

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 LLC 4. COGCC Operator Number: 10447
 5. Address: 1050 17TH STREET #2400
 City: DENVER State: CO Zip: 80265
 6. Contact Name: Shauna Redican Phone: (720)508-8350 Fax: (720)508-8368
 Email: sredican@ursaresources.com
 7. Well Name: BAT Well Number: 34A-18-07-95
 8. Unit Name (if appl): _____ Unit Number: _____
 9. Proposed Total Measured Depth: 6696

WELL LOCATION INFORMATION

10. QtrQtr: SESE Sec: 18 Twp: 7S Rng: 95W Meridian: 6
 Latitude: 39.431396 Longitude: -108.033175
 Footage at Surface: _____ feet FNL/FSL _____ feet FEL/FWL _____ feet
 11. Field Name: Parachute Field Number: 67350
 12. Ground Elevation: 5441 13. County: GARFIELD

14. GPS Data:
 Date of Measurement: 09/17/2010 PDOP Reading: 3.0 Instrument Operator's Name: Stephen L Ehlers

15. If well is Directional Horizontal (highly deviated) **submit deviated drilling plan.**
 Footage at Top of Prod Zone: FNL/FSL _____ FEL/FWL _____ Bottom Hole: FNL/FSL _____ FEL/FWL _____
1067 FSL 1951 FEL 1067 FSL 1951 FEL
 Sec: 18 Twp: 7S Rng: 95W Sec: 18 Twp: 7S Rng: 95W

16. Is location in a high density area? (Rule 603b)? Yes No
 17. Distance to the nearest building, public road, above ground utility or railroad: 309 ft
 18. Distance to nearest property line: 530 ft 19. Distance to nearest well permitted/completed in the same formation(BHL): 302 ft

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	440-60	320	Sec 18: S2
WILLIAMS FORK	WMFK	440-60	320	Sec. 18:S2

21. Mineral Ownership: Fee State Federal Indian Lease #: _____
 22. Surface Ownership: Fee State Federal Indian
 23. 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 No
 23b. 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 attached mineral lease map

25. Distance to Nearest Mineral Lease Line: 252 ft 26. Total Acres in Lease: 80

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	24	16	55	0	60	112	60	0
SURF	12+1/4	8+5/8	24/32	0	1782	443	1782	0
1ST	7+7/8	4+1/2	11.6	0	6696	548	6696	

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 the SHL, BHL, updated casing and cement program, etc. There have been no other changes to land use, well construction or the lease. This Refile Form 2 does not require a Form 2A because the pad is anticipated to be constructed per the approved Form 2A in September 2013. A closed loop system is being used so no pits need to be constructed, the refilled well will not require any expansion / additional surface disturbance of the pad. 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. First String/Production TOC will be >200 feet above Top of Gas. NOTE: Ursa Operating Company (applicant) is the surface owner of the SESE of Section 18-T7S-R95W and a portion of the N2NENE of Section 19-T7S-R95W, where the subject well pad will be located.

34. Location ID: 422286

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: 7/24/2013 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: Matthew Lee Director of COGCC Date: 9/7/2013

API NUMBER: 05 045 20528 00 Permit Number: _____ Expiration Date: 9/6/2015

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.

COA Type

Description

	<p>1) COMPLIANCE WITH THE MOST CURRENT REVISION OF THE NORTHWEST COLORADO NOTIFICATION POLICY IS REQUIRED.</p> <p>2) COMPLIANCE WITH THE MOST CURRENT REVISION OF THE GARFIELD COUNTY RULISON FIELD NOTICE TO OPERATORS IS REQUIRED, WITH THE FOLLOWING EXCEPTION: ALL FIELD NOTICE REQUIREMENTS SPECIFIED IN THIS NOTICE TO OPERATORS ARE SUPERSEDED BY THE REQUIREMENTS OF THE MOST CURRENT REVISION OF THE NORTHWEST COLORADO NOTIFICATION POLICY (SEE CONDITION OF APPROVAL #1).</p> <p>3) PRODUCTION CASING CEMENT TOP VERIFICATION BY CBL REQUIRED.</p>
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Applicable Policies and Notices to Operators

Piceance Rulison Field - Notice to Operators.
NW Colorado Notification Policy.
Notice Concerning Operating Requirements for Wildlife Protection.

Attachment Check List

Att Doc Num	Name
2157219	CORRESPONDENCE
400451663	FORM 2 SUBMITTED
400451685	WELL LOCATION PLAT
400451686	DEVIATED DRILLING PLAN
400455415	MINERAL LEASE MAP
400468395	DIRECTIONAL DATA

Total Attach: 6 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Location in 1000' buffer zone. Attached operator certification of building unit owners' notification. No LGD or public comments. Final Review--passed.	8/4/2013 2:04:33 PM
Permit	Uploaded Xcel dir. template.	8/15/2013 1:50:20 PM
LGD	pass, gdb	8/12/2013 3:30:18 PM
Permit	Corrected obj. fm. tab. Operator advised that if location is not built prior to 2A expiration, an amended 2A must be submitted and approved prior to construction. Xcel template didn't upload.	8/9/2013 11:33:31 AM
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 185 FEET DEEP.	7/26/2013 4:22:31 PM
Permit	Passes Completeness.	7/25/2013 8:14:07 AM

Total: 6 comment(s)

Best Management Practices

<u>No</u>	<u>BMP/COA Type</u>	<u>Description</u>