

FORM INSP Rev 05/11	State of Colorado Oil and Gas Conservation Commission 1120 Lincoln Street, Suite 801, Denver, Colorado 80203 Phone: (303) 894-2100 Fax: (303) 894-2109		DE ET OE ES
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Inspection Date:
07/23/2013

Document Number:
670200693

Overall Inspection:
Unsatisfactory

FIELD INSPECTION FORM

Location Identifier	Facility ID	Loc ID	Inspector Name:	On-Site Inspection <input type="checkbox"/>	2A Doc Num: _____
	<u>298102</u>	<u>335539</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
Bleil, Robert		rbleil@ursaresources.com	Regulatory & Environmental Manager
Smith, Cody		csmith@ursaresources.com	
Kellerby, Shaun		Shaun.Kellerby@state.co.us	NW Field Supervisor

Compliance Summary:

QtrQtr: NENW Sec: 16 Twp: 6S Range: 92W

Insp. Date	Doc Num	Insp. Type	Insp Status	Satisfactory /Unsatisfactory	PA P/F/I	Pas/Fail (P/F)	Violation (Y/N)
06/11/2010	200258382	SR	PR	S			N
02/03/2010	200230875	PR	PR	U			Y

Inspector Comment:

Inspection is overall unsatisfactory due to unlabeled tank connected to casing of A2 well that is not provided with secondary containment.

Related Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	
291673	WELL	PR	06/11/2013	GW	045-14477	MCPHERSON A3	
291678	WELL	XX	08/05/2011	LO	045-14474	McPherson A1	
291679	WELL	PR	05/22/2012	GW	045-14475	McPherson A8	
291680	WELL	PR	06/11/2013	GW	045-14476	MCPHERSON A4	
298100	WELL	PR	05/17/2012	GW	045-17067	McPherson A6	
298101	WELL	PR	06/11/2013	GW	045-17068	MCPHERSON A9	
298102	WELL	PR	06/11/2013	GW	045-17069	MCPHERSON A2	X
298103	WELL	PR	05/23/2012	GW	045-17070	McPherson A12	
298104	WELL	PR	05/25/2012	GW	045-17071	McPherson A11	
298105	WELL	PR	05/22/2012	GW	045-17072	McPherson A7	
423421	WELL	XX	05/31/2011	LO	045-20750	McPherson A10	

Equipment: Location Inventory

Group	User	Comment	Date
OGLA	kubeczkod	<p>GENERAL SITE COAs:</p> <p>Operator must implement best management practices to contain any unintentional release of fluids, including any fluids conveyed via temporary surface pipelines or buried pipelines.</p> <p>Any pit constructed to hold fluids (reserve pit, production pit, frac pit; except for flare pit, if built) must be lined, or a closed loop system (as indicated by operator on the Form 2A) must be implemented .</p> <p>Operator must ensure secondary containment for any volume of fluids contained at well site during drilling and completion operations; including, but not limited to, construction of a berm or diversion dike, diversion/collection trenches within and/or outside of berms/dikes, site grading, or other comparable measures (i.e., best management practices (BMPs) associated with stormwater management) sufficiently protective of nearby surface water. Any berm constructed at the well pad location will be stabilized, inspected at regular intervals (at least every 14 days), and maintained in good condition.</p> <p>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.</p> <p>Flowback and stimulation fluids must be sent to tanks to allow the sand to settle out before the fluids can be placed into any pipeline or pit located on the well pad. The flowback and stimulation fluid tanks must be placed on the well pad in an area with additional downgradient perimeter berming. The area where flowback fluids will be stored/reused must be constructed to be sufficiently impervious to contain any spilled or released material (per Rule 604.a.(4)).</p> <p>Berms or other containment devices shall be constructed in compliance with Rule 604.a.(4) around crude oil, condensate, and produced water storage tanks.</p>	05/10/2011

Comment:

CA:

Date: _____

Wildlife BMPs:

BMP Type	Comment
Wildlife	<p>Wildlife Mitigation Plan Supplemental Best Management Practices Antero Rifle-Silt (Gravel Trend) Leasehold – March 24, 2010</p> <p>1.Drilling and Production No reserve, drill cuttings or frac/flowback pits will be constructed</p> <p>Well pads will be constructed with perimeter berm on downslope area</p> <p>Well pads, access roads will be graveled to reduce fugitive dust, sediment run-off</p> <p>Above-ground facilities will be located to minimize visual effects (e.g. production tanks will be low profile tanks and painted to mitigate visual impacts.)</p> <p>Combustor controls will be used to mitigate odors from production tanks</p> <p>Well completions will utilize flowback completion technologies and/or flares to reduce odors from plug drillout, and venting of salable and non-salable gas</p> <p>High level alarms will be installed on production tanks</p> <p>Production tank containment area will be lined with plastic</p> <p>2.Invasive Non-Native Vegetation Control</p>

Weed management plan will be developed and implemented to monitor and control noxious and invasive weeds

Noxious weed control includes three treatments per year

Existing weed infestations will be mapped prior to the development of each pad, access road and pipeline when practicable

Reclamation/revegetation will be used as a weed management tool
3.Planning Infrastructure and Development Activities

Directional drilling will be implemented to minimize habitat loss and habitat fragmentation

Remote monitoring using SCADA systems to reduce truck traffic, fugitive dust

Water pipeline infrastructure will be installed concurrently with the gas pipeline infrastructure where possible.

SPCC inspections will be conducted quarterly

Water used for well completions will be recycled as practicable

Baseline and post drilling/completion water well testing will be performed for permitted water wells within ½ mile of down-hole location

Annual planning meeting to be conducted with Rifle-Silt-New Castle Community
4.Stormwater Management

Facilities will be operated with a Water Quality Control Division (WQCD) stormwater construction permit.

Stormwater BMPs in accordance with the Stormwater Management Plan will be implemented in a manner that minimizes erosion, transport of sediment offsite, and site degradation.

Inspections will be conducted every two weeks or monthly and in accordance with WQCD General Permit to confirm that applicable BMPs are in place, maintained and functioning properly.
5.Public Water System Protection Section 317B(d)
Best management practices will be implemented to contain any unintentional releases of fluids for locations within 500 feet of surface water

Locations within 500 feet of surface water will ensure 110 percent secondary containment for any volume of fluids contained at a well site during drilling and completion operations
6.Mitigation Plan Best Management Practices

Mitigation Plan signed by Ron Velarde, CDOW NW Regional Manager and Kevin Kilstrom, Antero Resources VP Production, on March 24, 2010.

Closed loop (pitless) drilling system.

Participation in raptor and other birds (great blue heron) monitoring and surveying with protocol to be developed by CDOW and implemented by Antero when practicable.

Buried water and gas pipelines as means to reduce truck traffic.

Seasonal raptor RSOs for species not included in new COGCC rules will be considered where practicable.

Avoidance/seclusion area in the northeast corner of the CDP (Burning Mountain) unless lease expiration warrants development.

Restricted rig operation to less than 2 per section within the big game seclusion areas during the winter (to be determined in consultation with CDOW).

Maintaining a ¼ mile no surface occupancy buffer around active bald eagle nests.

New pad construction not to exceed 3 acres.

Pad density not to exceed 1 pad per 120 acres.

Bury all gas and water pipelines adjacent to roads whenever possible.

The mitigation opportunities/projects will be defined by the Mitigation Plan for each well pad.

The mitigation opportunities/projects will be determined cooperatively with the CDOW during the annual Antero Mitigation Plan Review.

CDOW Actions to Minimize Adverse Impacts to Wildlife Resources is attached to the March 22, 2010 Mitigation Plan

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: 298102 Type: WELL API Number: 045-17069 Status: PR Insp. Status: WK

Workover

Comment: Monument Well Service rig on McPherson A2. No personnel on location at time of inspection. Casing valve is piped to unlabeled 500 bbl rolloff frac tank that is not provided with secondary containment.

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:

Lat _____ Long _____

DWR Receipt Num: _____ Owner Name: _____ GPS : _____

Field Parameters:

Sample Location: _____

Emission Control Burner (ECB): Y

Comment: _____

Pilot: ON Wildlife Protection Devices (fired vessels): YES

Reclamation - Storm Water - Pit

Interim Reclamation:

Date Interim Reclamation Started: _____ Date Interim Reclamation Completed: _____

Land Use: RANGELAND

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: RANGELAND

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
				MHSP	Fail	

S/U/V: Unsatisfactory Corrective Date: 08/06/2013

Comment: No secondary containment provided for rolloff frac tank connected to casing valve of A2 well.

CA: Provide secondary containment.