



1050 17th Street, Suite 2400
Denver, CO 80265

December 7, 2015

Colorado Oil & Gas Conservation Commission
The Chancery Building
1120 Lincoln Street, Suite 801
Denver, CO 80203

Attn: Mr. Matt Lepore, Director

RE: Exception Location Request to Rule 603.a.(2)

BMC B 21B-18-07-95 (API #: TBD, Form 2 Doc #: 400927755)

Township 7 South, Range 95 West, 6th P.M.

SWNW of Section 18: 2239' FNL, 587' FWL (Surface Hole Location)

Garfield County, Colorado

Dear Mr. Lepore,

Please let this letter serve as a request for administrative approval of a Rule 603.a.(2) exception location. Ursa Operating Company LLC (Ursa) proposes to place the BMC B 21B-18-07-95 at a location closer than 150' to a surface property line as required per Rule 603.a.(2).

Rule 603.a.(2) states:

A well shall be located not less than one hundred fifty (150) feet from a surface property line. The Director may grant an exception if it is not feasible for the Operator to meet this minimum distance requirement and a waiver is obtained from the offset Surface Owner(s). An exception request letter stating the reasons for the exception shall be submitted to the Director and accompanied by a signed waiver(s) from the offset Surface Owner(s). Such waiver shall be written and filed in the county clerk and recorder's office and with the Director.

The pad location and location of associated wells have been determined per a surface use agreement with Battlement Mesa Partners dated January 15, 2009 (SUA is attached to the Form 2). Ursa has obtained a waiver of Rule 603.a.(2) from the encroached upon Surface Owner (Battlement Mesa Metro District). The executed waiver is attached to the subject Form 2.

Should you have any questions, please contact me at (720) 508-8362 or jlind@ursaresources.com.

Thank you for your assistance in this matter.



1050 17th Street, Suite 2400
Denver, CO 80265

Sincerely,

Ursa Operating Company LLC

Jennifer Lind
Regulatory Analyst