**Idle Well**

Purpose:  Shut In  Temporarily Abandoned Reminder: \_\_\_\_\_

S/V: Satisfactory CA Date: \_\_\_\_\_

CA: \_\_\_\_\_

Comment: MIT performed 4/21/2012.  
No sundry is on file that contains future plans for the well and the method the well is closed to the atmosphere.  
Provide sundry as required by rule 326.b(1).

Facility ID: 296459 Type: WELL API Number: 045-16041 Status: PR Insp. Status: PR

**Producing Well**

Comment: plunger lift

Facility ID: 296461 Type: WELL API Number: 045-16043 Status: PR Insp. Status: PR

**Producing Well**

Comment: plunger lift

**Environmental**

**Spills/Releases:**

Type of Spill: \_\_\_\_\_ Description: \_\_\_\_\_ Estimated Spill Volume: \_\_\_\_\_

Comment: \_\_\_\_\_

Corrective Action: \_\_\_\_\_ Date: \_\_\_\_\_

Reportable: \_\_\_\_\_ GPS: Lat \_\_\_\_\_ Long \_\_\_\_\_

Proximity to Surface Water: \_\_\_\_\_ Depth to Ground Water: \_\_\_\_\_

**Water Well:**

DWR Receipt Num: \_\_\_\_\_ Owner Name: \_\_\_\_\_ GPS: \_\_\_\_\_ Lat \_\_\_\_\_ Long \_\_\_\_\_

**Field Parameters:**

Sample Location: \_\_\_\_\_

Emission Control Burner (ECB): Y \_\_\_\_\_

Comment: Intake valve turned off.

Pilot: \_\_\_\_\_ Wildlife Protection Devices (fired vessels): YES \_\_\_\_\_

**Reclamation - Storm Water - Pit**

**Interim Reclamation:**

Date Interim Reclamation Started: \_\_\_\_\_ Date Interim Reclamation Completed: \_\_\_\_\_

Land Use: \_\_\_\_\_

Comment: \_\_\_\_\_

1003a. Debris removed? \_\_\_\_\_ CM \_\_\_\_\_

CA \_\_\_\_\_ CA Date \_\_\_\_\_  
 Waste Material Onsite? \_\_\_\_\_ CM \_\_\_\_\_  
 CA \_\_\_\_\_ CA Date \_\_\_\_\_  
 Unused or unneeded equipment onsite? \_\_\_\_\_ CM \_\_\_\_\_  
 CA \_\_\_\_\_ CA Date \_\_\_\_\_  
 Pit, cellars, rat holes and other bores closed? \_\_\_\_\_ CM \_\_\_\_\_  
 CA \_\_\_\_\_ CA Date \_\_\_\_\_  
 Guy line anchors removed? \_\_\_\_\_ CM \_\_\_\_\_  
 CA \_\_\_\_\_ CA Date \_\_\_\_\_  
 Guy line anchors marked? \_\_\_\_\_ CM \_\_\_\_\_  
 CA \_\_\_\_\_ CA Date \_\_\_\_\_

1003b. Area no longer in use? \_\_\_\_\_ Production areas stabilized ? \_\_\_\_\_  
 1003c. Compacted areas have been cross ripped? \_\_\_\_\_  
 1003d. Drilling pit closed? \_\_\_\_\_ Subsidence over on drill pit? \_\_\_\_\_  
 Cuttings management: \_\_\_\_\_  
 1003e. Areas no longer needed for drilling or subsequent operations for have been re-vegetated to 80% of pre-existing? \_\_\_\_\_  
 Production areas have been stabilized? \_\_\_\_\_ Segregated soils have been replaced? \_\_\_\_\_

RESTORATION AND REVEGETATION

Cropland

Top soil replaced \_\_\_\_\_ Recontoured \_\_\_\_\_ Perennial forage re-established \_\_\_\_\_

Non-Cropland

Top soil replaced \_\_\_\_\_ Recontoured \_\_\_\_\_ 80% Revegetation \_\_\_\_\_

1003 f. Weeds Noxious weeds? \_\_\_\_\_  
 Comment: \_\_\_\_\_

Overall Interim Reclamation

**Final Reclamation/ Abandoned Location:**

Date Final Reclamation Started: \_\_\_\_\_ Date Final Reclamation Completed: \_\_\_\_\_  
 Final Land Use: \_\_\_\_\_  
 Reminder: \_\_\_\_\_  
 Comment: \_\_\_\_\_  
 Well plugged \_\_\_\_\_ Pit mouse/rat holes, cellars backfilled \_\_\_\_\_  
 Debris removed \_\_\_\_\_ No disturbance /Location never built \_\_\_\_\_  
 Access Roads Regraded \_\_\_\_\_ Contoured \_\_\_\_\_ Culverts removed \_\_\_\_\_  
 Gravel removed \_\_\_\_\_  
 Location and associated production facilities reclaimed \_\_\_\_\_ Locations, facilities, roads, recontoured \_\_\_\_\_  
 Compaction alleviation \_\_\_\_\_ Dust and erosion control \_\_\_\_\_  
 Non cropland: Revegetated 80% \_\_\_\_\_ Cropland: perennial forage \_\_\_\_\_  
 Weeds present \_\_\_\_\_ Subsidence \_\_\_\_\_  
 Comment: \_\_\_\_\_  
 Corrective Action: \_\_\_\_\_ Date \_\_\_\_\_

Overall Final Reclamation Multi-Well Location

**Storm Water:**

| Loc Erosion BMPs | BMP Maintenance | Lease Road Erosion BMPs | Lease BMP Maintenance | Chemical BMPs | Chemical BMP Maintenance | Comment |
|------------------|-----------------|-------------------------|-----------------------|---------------|--------------------------|---------|
| Gravel           | Pass            | Gravel                  | Pass                  |               |                          |         |
| Compaction       | Pass            |                         |                       |               |                          |         |
| Berms            | Pass            | Compaction              | Pass                  |               |                          |         |

S/U/V: Satisfactory                      Corrective Date: \_\_\_\_\_

Comment: \_\_\_\_\_

CA: \_\_\_\_\_