



Ursa Operating Company LLC

792 Buckhorn Drive Rifle, CO 81650 – 970-625-9922

Kirby Wynn
144 East 3rd Street, Suite 206
Rifle, CO 81650

SENT VIA USPS ON 9/11/2015

RE: Pre-Application Notice: BMC- B Pad

Dear Mr. Wynn:

Colorado Oil and Gas Conservation Commission (COGCC) regulations, effective August 1, 2013, require Ursa to notify Surface Owners and Building Owners with 1000' that a permit for oil and gas operations is being sought to construct a new well pad at the BMC- B Pad located at:

SW/4NW/4 of Section 18, Township 7 South Range 95 West of the 6th P.M.

Typical facilities will include:

- Surface and Production Drilling Rigs (short-term)
- Wellheads with signage
- Completions Tanks and Equipment During Completions (short-term)
- Bermed production tanks and equipment (long-term)

If your property or building unit is within 500' of the location, you will receive a complete list of facilities upon a "Completeness Determination" under and Oil and Gas Location (OGLA) Assessment Notice and other information required by COGCC Rule 305.c (1). If you are within 500-1000' of the location you will receive similar information in accordance with COGCC Rule 305.c (2) unless you waive this requirement.

Operations are currently planned to begin at the location in the second quarter of 2016.

Under the COGCC rules, you have the right to request a meeting at any time to meet with Ursa, or the Local Government Designee (LGD), Kirby Wynn, Phone # 970-625-5905. You will receive a subsequent notice upon the Form 2A receiving a "Completeness Determination" unless you waive this requirement.

Should you decide to waive the meeting under this Pre-application Notification, or waive the "Completeness Determination", or subsequent notifications and Ursa has not received said waivers within 10 business days, it will be understood that you are expecting subsequent notifications.

I am available to answer any questions or concerns you may have, please contact me at your earliest convenience.

John Doose

Landman

Cell: (970) 379-0008

E-Mail: jdoose@ursaresources.com

Attachment: Waivers