

FORM

2

Rev
12/05

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:

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Date Received:

07/08/2013

PluggingBond SuretyID

20120125

APPLICATION FOR PERMIT TO:

1. ☒ Drill, ☐ Deepen, ☐ Re-enter, ☐ Recomplete and Operate

2. TYPE OF WELL

OIL ☐ GAS ☒ COALBED ☐ OTHER _____
 SINGLE ZONE ☐ MULTIPLE ☒ COMMINGLE ☒

Refiling ☒Sidetrack ☐3. Name of Operator: URSA OPERATING COMPANY LLC4. COGCC Operator Number: 104475. Address: 1050 17TH STREET #2400City: DENVER State: CO Zip: 802656. Contact Name: Shauna Redican Phone: (720)508-8350 Fax: (720)508-8368Email: sredican@ursaresources.com7. Well Name: MCLIN Well Number: C6

8. Unit Name (if appl): _____ Unit Number: _____

9. Proposed Total Measured Depth: 7343

WELL LOCATION INFORMATION

10. QtrQtr: NESE Sec: 13 Twp: 6S Rng: 92W Meridian: 6Latitude: 39.525206 Longitude: -107.607157

Footage at Surface: 1883 feet FNL/FSL 227 feet FEL/FWL FEL

11. Field Name: KOKOPELLI Field Number: 4752512. Ground Elevation: 5725 13. County: GARFIELD

14. GPS Data:

Date of Measurement: 08/05/2010 PDOP Reading: 2.4 Instrument Operator's Name: SCOTT E. AIBNER15. If well is ☒ Directional ☐ Horizontal (highly deviated) **submit deviated drilling plan.**

Footage at Top of Prod Zone: FNL/FSL 1906 FSL 1033 FEL 1906 FSL 1033 FEL 1906
 Sec: 13 Twp: 6S Rng: 92W Sec: 13 Twp: 6S Rng: 92W

16. Is location in a high density area? (Rule 603b)? ☐ Yes ☒ No17. Distance to the nearest building, public road, above ground utility or railroad: 293 ft18. Distance to nearest property line: 778 ft 19. Distance to nearest well permitted/completed in the same formation(BHL): 238 ft

20. LEASE, SPACING AND POOLING INFORMATION

Objective Formation(s)	Formation Code	Spacing Order Number(s)	Unit Acreage Assigned to Well	Unit Configuration (N/2, SE/4, etc.)
ILES	ILES	191-68	240	Sec. 13:N2SW, SE
WILLIAMS FORK - CAMEO	WFCM	191-68	240	Sec 13:N2SW, SE

21. Mineral Ownership: ☒ Fee ☐ State ☐ Federal ☐ Indian Lease #: _____22. Surface Ownership: ☒ Fee ☐ State ☐ Federal ☐ Indian23. Is the Surface Owner also the Mineral Owner? ☐ Yes ☒ No Surface Surety ID#: _____23a. If 23 is Yes: Is the Surface Owner(s) signature on the lease? ☐ Yes ☐ No23b. If 23 is No: ☒ Surface Owners Agreement Attached or ☐ \$25,000 Blanket Surface Bond ☐ \$2,000 Surface Bond ☐ \$5,000 Surface Bond

24. Using standard QtrQtr, Sec, Twp, Rng format enter entire mineral lease description upon which this proposed wellsite is located (attach separate sheet/map if you prefer):

See mineral lease map attached.

25. Distance to Nearest Mineral Lease Line: 288 ft

26. Total Acres in Lease: 431

DRILLING PLANS AND PROCEDURES

27. Is H2S anticipated? ☐ Yes ☒ No If Yes, attach contingency plan.

28. Will salt sections be encountered during drilling? ☐ Yes ☒ No

29. Will salt (>15,000 ppm TDS CL) or oil based muds be used during drilling? ☐ Yes ☒ No

30. If questions 28 or 29 are yes, is this location in a sensitive area (Rule 901.e)? ☐ Yes ☐ No

31. Mud disposal: ☒ Offsite ☐ Onsite

If 28, 29, or 30 are "Yes" a pit permit may be required.

Method: ☐ Land Farming ☐ Land Spreading ☒ Disposal Facility Other: _____

Note: The use of an earthen pit for Recompletion fluids requires a pit permit (Rule 905b). If air/gas drilling, notify local fire officials.

Casing Type	Size of Hole	Size of Casing	Wt/Ft	Csg/Liner Top	Setting Depth	Sacks Cmt	Cmt Btm	Cmt Top
CONDUCTOR	20	16	55	0	60	50	60	0
SURF	12+1/4	8+5/8	24/32	0	1,000	267	1,000	0
1ST	7+7/8	4+1/2	11.6	0	7,343	662	7,343	

32. BOP Equipment Type: ☐ Annular Preventer ☒ Double Ram ☐ Rotating Head ☐ None

33. Comments I certify that all conditions in the original permit are the same except revised SHL, BHL, and casing and cement program. New exhibits attached. Please see previously attached SUA. The location is not in a wildlife restricted surface occupancy area (RSO); consultation with CDOW is not required and the location does not require a variance from any of the rules listed in Rule 306.d.(1).(A).(ii).; consultation with CDPHE is not required. Cement volumes have been updated to reflect the yield of each cement blend. TOP OF CEMENT OF 1ST STRING/PRODUCTION CASING WILL BE >500 FEET ABOVE TOP OF GAS.

34. Location ID: 420223

35. Is this application in a Comprehensive Drilling Plan ? ☐ Yes ☐ No

36. Is this application part of submitted Oil and Gas Location Assessment ? ☐ Yes ☒ No

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

Signed: _____

Print Name: Shauna Redican

Title: Permit Representative

Date: 7/8/2013

Email: sredican@ursaresources.com

Operator must have a valid water right or permit allowing for industrial use or purchased water from a seller that has a valid water right or permit allowing for industrial use, otherwise an application for a change in type of use is required under Colorado law. Operator must also use the water in the location set forth in the water right decree or well permit, otherwise an application for a change in place of use is required under Colorado law. Section 37-92-103(5), C.R.S. (2011).

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: 8/4/2013

API NUMBER

05 045 20142 00

Permit Number: _____

Expiration Date: 8/3/2015

CONDITIONS OF APPROVAL, IF ANY:

All representations, stipulations and conditions of approval stated in the Form 2A for this location shall constitute representations, stipulations and conditions of approval for this Form 2 Permit-to-Drill and are enforceable to the same extent as all other representations, stipulations and conditions of approval stated in this Permit-to-Drill.

(1) COMPLIANCE WITH THE MOST CURRENT REVISION OF THE NORTHWEST COLORADO NOTIFICATION POLICY IS REQUIRED.

(2) COMPLIANCE WITH THE MOST CURRENT REVISION OF THE GARFIELD COUNTY RULISON-FIELD NOTICE TO OPERATORS IS REQUIRED.

(3) COMPLIANCE WITH THE MOST CURRENT REVISION OF THE MAMM CREEK FIELD NOTICE TO OPERATORS IS REQUIRED.

(4) COMPLIANCE WITH THE NOTICE TO OPERATORS DRILLING WELLS IN THE BUZZARD, MAMM CREEK, AND RULISON FIELDS, GARFIELD COUNTY AND MESA COUNTY IS REQUIRED. (PROCEDURES AND SUBMITTAL REQUIREMENTS FOR COMPLIANCE WITH COGCC ORDERS NOS. 1-107, 139-56, 191-22, AND 369-2 (JULY 8, 2010)). SEE ATTACHED NOTICE.

Applicable Policies and Notices to Operators

Mamm Creek Field Area Notice to Operators.

Piceance Rulison Field - Notice to Operators.

NW Colorado Notification Policy.

Bradenhead Pressure Reporting-Garfield County (Mamm Creek & Rulison Fields) Mesa County (Buzzard Field).

Notice Concerning Operating Requirements for Wildlife Protection.

Attachment Check List

Att Doc Num	Name
2157190	LEASE MAP
400444565	FORM 2 SUBMITTED
400444692	WELL LOCATION PLAT
400444693	DEVIATED DRILLING PLAN
400444695	DIRECTIONAL DATA

Total Attach: 5 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Oper. submitted correct lease map attached to permit. Distance to nearest unit boundary is 1033'. No LGD or public comments. Final Review--passed.	7/31/2013 10:05:00 AM
LGD	pass, gdb	7/23/2013 12:56:34 PM
Engineer	THE PROPOSED SURFACE CASING IS MORE THAN 50' BELOW THE DEPTH OF THE DEEPEST WATER WELL WITHIN 1-MILE OF THE SURFACE LOCATION WHEN CORRECTED FOR ELEVATION DIFFERENCES. THE DEEPEST WATER WELL WITHIN 1-MILE IS 380 FEET DEEP.	7/22/2013 11:17:57 AM
Permit	Pass completeness.	7/9/2013 8:37:06 AM

Total: 4 comment(s)

BMP

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