

FORM INSP <small>Rev 05/11</small>	State of Colorado				DE	ET	OE	ES
	Oil and Gas Conservation Commission				Inspection Date: <u>02/05/2014</u>			
1120 Lincoln Street, Suite 801, Denver, Colorado 80203 Phone: (303) 894-2100 Fax: (303) 894-2109								

FIELD INSPECTION FORM

Location Identifier	Facility ID <u>296974</u>	Loc ID <u>336028</u>	Inspector Name: <u>BURGER, CRAIG</u>	On-Site Inspection <input type="checkbox"/>	2A Doc Num: _____
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Document Number:
670201221

Overall Inspection:
Satisfactory

Operator Information:

OGCC Operator Number: _____

Name of Operator: URSA OPERATING COMPANY LLC

Address: 602 SAWYER STREET #710

City: HOUSTON State: TX Zip: 77007

- THIS IS A FOLLOW UP INSPECTION
- FOLLOW UP INSPECTION REQUIRED
- NO FOLLOW UP INSPECTION REQUIRED
- INSPECTOR REQUESTS FORM 42 WHEN CORRECTIVE ACTIONS ARE COMPLETED

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: NESW Sec: 8 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)
12/10/2010	200287113	PR	PR	Satisfactory			No

Inspector Comment:

Follow up of unsatisfactory inspection due to unlabeled frac tanks, inadequate berm, and conductors without a sundry submitted. Issues have been addressed.

Related Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status	
287951	WELL	XX	06/01/2012	LO	045-13105	River Ranch C1	ND	<input checked="" type="checkbox"/>
288420	WELL	XX	06/01/2012	LO	045-13286	River Ranch C3	ND	<input checked="" type="checkbox"/>
288421	WELL	XX	06/01/2012	LO	045-13285	River Ranch C4	ND	<input checked="" type="checkbox"/>
288422	WELL	XX	06/01/2012	LO	045-13284	River Ranch C5	ND	<input checked="" type="checkbox"/>
288423	WELL	XX	04/19/2012	LO	045-13283	River Ranch C-1H	ND	<input checked="" type="checkbox"/>
296974	WELL	PR	10/26/2008	GW	045-16241	RIVER RANCH C9	PR	<input checked="" type="checkbox"/>

Equipment:

Location Inventory

Special Purpose Pits: _____	Drilling Pits: _____	Wells: <u>6</u>	Production Pits: _____
Condensate Tanks: <u>2</u>	Water Tanks: <u>4</u>	Separators: <u>4</u>	Electric Motors: _____
Gas or Diesel Mortors: _____	Cavity Pumps: _____	LACT Unit: <u>1</u>	Pump Jacks: _____
Electric Generators: _____	Gas Pipeline: <u>1</u>	Oil Pipeline: <u>1</u>	Water Pipeline: <u>1</u>
Gas Compressors: _____	VOC Combustor: <u>1</u>	Oil Tanks: _____	Dehydrator Units: _____
Multi-Well Pits: _____	Pigging Station: <u>1</u>	Flare: _____	Fuel Tanks: _____

Location				
Signs/Marker:				
Type	Satisfactory/Unsatisfactory	Comment	Corrective Action	CA Date
WELLHEAD	Unsatisfactory	API # 045-14601 on sign at conductor pipe is not the correct number.	Provide correct API # on sign.	03/12/2014
BATTERY	Satisfactory			
TANK LABELS/PLACARDS	Satisfactory			

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

Comment: _____

Corrective Action: _____

Spills:				
Type	Area	Volume	Corrective action	CA Date
<input type="checkbox"/> Multiple Spills and Releases?				

Fencing/:				
Type	Satisfactory/Unsatisfactory	Comment	Corrective Action	CA Date
WELLHEAD	Satisfactory	cattle panel		
SEPARATOR	Satisfactory	cattle panel		
LOCATION	Satisfactory	barbed wire		

Equipment:					
Type	#	Satisfactory/Unsatisfactory	Comment	Corrective Action	CA Date
Gathering Line	2	Satisfactory			
Emission Control Device	1	Satisfactory			
Gas Meter Run	1	Satisfactory			
Plunger Lift	1	Satisfactory			
Horizontal Heated Separator	1	Satisfactory			
Deadman # & Marked	5	Satisfactory			
Pig Station	2	Satisfactory			
Bird Protectors	2	Satisfactory			

Facilities: New Tank Tank ID: _____

Contents	#	Capacity	Type	SE GPS
PRODUCED WATER	1	300 BBLS	STEEL AST	,
S/U/V:	Satisfactory	Comment:	same berm as condensate tank	
Corrective Action:				Corrective Date:

Paint

Condition	Adequate
Other (Content)	_____
Other (Capacity)	_____
Other (Type)	_____

Berms

Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance
Corrective Action				Corrective Date
Comment				

Facilities: New Tank Tank ID: _____

Contents	#	Capacity	Type	SE GPS
CONDENSATE	1	300 BBLS	STEEL AST	39.539610, -107.692860
S/U/V:	Satisfactory	Comment:	Tanks are anchored.	
Corrective Action:				Corrective Date:

Paint

Condition	Adequate
Other (Content)	_____
Other (Capacity)	_____
Other (Type)	_____

Berms

Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance
Metal	Adequate	Walls Sufficient	Base Sufficient	Adequate
Corrective Action				Corrective Date
Comment				

Venting:

Yes/No	Comment
NO	

Flaring:

Type	Satisfactory/Unsatisfactory	Comment	Corrective Action	CA Date
Ignitor/Combustor	Satisfactory			

Predrill

Location ID: 296974

Site Preparation:

Lease Road Adeq.: _____ Pads: _____ Soil Stockpile: _____

S/UV: _____

Corrective Action: _____ Date: _____ CDP Num.: _____

Form 2A COAs:

Group	User	Comment	Date
OGLA	kubeczkod	<p>SITE SPECIFIC COAs:</p> <p>Operator must ensure 110 percent 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, and maintained in good condition.</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 permanent pipelines.</p> <p>If the well is to be hydraulically stimulated, flowback and stimulation fluids must be sent to tanks, separators, or other containment/filtering equipment before the fluids can be placed into any pipeline or pit located on the well pad or into tanker trucks for offsite disposal. The flowback and stimulation fluid tanks, separators, or other containment/filtering equipment 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.</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, if drill cuttings are to remain/disposed of onsite, they must also meet the applicable standards of table 910-1.</p>	04/22/2012

S/UV: Satisfactory **Comment:** No drilling or completions at time of inspection.

CA: _____ **Date:** _____

Wildlife BMPs:

BMP Type	Comment
Planning	<p>PLANNING INFRASTRUCTURE AND DEVELOPMENT ACTIVITIES:</p> <ul style="list-style-type: none"> • 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
General Housekeeping	<p>INVASIVE NON-NATIVE VEGETATION CONTROL:</p> <ul style="list-style-type: none"> • 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

Site Specific	<p>PUBLIC WATER SYSTEM PROTECTION SECTION 317B:</p> <ul style="list-style-type: none"> • 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
Storm Water/Erosion Control	<p>STORWATER MANAGEMENT:</p> <ul style="list-style-type: none"> • 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.
Drilling/Completion Operations	<p>DRILLING AND PRODUCTION:</p> <ul style="list-style-type: none"> • No reserve, drill cuttings or frac/flowback pits will be constructed • Well pads will be constructed with perimeter berm on downslope area • Well pads, access roads will be graveled to reduce fugitive dust, sediment run-off • 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.) • Combustor controls will be used to mitigate odors from production tanks • Well completions will utilize flowback completion technologies and/or flares to reduce odors from plug drillout, and venting of salable and non-salable gas • High level alarms will be installed on production tanks • Production tank containment area will be lined with plastic
Wildlife	<p>MITIGATION PLAN BEST MANAGEMENT PRACTICES:</p> <ul style="list-style-type: none"> • 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

S/U/V: Satisfactory **Comment:** Remote monitoring equipment on well.

CA: _____ **Date:** _____

Stormwater:

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: _____	
<u>LGD Contact Information:</u>	
Name: _____	Phone Number: _____
Agreed to Attend: _____	
<u>Summary of Landowner Issues:</u>	
<u>Summary of Operator Response to Landowner Issues:</u>	
<u>Onsite Inspection Memorandum Summarizing Discussions at Inspection as Attachment:</u>	

Facility

Facility ID: <u>287951</u>	Type: <u>WELL</u>	API Number: <u>045-13105</u>	Status: <u>XX</u>	Insp. Status: <u>ND</u>
Facility ID: <u>288420</u>	Type: <u>WELL</u>	API Number: <u>045-13286</u>	Status: <u>XX</u>	Insp. Status: <u>ND</u>
Facility ID: <u>288421</u>	Type: <u>WELL</u>	API Number: <u>045-13285</u>	Status: <u>XX</u>	Insp. Status: <u>ND</u>
Facility ID: <u>288422</u>	Type: <u>WELL</u>	API Number: <u>045-13284</u>	Status: <u>XX</u>	Insp. Status: <u>ND</u>
Facility ID: <u>288423</u>	Type: <u>WELL</u>	API Number: <u>045-13283</u>	Status: <u>XX</u>	Insp. Status: <u>ND</u>
Facility ID: <u>296974</u>	Type: <u>WELL</u>	API Number: <u>045-16241</u>	Status: <u>PR</u>	Insp. Status: <u>PR</u>

Producing Well

Comment: COGCC database shows well status as dry and abandoned. Well is producing.

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: Could not verify that pilot light was on.

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

Reclamation - Storm Water - Pit

Interim Reclamation:

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

Land Use: RANGELAND

Comment: Active permits on location.

- 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 _____

Inspector Name: BURGER, CRAIG

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 _____ Well Release on Active Location Multi-Well Location

Storm Water:

Loc Erosion BMPs	BMP Maintenance	Lease Road Erosion BMPs	Lease BMP Maintenance	Chemical BMPs	Chemical BMP Maintenance	Comment
Berms	Pass					
Compaction	Pass	Compaction	Pass	MHSP	Pass	

S/U/V: Satisfactory _____ Corrective Date: _____

Comment: Snow cover limited inspection.

CA: _____

Pits: NO SURFACE INDICATION OF PIT