

FORM
2

Rev
08/13

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:

400473553

APPLICATION FOR PERMIT TO:

☒ Drill ☐ Deepen ☐ Re-enter ☐ Recomplete and Operate

TYPE OF WELL OIL ☐ GAS ☒ COALBED ☐ OTHER _____

Refiling ☒

Date Received:

08/30/2013

ZONE TYPE SINGLE ZONE ☐ MULTIPLE ZONES ☒ COMMINGLE ZONES ☒

Sidetrack ☐

Well Name: Frei

Well Number: A12

Name of Operator: URSA OPERATING COMPANY LLC

COGCC Operator Number: 10447

Address: 1050 17TH STREET #2400

City: DENVER

State: CO

Zip: 80265

Contact Name: Shauna Redican

Phone: (720)508-8350

Fax: ()

Email: sredican@ursaresources.com

RECLAMATION FINANCIAL ASSURANCE

Plugging and Abandonment Bond Surety ID: 20120125

WELL LOCATION INFORMATION

QtrQtr: SWSW Sec: 7 Twp: 6S Rng: 91W Meridian: 6

Latitude: 39.536159

Longitude: -107.603286

Footage at Surface: 606 feet FNL/FSL FSL 913 feet FEL/FWL FWL

Field Name: KOKOPELLI

Field Number: 47525

Ground Elevation: 5596

County: GARFIELD

GPS Data:

Date of Measurement: 07/18/2013 PDOP Reading: 2.4 Instrument Operator's Name: SCOTT E. AIBNER

If well is ☒ Directional ☐ Horizontal (highly deviated) **submit deviated drilling plan.**

Footage at Top of Prod Zone: FNL/FSL FSL 1855 FWL 2570 FSL 1855 FWL 2570
Sec: 7 Twp: 6S Rng: 91W Sec: 7 Twp: 6S Rng: 91W

LOCATION SURFACE & MINERALS & RIGHT TO CONSTRUCT

Surface Ownership: ☒ Fee ☐ State ☐ Federal ☐ Indian

The Surface Owner is: ☒ is the mineral owner beneath the location.

(check all that apply) ☒ is committed to an Oil and Gas Lease.

☒ has signed the Oil and Gas Lease.

☐ is the applicant.

The Mineral Owner beneath this Oil and Gas Location is: ☒ Fee ☐ State ☐ Federal ☐ Indian

The Minerals beneath this Oil and Gas Location will be developed by this Well: No

The right to construct the Oil and Gas Location is granted by: Surface Use Agreement

Surface damage assurance if no agreement is in place: Surface Surety ID:

LEASE INFORMATION

Using standard QtrQtr, Sec, Twp, Rng format, describe one entire mineral lease that will be produced by this well (Describe lease beneath surface location if produced. Attach separate description page or map if necessary.)

PLEASE SEE ATTACHED MINERAL LEASE MAP

Total Acres in Described Lease: 50 Described Mineral Lease is: ☒ Fee ☐ State ☐ Federal ☐ Indian

Federal or State Lease # _____

Distance from Completed Portion of Wellbore to Nearest Lease Line of described lease: 160 Feet

CULTURAL DISTANCE INFORMATION

Distance to nearest:

Building: 599 Feet
Building Unit: 753 Feet
High Occupancy Building Unit: 5244 Feet
Designated Outside Activity Area: 5280 Feet
Public Road: 505 Feet
Above Ground Utility: 462 Feet
Railroad: 5280 Feet
Property Line: 395 Feet

INSTRUCTIONS:

- All measurements shall be provided from center of the Proposed Well to nearest of each cultural feature as described in Rule 303.a.(5).
- Enter 5280 for distance greater than 1 mile.
- Building - nearest building of any type. If nearest Building is a Building Unit, enter same distance for both.
- Building Unit, High Occupancy Building Unit, and Designated Outside Activity Area - as defined in 100-Series Rules.

DESIGNATED SETBACK LOCATION INFORMATION

Check all that apply. This location is within a: ☒ Buffer Zone
☐ Exception Zone
☐ Urban Mitigation Area

- Buffer Zone – as described in Rule 604.a.(2), within 1,000' of a Building Unit
- Exception Zone - as described in Rule 604.a.(1), within 500' of a Building Unit.
- Urban Mitigation Area - as defined in 100-Series Rules.

Pre-application Notifications (required if location is within 1,000 feet of a building unit):

Date of Rule 305.a.(1) Urban Mitigation Area Notification to Local Government: _____

Date of Rule 305.a.(2) Buffer Zone Notification to Building Unit Owners: _____

SPACING and UNIT INFORMATION

Distance from Completed Portion of Wellbore to Nearest Wellbore Permitted or Completed in the same formation: 280 Feet

Distance from Completed Portion of Wellbore to Nearest Unit Boundary 754 Feet (Enter 5280 for distance greater than 1 mile.)

Federal or State Unit Name (if appl): N/A Unit Number: _____

SPACING & FORMATIONS COMMENTS

(Order 513-6 includes three units) Section 7 - Part of W½, described as NE¼ SW¼ and Lots 2 through 6 and 9 and 10 (approximately 277.77 acres)

OBJECTIVE FORMATIONS

Objective Formation(s)	Formation Code	Spacing Order Number(s)	Unit Acreage Assigned to Well	Unit Configuration (N/2, SE/4, etc.)
WILLIAMS FORK-ILES	WFILS	513-6	277	NESW, L2-L6

DRILLING PROGRAM

Proposed Total Measured Depth: 7210 Feet

Distance to nearest permitted or existing wellbore penetrating objective formation: 280 Feet (Including plugged wells)

Will a closed-loop drilling system be used? Yes

Is H₂S gas reasonably expected to be encountered during drilling operations at concentrations greater than or equal to 100 ppm? No (If Yes, attach an H₂S Drilling Operations Plan)

Will salt sections be encountered during drilling? No

Will salt based (>15,000 ppm Cl) drilling fluids be used? No

Will oil based drilling fluids be used? No

BOP Equipment Type: ☐ Annular Preventor ☒ Double Ram ☐ Rotating Head ☐ None

GROUNDWATER BASELINE SAMPLING AND MONITORING AND WATER WELL SAMPLING

Water well sampling required per Rule 609

DRILLING WASTE MANAGEMENT PROGRAM

Drilling Fluids Disposal: OFFSITE Drilling Fluids Disposal Methods: Recycle/reuse

Cuttings Disposal: OFFSITE Cuttings Disposal Method: Beneficial reuse

Other Disposal Description:

If cuttings meet Table 910 they will be beneficially reused

Beneficial reuse or land application plan submitted? No

Reuse Facility ID: _____ or Document Number: _____

CASING PROGRAM

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	111	60	0
SURF	12+1/4	8+5/8	24/32#	0	1037	275	1037	0
1ST	7+7/8	4+1/2	11.6#	0	7210	666	7210	

☐ Conductor Casing is NOT planned

DESIGNATED SETBACK LOCATION EXCEPTIONS

Check all that apply:

- ☐ Rule 604.a.(1)A. Exception Zone (within 500' of Building Unit)
- ☒ Rule 604.b.(1)A. Exception Location (existing or approved Oil & Gas Location now within a Designated Setback as a result of Rule 604.a.)
- ☐ Rule 604.b.(1)B. Exception Location (existing or approved Oil & Gas Location is within a Designated Setback due to Building Unit construction after Location approval)
- ☐ Rule 604.b.(2) Exception Location (SUA or site-specific development plan executed on or before August 1, 2013)
- ☐ Rule 604.b.(3) Exception Location (Building Units constructed after August 1, 2013 within setback per an SUA or site-specific development plan)

GREATER WATTENBERG AREA LOCATION EXCEPTIONS

Check all that apply:

- ☐ Rule 318A.a. Exception Location (GWA Windows).
- ☐ Rule 318A.c. Exception Location (GWA Twinning).

RULE 502.b VARIANCE REQUEST

☐ Rule 502.b. Variance Request from COGCC Rule or Spacing Order Number _____

OTHER LOCATION EXCEPTIONS

Check all that apply:

- ☐ Rule 318.c. Exception Location from Rule or Spacing Order Number _____
- ☐ Rule 603.a.(2) Exception Location (Property Line Setback).

ALL exceptions and variances require attached Request Letter(s). Refer to applicable rule for additional required attachments (e.g. waivers, certifications, SUAs).

OPERATOR COMMENTS AND SUBMITTAL

Comments

This Form 2 Re-file has been revised from the originally approved Form 2 APD. The SHL, casing and cement program and TD have been updated. The mineral lease information has been revised. This pad has been built and a Form 2A Amendment for pad expansion was submitted 9/5/2013 (DOC# 400475622). First String/ Production will be > 500 Feet above TOG. Please see attached plat for reference to cultural setbacks. Distance to nearest well was measured to Frei A16 (North of well BHL). Note: The subject well may drill through Federal minerals, however the portion of the wellbore that crosses through the Federal lease will not be completed. Mitigation Measures were addressed with building unit owners at an on-site on 8/21/2013. There were no objections.

This application is in a Comprehensive Drilling Plan _____ CDP #: _____

Location ID: 417777Is this application being submitted with an Oil and Gas Location Assessment application? 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 RedicanTitle: Permit Representative Date: 8/30/2013 Email: sredican@ursaresources.com

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: _____

Expiration Date: _____

API NUMBER

05 045 19949 00

Conditions Of Approval

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**

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Best Management Practices**No BMP/COA Type****Description**

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Data retrieval failed for the subreport 'ImpPolicy_MTO' located at: W:\testpub\Nat\Report\policy_mto.rdl. Please check the

Attachment Check List

<u>Att Doc Num</u>	<u>Name</u>
400473556	MINERAL LEASE MAP
400473557	PLAT
400473558	DEVIATED DRILLING PLAN
400473559	DIRECTIONAL DATA

Total Attach: 4 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Returned to draft: 1) Need mitigation comment. 2) Need surface owner notification date.	9/4/2013 1:21:07 PM

Total: 1 comment(s)