Inspector Name: CONKLIN, CURTIS

FORM INSP Rev 05/11

State of Colorado
Oil and Gas Conservation Commission

1120 Lincoln Street, Suite 801, Denver, Colorado 80203
Phone: (303) 894-2100 Fax: (303) 894-2109

FIELD INSPECTION FORM

Inspection Date: 05/24/2016
Document Number: 675202857
Overall Inspection: SATISFACTORY

Location Identifier	Facility ID	Loc ID	Inspector Name:	On-Site Inspection	2A Doc Num:
	159652	159652	CONKLIN, CURTIS	☐	

Operator Information:

OGCC Operator Number: 10447
Name of Operator: URSA OPERATING COMPANY LLC
Address: 1050 17TH STREET #1700
City: DENVER State: CO Zip: 80265

☐ 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
Knudson, Dwayne	(970) 456-3335	dknudson@ursaresources.com	All Inspections
Bleil, Rob	(970) 329-4373	rbleil@ursaresources.com	All Inspections

Compliance Summary:

QtrQtr: NWSW Sec: 17 Twp: 7S Range: 95W

Insp. Date	Doc Num	Insp. Type	Insp Status	Satisfactory /Action Required	PA P/F/I	Pas/Fail (P/F)	Violation (Y/N)
01/05/2016	675202381			SATISFACTORY			No
12/11/2015	680200023			ACTION REQUIRED			No
12/07/2015	680200013			ACTION REQUIRED			No
09/11/2015	680200003			ACTION REQUIRED			No
07/14/2015	675201778			SATISFACTORY			No
06/18/2015	675201691			SATISFACTORY			No
06/10/2015	675201681			SATISFACTORY			No
03/19/2015	675201319			SATISFACTORY			No

Inspector Comment:

Joint inspection with Richard Murray. Spoke to onsite staff.

Related Facilities:

Facility ID	Type	Status	Status Date	Well Class	API Num	Facility Name	Insp Status	
159624	WELL	PR	11/01/2015	LO	045-22748	YATER 21C-17-07-95	PR	X
159625	WELL	PR	10/19/2015	GW	045-22749	YATER 21D-17-07-95	PR	X
159627	WELL	PR	07/09/2015	GW	045-22750	YATER 43C-18-07-95	WK	X
159629	WELL	PR	10/19/2015	GW	045-22752	YATER 11D-17-07-95	PR	X
159630	WELL	PR	05/24/2015	GW	045-22753	YATER 22C-17-07-95	PR	X

159634	WELL	PR	07/09/2015	GW	045-22757	YATER 42D-18-07-95	PR	X
159635	WELL	PR	11/01/2015	GW	045-22758	YATER 22B-17-07-95	PR	X
159636	WELL	PR	11/01/2015	LO	045-22759	YATER 11C-17-07-95	PR	X
159638	WELL	PR	07/09/2015	GW	045-22761	YATER 12D-17-07-95	PR	X
159640	WELL	PR	07/09/2015	GW	045-22763	YATER 43A-18-07-95	PR	X
159651	WELL	PR	07/09/2015	GW	045-22768	YATER 43B-18-07-95	PR	X
159663	WELL	PR	06/28/2015	GW	045-22772	YATER 12C-17-07-95	PR	X
159667	WELL	PR	11/01/2015	GW	045-22775	YATER 22A-17-07-95	PR	X
159675	WELL	PR	11/01/2015	GW	045-22779	YATER 12A-17-07-95	PR	X
159677	WELL	PR	06/14/2015	GW	045-22781	YATER 43D-18-07-95	PR	X
159684	WELL	PR	02/17/2016	GW	045-22784	YATER 12B-17-07-95	PR	X
441263	WELL	PR	11/08/2015	GW	045-22824	YATER 42A-18-07-95	PR	X
441264	WELL	PR	11/01/2015	LO	045-22825	YATER 11B-17-07-95	PR	X
441265	WELL	PR	11/01/2015	LO	045-22826	YATER 42C-18-07-95	PR	X
441266	WELL	PR	11/09/2015	GW	045-22827	YATER 42B-18-07-95	PR	X
441267	WELL	PR	10/10/2015	GW	045-22828	YATER 41D-18-07-95	PR	X

Equipment:

Location Inventory

Special Purpose Pits:		Drilling Pits:		Wells:	21	Production Pits:	
Condensate Tanks:	2	Water Tanks:	4	Separators:	21	Electric Motors:	
Gas or Diesel Mortors:		Cavity Pumps:		LACT Unit:		Pump Jacks:	
Electric Generators:		Gas Pipeline:		Oil Pipeline:		Water Pipeline:	
Gas Compressors:		VOC Combustor:	1	Oil Tanks:		Dehydrator Units:	
Multi-Well Pits:		Pigging Station:	1	Flare:		Fuel Tanks:	

Location

Lease Road:

Type	Satisfactory/Action Required	comment	Corrective Action	Date
Access	SATISFACTORY			

Signs/Marker:

Type	Satisfactory/Action Required	Comment	Corrective Action	CA Date
WELLHEAD	SATISFACTORY			
TANK LABELS/PLACARDS	SATISFACTORY			

Inspector Name: CONKLIN, CURTIS

Emergency Contact Number (S/AR): SATISFACTORY Corrective Date:

Comment:

Corrective Action:

Good Housekeeping:

Type	Satisfactory/Action Required	Comment	Corrective Action	CA Date

Spills:

Type	Area	Volume	Corrective action	CA Date

☐ Multilple Spills and Releases?

Fencing/:

Type	Satisfactory/Action Required	Comment	Corrective Action	CA Date
LOCATION	SATISFACTORY	Sound wall		
WELLHEAD	SATISFACTORY			

Equipment:

Type:	#	Satisfactory/Action Required:	
Comment			
Corrective Action		Date:	

Facilities: ☐ New Tank Tank ID:

Contents	#	Capacity	Type	SE GPS
CONDENSATE	3	300 BBLS	STEEL AST	,

S/AR	SATISFACTORY	Comment:	AIRS ID 045-2394-001

Corrective Action:		Corrective Date:	

Paint

Condition	Adequate

Other (Content)

Other (Capacity)

Other (Type)

Berms

Type	Capacity	Permeability (Wall)	Permeability (Base)	Maintenance
Metal	Adequate	Walls Sufficent	Base Sufficient	Adequate

Corrective Action		Corrective Date	
Comment			

Facilities: ☐ New Tank Tank ID:

Contents	#	Capacity	Type	SE GPS
PRODUCED WATER	3	300 BBLS	STEEL AST	,

S/AR	SATISFACTORY	Comment:	AIRS ID 045-2394-005

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			

Venting:

Yes/No	NO
Comment	

Flaring:

Type		Satisfactory/Action Required	
Comment:			
Corrective Action:		Correct Action Date:	

Predrill

Location ID: 159652

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

S/AR: _____

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

Form 2A COAs:

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Group	User	Comment	Date
OGLA	kubeczkd	The moisture content of drill cuttings managed onsite shall be kept as low as practicable to prevent accumulation of liquids greater than de minimis amounts. Lighting abatement measures beyond the requirements of Rule 803. shall be implemented, including the following, at a minimum: (1) rig oriented to direct light away from nearby residents; (2) install lighting shield devices on all of the more conspicuous lights; and (3) rig shrouded on the west and south sides. For purposes of reducing impacts to nearby residents, flares (such as TCI's portable flare with high combustion rate, low noise, and low visibility flare) will be utilized. Emissions from condensate, crude oil, and produced water tanks and from glycol dehydrators shall be controlled as described in Rule 805.b.(2), not-withstanding the exceptions for production facilities emitting less than five tons per year (TPY) of volatile organic compounds (VOC). Air quality and odor controls will be implemented and will include the following : (1) flowback stream to be routed from wellhead to a “four-phase” separator and then to a sealed flowback tank, with non-salable gas sent to a temporary flare or VOC combustor; (2) oil or condensate captured during separation process will be sent to a tank with emissions controls; (3) frac/flowback storage tank hatches shall operate with hydrocarbon absorbing blankets to control odors; and (4) operator will comply with the green completions section under Rule 805.b.(3). 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 storage vessel 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 constructed to be sufficiently impervious to contain any spilled or released material.	12/29/2014
OGLA	kubeczkd	Notify the COGCC 48 hours prior to start of pad construction, rig mobilization, spud, start of hydraulic stimulation operations, start of flowback operations, and pipeline testing using Form 42 (the appropriate COGCC individuals will automatically be email notified, including the LGD for hydraulic stimulation operations). Operator will implement sufficient public notification of proposed oil and gas activities. These may include the following: (1) provide 30 day advance notice and community awareness to neighborhood; (2) schedule changes will be communicated to the community at meetings or emails; (3) notify local emergency response agencies (Fire/Police) of schedule changes; and (4) notify all homes within a ¼-mile radius and local emergency responders (Fire/Police) 7 days prior to mobilization in, rig up (MIRU). If the operator, local emergency response agencies (Fire/Police), and the nearby community have agreed on other means of notification, that will satisfy this COA. Operator will review local governmental requirements for access from public roads. At a minimum the following traffic requirements will apply: (1) operator will work with the Garfield County Road and Bridge Department to develop and implement a traffic control plan that, at a minimum: a) establishes designated haul routes, b) designates haul routes to avoid school zones and schedules heavy equipment movement to avoid school bus operation hours, c) provides for additional signage on major and/or local roads to be employed during heavy activity periods warning of increased truck traffic, d) restricts all oil and gas related construction, drilling, and operational traffic to access the location from a single point, e) provides for flaggers and/or pilot vehicles as ecessary, and f) schedules work to avoid peak traffic flow.	12/29/2014

OGLA	kubeczkd	Operator must ensure 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 (at least every 14 days and after precipitation events), and maintained in good condition. Since the proposed access road crosses an intermittent stream, the access road will be constructed and maintained as to not allow any sediment to migrate from the access road to nearby surface water or any drainages or ditches leading to surface water. Strategically apply fugitive dust control measures, including encouraging established speed limits on private roads, to reduce fugitive dust and coating of vegetation and deposition in water sources. Operator has indicated they have prepared a job specific Emergency Management/Response Plan. Operator will provide temporary engineering controls to prevent uncontrolled public access during drilling and completion activities. Site security shall include, but not be limited to, appointing a Health and Safety Officer that will insure the Emergency Management/Response Plan is adhered to and who is authorized to shut down operations at any time when health and safety risk is present. Temporary perimeter sound walls (consisting of earthen berms and/or metal, synthetic, or wood sheeting) shall be used, at a minimum, on the west and south perimeters of the location during drilling and completion activities to provide noise relief to nearby residents. Operator shall conduct noise monitoring as described in 802.c. at a minimum once during each phase of activity (pad construction, drilling, completion and production), and submit the results to the COGCC. The COGCC may require additional noise mitigation if measures taken are deemed insufficient. Operator will take aggressive action to establish vegetation on cut and fill slopes to prevent storm water erosion and the generation of fugitive dust. Operator shall install and maintain native vegetative visual buffering on the west and east sides in conjunction with site stabilization. Visual mitigation shall also include the use of low profile tanks. Berms or other containment devices shall be constructed to be sufficiently impervious (corrugated steel with poly liner) to contain any spilled or released material around permanent crude oil, condensate, and produced water storage tanks.	12/29/2014
OGLA	kubeczkd	Operator shall pressure test pipelines in accordance with Rule 1101.e.(1) prior to putting into initial service any temporary surface or permanent buried pipelines and following any reconfiguration of the pipeline network. Operator will utilize, to the extent practical, all existing access and other public roads, and/or existing pipeline right-of-ways, when placing/routing the surface pipelines. This will reduce surface disturbance.	12/29/2014

S/AR: **Comment:**

CA: **Date:**

Wildlife BMPs:

BMP Type	Comment
Drilling/Completion Operations	PRODUCTION • The BMPs entitled “Environmental Stewardship and Compliance” provided more detailed information regarding environmental protection applicable general operations. • All production equipment to include separators, produced water and condensate tanks, pipelines and flowlines will be constructed and managed in accordance with COGCC 605 and 1100 Series Rules. • AIR & ODORS - Combustor controls will be used to mitigate odors from production tanks. Ursa will perform inspections on at least a monthly basis to ensure potential emissions sources are properly managed. In addition, Ursa’s pumper crew inspects each location on a daily basis. • REMOTE MONITORING - Remote monitoring will be used to reduce truck traffic, fugitive dust to the extent practical. • VISUAL IMPACTS - Above-ground facilities (e.g. production tanks) will be managed to minimize visual effects (e.g. painted to blend with environment) • WILDLIFE – All separators/dehydrators and heater –treater equipment are outfitted with bird cones. • WATER RECYCLING – Produced water used for well completions will be recycled and treated to the maximum extent practical. Water that can’t be recycled will be injected through the use of wells approved by COGCC and Garfield County, or transported via truck or pipeline to the COGCC and Garfield County approved Wasatch E&P Facility.
Community Outreach and Notification	COMMUNITY / STAKEHOLDER OUTREACH AND NOTIFICATIONS • An SUA has been signed with the landowner allowing this location to be constructed, drilled and operated in accordance with the Form 2A submitted. • Ursa routinely communicates proposed plans and operations schedules to stakeholders through Community Counts, the GARCO Energy Advisory Board, Battlement Mesa Concerned Citizens, NW Colorado Oil & Gas Forum and others. In addition, periodic stakeholder meetings are held with landowners and affected parties. • Communication with Kirby Wynn and municipal LGDs are also held routinely in addition to communication required by COGCC regulations, as appropriate.

Construction	CONSTRUCTION AND SITE STABILIZATION • The BMPs entitled “Environmental Stewardship and Compliance” provide additional information that is applicable to one or more phases of operations. • CONSTRUCTION (General) – The location will be constructed and maintained in accordance with COGCC 1002 Rules regarding soil and stormwater management, and surface disturbance minimization as incorporated into Ursa’s plans, policies and procedures. • DUST CONTROL - The pad and access road will be graveled to reduce fugitive dust and maintained as required by COGCC rules. In addition, water and other dust suppressants are used as required, dependent upon the level of activity, moisture conditions, etc. throughout all phases of operations • RECLAMATION (Interim) - The site/soils will be stabilized as soon as practical during and immediately following construction. Once wells at the location are drilled, Ursa will complete interim reclamation in accordance with the COGCC 1003 rules using seed mixes and materials compatible with soil types, moisture, and local climate conditions as specified by the appropriate agency and/or in landowner surface use agreements, or locally acceptable industry practices. • STORMWATER - The location will be constructed / maintained in accordance with the CDPHE and COGCC 1002.f. (1) and (2) stormwater regulations as implemented by Ursa’s Stormwater Management Plan, so as to control sediment run-off. Stormwater BMPs will also serve as secondary or tertiary containment in the event of a spill. Site specific plans (i.e. diagrams) will be developed and inspected against at the frequency required by CDPHE regulations, to include 14 day, 30 day, and major storm event inspections until 70% reclamation is achieved. Corrective actions and maintenance will be tracked and implemented. The post-construction stormwater program will be managed in accordance with COGCC Rule 1002.f. (3). Inspections and corrective actions will be conducted through 80% interim reclamation and annually thereafter. These inspections are also tracked and corrective actions implemented. Native soils will be used whenever available to construct stormwater BMPs, supplemented by non-native materials based on site-specific conditions. • WATER WELL SAMPLING (COGCC Rule 609) – Water well sampling will be conducted prior to setting conductors; followed by post-sampling requirements and reporting the landowner and COGCC. • For safety purposes, the location and site layout has been designed to accommodate all operations within the limits of disturbance while meeting Federal and state safety regulations, including required buffers and distances between operating components and combustion sources. • FLOODPLAIN IMPACTS – Ursa completed a floodplain assessment and found that this location did not meet criteria to be designated within the 100 year floodplain.

Planning	GENERAL – PLANNING • This pad is constructed. Based on the public input, Ursa revisited development in the Battlement Mesa area and determined that it may be feasible to add additional wells to pads outside the Planned Unit Development (PUD), and potentially eliminate some pads with the PUD. As a result, this Form 2A is only for the addition of wells to an existing location; no pad expansion is proposed under this application. • Prior to initiation of the COGCC Form 2A permitting process, Ursa held internal meetings and onsites to determine the feasibility of the location, and identified all compliance requirements, guidance and policies needed to permit the location and proposed oil and gas operations. All COGCC permitting requirements under the 200 through 1200 series rules were incorporated as appropriate into this Form 2A, including related attachments. • The best management practices (BMPs) incorporated herein also considered other Federal, state and county agency requirements and guidance, including those under the jurisdiction of the Environmental Protection Agency (EPA), U.S. Fish and Wildlife Service (USFWS), U.S. Army Corps of Engineers (ACOE), Federal Emergency Management Agency (FEMA), Colorado Department of Public Health and Environmental (CDPHE), Colorado Parks and Wildlife (CPW), and Garfield County (GARCO), among others. • Planning and permitting information relevant to the location based on Federal, state and county regulations, guidance and policies is documented as appropriate in Ursa's "Site Assessment Checklist/Map". A copy of this was provided to Dave Kubeczko at the onsite held on October 23, 2014. • Upon approval of the Form 2A, Ursa holds Pre-Construction, Pre-Spud, Pre-Completions and Pre-Production meetings with contractors performing work at the location, as applicable to the proposed activity. As a BMP, Ursa has developed checklists for these meetings to review regulations, COAs, NTOs and related requirements. • Traffic and Public Safety – Ursa developed a site-specific Emergency Response Plan (SSERP) and Haul Route Map which are communicated to local emergency response agencies, affect communities and stakeholders, as well as contractors performing work at the location.
General Housekeeping	ENVIRONMENTAL STEWARDSHIP AND COMPLIANCE / HOUSEKEEPING • AGENCY INSPECTIONS AND CORRECTIVE ACTIONS – Ursa will implement corrective actions necessary in response to all Federal and state agency inspections in a timely manner. Inspections resulting in the potential for immediate or significant environmental impacts will be addressed immediately, subject to safety and weather considerations. • URSA VOLUNTARY INSPECTIONS – Ursa conducts voluntary inspections and corrective actions of all locations at least monthly using a self-implemented checklist of key actions (including environmental) that require compliance with COGCC, Federal, and other state and county requirements. • AESTHETICS AND NOISE – Lighting, noise, odors, dust and related nuisances are managed in accordance with COGCC 600 and 802, 803, 804 and 805 Series Rules, and in accordance with Ursa policies, procedures and checklists. • AIR PERMITTING AND COMPLIANCE – Ursa will comply with CDPHE regulations regarding air permitting, compliance monitoring, inspections and reporting. All air sources will be assigned AIRS ID numbers by the CDPHE and tracked for compliance and reporting purposes. In addition, Ursa is

required
to track, monitor and report Greenhouse Gas (GHG) emissions to EPA annually.
• CHEMICAL & MATERIAL HANDLING – All materials and chemicals will be managed to minimize
environmental contamination in accordance with MSDS sheets and EPA, COGCC and CDPHE regulations. Materials and chemicals that are not a waste may be reused or recycled.
• SETBACK MITIGATION REQUIREMENTS – Ursa has incorporated the mitigation requirements identified in COGCC Rule 604, as applicable on a site-specific basis into its Operations Checklists,
Voluntary and Mandatory Site Inspections, and Environmental Programs plans, status monitoring, and
policies and procedures.
• NOXIOUS WEEDS – Weeds will be managed in accordance COGCC Rule 1003.f. and 1004.e. as
incorporated into Ursa's Noxious Weed plan; to include up to three treatments per year depending upon
the species being managed and mapping as needed, throughout the life cycle of the location (construction – final reclamation).
• SAFETY – Safety requirements and buffers as required by the COGCC 602, 603, and 606A and 606B
Series Rules, among others, and the Office of Safety and Health Administration (OSHA) will be observed at all time. Daily safety briefings and Job Safety Assessments (JSA's) are routinely conducted
in all phases of operations. In addition, Ursa employees a full-time safety manager to oversee all field
contractors.
• SPILLS / INCIDENTS – Spill prevention and response are addressed in Ursa's Spill Prevention and
Management Plan. This includes training of employees and contractors personnel on at least an annual
basis. Spill response includes notifications, reporting, response actions, remediation and corrective
actions. The spill criteria in Ursa's plan requires that waste be properly classified as E&P or non-E&P
wastes. For E&P waste, all spills greater than 1 barrel outside containment and 5 barrels within designed secondary containment, will be reported to the COGCC using a Form 19. Should remediation
be required, a Form 27 will be submitted as well. Spills related to non-E&P waste will be managed in
accordance with CDPHE and EPA regulations depending on the volume spilled. As a BMP, Ursa tracks
and cleans up all spills, including those that are not reportable.
• SPCC / CONTAINMENT – All production tanks and tanks used for completions activities will be installed, labeled, contained, operated, and decommissioned in accordance with Ursa's SPCC/Containment Plan, which is required by EPA regulations (40 CFR 112). The plan, in combination
with Ursa's Spill Prevention and Management plan, addresses COGCC 600 and 900 Series Rules,
among others, regarding the management of tanks.
• WASTE - The location will be managed in accordance with COGCC 907 and 907A Rules, which are
incorporated into Ursa's Waste Management Plan, which addresses both E&P and non-E&P waste,
including those under the jurisdiction of the CDPHE and EPA. The plan, in combination with Ursa's
Spill Prevention and Management Plan, minimizes the potential for any exploration and production wastes, chemicals, fluids, etc. from leaving the location, using BMPs including berms, barriers, and use of spill control materials.
• WILDLIFE - A Wildlife Mitigation Plan is in place that allows for 90+ well pads.

Drilling/Completion Operations	PRODUCTION • The BMPs below entitled “Environmental Stewardship and Compliance” provided more detailed information regarding environmental protection applicable general operations. • All production equipment to include separators, produced water and condensate tanks, pipelines and flowlines will be constructed and managed in accordance with COGCC 605 and 1100 Series Rules. • AIR & ODORS - Combustor controls will be used to mitigate odors from production tanks. Ursa will perform inspections on at least a monthly basis to ensure potential emissions sources are properly managed. In addition, Ursa’s pumper crew inspects each location on a daily basis. • REMOTE MONITORING - Remote monitoring will be used to reduce truck traffic, fugitive dust to the extent practical. • VISUAL IMPACTS - Above-ground facilities (e.g. production tanks) will be managed to minimize visual effects (e.g. painted to blend with environment) • WILDLIFE – All separators/dehydrators and heater –treater equipment are outfitted with bird cones. • WATER RECYCLING – Produced water used for well completions will be recycled and treated to the maximum extent practical. Water that can’t be recycled will be injected through the use of wells approved by COGCC and Garfield County, or transported via truck or pipeline to the COGCC and Garfield County approved Wasatch E&P Facility.
Drilling/Completion Operations	COMPLETIONS • The BMPs entitled “Environmental Stewardship and Compliance” provide additional information that is applicable to one or more phases of operations. • TEMPORARY COMPLETIONS FACILITIES - Completions at the location may be supported by staging temporary tanks / water pumping station at adjacent existing location(s), including the Watson Ranch Pad, which is closely adjacent to this location. This will support lease operations as authorized under COGCC regulations. • AIR & ODORS - Well completions will utilize flowback completion technologies and/or flares to reduce odors from plug drillout, and venting of salable and non-salable gas • CHEMICAL USE – All chemicals used will be tracked and reported in accordance with COGCC rules and submitted through FracFocus within 120 days of initiating well stimulation. • WASTE MANAGEMENT OF WATER – Flowback water used for well completions will be recycled and treated to the maximum extent practical at the location. Water that can’t be recycled will be injected through the use of wells approved by COGCC and Garfield County, or transported via truck or pipeline to the COGCC and Garfield County approved Wasatch E&P Facility. • WASTE - No stimulation or flowback pits will be constructed.

Planning	GENERAL – PLANNING • This is a new oil and gas location and will include construction of a well pad and 16 proposed wells. • Prior to initiation of the COGCC Form 2A permitting process, Ursa held internal meetings and onsites to determine the feasibility of the location, and identified all compliance requirements, guidance and policies needed to permit the location and proposed oil and gas operations. All COGCC permitting requirements under the 200 through 1200 series rules were incorporated, as appropriate into this Form 2A and related attachments. • The best management practices (BMPs) incorporated herein also considered other Federal, state and county agency requirements and guidance, including those under the jurisdiction of the Environmental Protection Agency (EPA), U.S. Fish and Wildlife Service (USFWS), U.S. Army Corps of Engineers (ACOE), Federal Emergency Management Agency (FEMA), Colorado Department of Public Health and Environmental (CDPHE), Colorado Parks and Wildlife (CPW), and Garfield County (GARCO), among others. • Planning and permitting information relevant to the location based on Federal, state and county regulations, guidance and policies is documented as appropriate in Ursa's "Site Assessment Checklist/Map". A copy of this was provided to Dave Kubeczko at the onsite held on October 23, 2014. • Upon approval of the Form 2A, Ursa holds Pre-Construction, Pre-Spud, Pre-Completions and Pre-Production meetings with contractors performing work at the location, as applicable to the proposed activity. As a BMP, Ursa has developed checklists for these meetings to review regulations, COAs, NTOs and related requirements. • Traffic and Public Safety – Ursa developed a site-specific Emergency Response Plan (SSERP) and Haul Route Map which are communicated to local emergency response agencies, affect communities and stakeholders, as well as contractors performing work at the location.
Drilling/Completion Operations	DRILLING • Drilling multiple wells from this location using directional / horizontal drilling will be implemented to avoid the need for additional well pads; reducing potential environmental impacts to include habitat loss and fragmentation, noise, traffic concerns, and related impacts to air, land and water. • MIRU – Unless waived, Notice to all Building Unit owners will be sent at least 30 days, but no more than 90 days within the Buffer Zone prior to the Move-In, Rig-Up of the drilling rig when more than 1 year has elapsed since previous notice or since drilling activity last occurred, or if no notice had previously been required in accordance with the four examples provided in the COGCC MIRU policy. • No cuttings pits are proposed.
Drilling/Completion Operations	DRILLING • Drilling multiple wells from this location using directional / horizontal drilling will be implemented to avoid the need for additional well pads; reducing potential environmental impacts to include habitat loss and fragmentation, noise, traffic concerns, and related impacts to air, land and water. • MIRU – Unless waived, Notice to all Building Unit owners will be sent at least 30 days, but no more than 90 days, within the Buffer Zone prior to the Move-In, Rig-Up of the drilling rig when more than 1 year has elapsed since previous notice or since drilling activity last occurred, or if no notice had previously been required in accordance with the four examples provided in the COGCC MIRU policy. • No cuttings pits are proposed.

General Housekeeping	ENVIRONMENTAL STEWARDSHIP AND COMPLIANCE / HOUSEKEEPING • AGENCY INSPECTIONS AND CORRECTIVE ACTIONS – Ursa will implement corrective actions necessary in response to all Federal and state agency inspections in a timely manner. Inspections resulting in the potential for immediate or significant environmental impacts will be addressed immediately, subject to safety and weather considerations. • URSA VOLUNTARY INSPECTIONS – Ursa conducts voluntary inspections and corrective actions of all locations at least monthly using a self-implemented checklist of key actions (including environmental) that require compliance with COGCC, Federal, and other state and county requirements. • AESTHETICS AND NOISE – Lighting, noise, odors, dust and related nuisances are managed in accordance with COGCC 600 and 802, 803, 804 and 805 Series Rules, and in accordance with Ursa policies, procedures and checklists. • AIR PERMITTING AND COMPLIANCE – Ursa will comply with CDPHE regulations regarding air permitting, compliance monitoring, inspections and reporting. All air sources will be assigned AIRS ID numbers by the CDPHE and tracked for compliance and reporting purposes. In addition, Ursa is required to track, monitor and report Greenhouse Gas (GHG) emissions to EPA annually. • CHEMICAL & MATERIAL HANDLING – All materials and chemicals will be managed to minimize environmental contamination in accordance with MSDS sheets and EPA, COGCC and CDPHE regulations. Materials and chemicals that are not a waste may be reused or recycled. • SETBACK MITIGATION REQUIREMENTS – Ursa has incorporated the mitigation requirements identified in COGCC Rule 604, as applicable on a site-specific basis into its Operations Checklists, Voluntary and Mandatory Site Inspections, and Environmental Programs plans, status monitoring, and policies and procedures. • NOXIOUS WEEDS – Weeds will be managed in accordance COGCC Rule 1003.f. and 1004.e. as incorporated into Ursa's Noxious Weed plan; to include up to three treatments per year depending upon the species being managed and mapping as needed, throughout the life cycle of the location (construction – final reclamation). • SAFETY – Safety requirements and buffers as required by the COGCC 602, 603, and 606A and 606B Series Rules, among others, and the Office of Safety and Health Administration (OSHA) will be observed at all time. Daily safety briefings and Job Safety Assessments (JSA's) are routinely conducted in all phases of operations. In addition, Ursa employees a full-time safety manager to oversee all field contractors. • SPILLS / INCIDENTS – Spill prevention and response are addressed in Ursa's Spill Prevention and Management Plan. This includes training of employees and contractors personnel on at least an annual basis. Spill response includes notifications, reporting, response actions, remediation and corrective actions. The spill criteria in Ursa's plan requires that waste be properly classified as E&P or non-E&P wastes. For E&P waste, all spills greater than 1 barrel the COGCC will be reported to the COGCC using a Form 19. Should remediation be required, a Form 27 will be submitted as well. Spills related to non-E&P waste will be managed in accordance with CDPHE and EPA regulations depending on the volume spilled. As a BMP, Ursa tracks and cleans up all spills, including those that are not reportable. • SPCC / CONTAINMENT – All production tanks and tanks used for completions activities will be installed, labeled, contained, operated, and decommissioned in accordance with Ursa's SPCC/Containment Plan, which is required by EPA regulations (40 CFR 112). The plan, in combination with Ursa's Spill Prevention and Management plan, addresses COGCC 600 and 900 Series Rules, among others, regarding the management of tanks. • WASTE - The location will be managed in accordance with COGCC 907 and 907A Rules, which are incorporated into Ursa's Waste Management Plan, which addresses both E&P and non-E&P waste, including those under the jurisdiction of the CDPHE and EPA. The plan, in combination with Ursa's Spill Prevention and Management Plan, minimizes the potential for any exploration and production wastes, chemicals, fluids, etc. from leaving the location, using BMPs including berms, barriers, and use of spill control materials. • WILDLIFE - A Wildlife Mitigation Plan is in place that allows for 90+ well pads.

Wildlife	1. Closed loop (pitless) drilling systems. 2. Annual raptor and other bird surveys will be conducted in accordance with protocols provided by CPW. 3. Rig shift changes will take place when practical at 6am and 6pm and will utilize one (1) vehicle to minimize impacts to wildlife. 4. Development program is planned to include four phases as a means for mitigating wildlife impacts. These phases will be based on infrastructure construction schedules and will be coordinated with affected land owners, the Battlement Mesa Services Association (BMSA), local municipalities, Garfield County, COGCC, and CDPHE during the Comprehensive Drilling Plan and the Major Land Use Impact Review process. 5. Well pad location visits during the production phase of operations (post drilling and completion for all wells on a well pad location) will be restricted when/where possible to between the hours of 10am and 3pm to minimize impacts to wildlife unless operational concerns warrant pad visits outside this timeframe. 6. Buried water and gas pipelines will be utilized as means to reduce truck traffic and impacts to wildlife. 7. Restrict rig operation to no more than 2 rigs per section (or equivalent acreage) within the big-game seclusion areas during the winter. 8. Maintaining a ¼ mile no surface occupancy buffer around active bald eagle nests. 9. New pad construction not to exceed 3 acres of working surface. 10. Pad density not to exceed 1 pad per 160 acres. 11. Bury all gas and water pipelines adjacent to roads whenever possible. 12. A weed management plan will be developed and implemented to monitor and control noxious and invasive weeds. 13. Noxious weed control includes three treatments per year. 14. Existing weed infestations will be mapped prior to the development of each pad, access road and pipeline when practicable. 15. Antero (now Ursa) has completed all habitat restoration contributions contained within the WMP.
Community Outreach and Notification	COMMUNITY / STAKEHOLDER OUTREACH AND NOTIFICATIONS • The SUA signed with the landowner allows for the addition of wells. • Ursa routinely communicates proposed plans and operations schedules to stakeholders through Community Counts, the GARCO Energy Advisory Board, Battlement Mesa Concerned Citizens, NW Colorado Oil & Gas Forum and others. In addition, periodic stakeholder meetings are held with landowners and affected parties. • Communication with Kirby Wynn and municipal LGDs are also held routinely in addition to communication required by COGCC regulations, as appropriate.

Construction	CONSTRUCTION AND SITE STABILIZATION • The BMPs below entitled “Environmental Stewardship and Compliance” provide additional information that is applicable to one or more phases of operations. • CONSTRUCTION (General) – The location will be constructed and maintained in accordance with COGCC 1002 Rules regarding soil and stormwater management, and surface disturbance minimization as incorporated into Ursa’s plans, policies and procedures. • DUST CONTROL - The pad and access road will be graveled to reduce fugitive dust and maintained as required by COGCC rules. In addition, water and other dust suppressants are used as required, dependent upon the level of activity, moisture conditions, etc. throughout all phases of operations • RECLAMATION (Interim) - The site/soils will be stabilized as soon as practical during and immediately following construction. Once wells at the location are drilled, Ursa will complete interim reclamation in accordance with the COGCC 1003 rules using seed mixes and materials compatible with soil types, moisture, and local climate conditions as specified by the appropriate agency and/or in landowner surface use agreements, or locally acceptable industry practices. • STORMWATER - The location will be constructed / maintained in accordance with the CDPHE and COGCC 1002.f. (1) and (2) stormwater regulations as implemented by Ursa’s Stormwater Management Plan, so as to control sediment run-off. Stormwater BMPs will also serve as secondary or tertiary containment in the event of a spill. Site specific plans (i.e. diagrams) will be developed and inspected against at the frequency required by CDPHE regulations, to include 14 day, 30 day, and major storm event inspections until 70% reclamation is achieved. Corrective actions and maintenance will be tracked and implemented. The post-construction stormwater program will be managed in accordance with COGCC Rule 1002.f. (3). Inspections and corrective actions will be conducted through 80% interim reclamation and annually thereafter. These inspections are also tracked and corrective actions implemented. Native soils will be used whenever available to construct stormwater BMPs, supplemented by non-native materials based on site-specific conditions. • WATER WELL SAMPLING (COGCC Rule 609) – Water well sampling will be conducted prior to setting conductors; followed by post-sampling requirements and reporting the landowner and COGCC. • For safety purposes, the location and site layout has been designed to accommodate all operations within the limits of disturbance while meeting Federal and state safety regulations, including required buffers and distances between operating components and combustion sources. • FLOODPLAIN IMPACTS – Ursa completed a floodplain assessment and found that this location did not meet criteria to be designated within the 100 year floodplain.
Drilling/Completion Operations	COMPLETIONS • The BMPs below entitled “Environmental Stewardship and Compliance” provide additional information that is applicable to one or more phases of operations. • TEMPORARY COMPLETIONS FACILITIES - Completions at the location may be supported by staging temporary tanks / water pumping station at adjacent existing location(s), including the Watson Ranch Pad. This will support lease operations as authorized under COGCC regulations. • AIR & ODORS - Well completions will utilize flowback completion technologies and/or flares to reduce odors from plug drillout, and venting of salable and non-salable gas • CHEMICAL USE – All chemicals used will be tracked and reported in accordance with COGCC rules and submitted through FracFocus within 120 days of initiating well stimulation. • WASTE MANAGEMENT OF WATER – Flowback water used for well completions will be recycled and treated to the maximum extent practical at the location. Water that can’t be recycled will be injected through the use of wells approved by COGCC and Garfield County, or transported via truck or pipeline to the COGCC and Garfield County approved Wasatch E&P Facility. • WASTE - No stimulation or flowback pits will be constructed.

S/AR: _____ **Comment:** _____

CA: _____ **Date:** _____

Comment: _____

Staking:

On Site Inspection (305):

Surface Owner Contact Information:

Name: _____ Address: _____

Inspector Name: CONKLIN, CURTIS

Phone Number: Cell Phone:

Operator Rep. Contact Information:

Landman Name: Phone Number:

Date Onsite Request Received: Date of Rule 306 Consultation:

Request LGD Attendance:

LGD Contact Information:

Name: Phone Number: Agreed to Attend:

Summary of Landowner Issues:

Summary of Operator Response to Landowner Issues:

Onsite Inspection Memorandum Summarizing Discussions at Inspection as Attachment:

Facility

Facility ID:	159624	Type:	WELL	API Number:	045-22748	Status:	PR	Insp. Status:	PR
Facility ID:	159625	Type:	WELL	API Number:	045-22749	Status:	PR	Insp. Status:	PR
Facility ID:	159627	Type:	WELL	API Number:	045-22750	Status:	PR	Insp. Status:	WK

Workover

Comment: Replacing plunger

Facility ID:	159629	Type:	WELL	API Number:	045-22752	Status:	PR	Insp. Status:	PR
Facility ID:	159630	Type:	WELL	API Number:	045-22753	Status:	PR	Insp. Status:	PR
Facility ID:	159634	Type:	WELL	API Number:	045-22757	Status:	PR	Insp. Status:	PR
Facility ID:	159635	Type:	WELL	API Number:	045-22758	Status:	PR	Insp. Status:	PR
Facility ID:	159636	Type:	WELL	API Number:	045-22759	Status:	PR	Insp. Status:	PR
Facility ID:	159638	Type:	WELL	API Number:	045-22761	Status:	PR	Insp. Status:	PR
Facility ID:	159640	Type:	WELL	API Number:	045-22763	Status:	PR	Insp. Status:	PR
Facility ID:	159651	Type:	WELL	API Number:	045-22768	Status:	PR	Insp. Status:	PR
Facility ID:	159663	Type:	WELL	API Number:	045-22772	Status:	PR	Insp. Status:	PR
Facility ID:	159667	Type:	WELL	API Number:	045-22775	Status:	PR	Insp. Status:	PR
Facility ID:	159675	Type:	WELL	API Number:	045-22779	Status:	PR	Insp. Status:	PR
Facility ID:	159677	Type:	WELL	API Number:	045-22781	Status:	PR	Insp. Status:	PR

Facility ID:	159684	Type:	WELL	API Number:	045-22784	Status:	PR	Insp. Status:	PR
Facility ID:	441263	Type:	WELL	API Number:	045-22824	Status:	PR	Insp. Status:	PR
Facility ID:	441264	Type:	WELL	API Number:	045-22825	Status:	PR	Insp. Status:	PR
Facility ID:	441265	Type:	WELL	API Number:	045-22826	Status:	PR	Insp. Status:	PR
Facility ID:	441266	Type:	WELL	API Number:	045-22827	Status:	PR	Insp. Status:	PR
Facility ID:	441267	Type:	WELL	API Number:	045-22828	Status:	PR	Insp. Status:	PR

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:

Lat Long

DWR Receipt Num: _____ Owner Name: _____ GPS : _____ _____

Field Parameters:

Sample Location: _____

Emission Control Burner (ECB): _____

Comment: _____

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

Reclamation - Storm Water - Pit

Interim Reclamation:

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

Land Use: IRRIGATED

Comment: _____

1003a. Waste and Debris removed? _____

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 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: IRRIGATED

Reminder: _____

Comment:

Well plugged _____ Pit mouse/rat holes, cellars backfilled _____

Debris removed _____ No disturbance /Location never built _____

Access Roads Regraded _____ Contoured _____ Culverts removed _____

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
Compaction	Pass	Gravel	Pass			

Inspector Name: CONKLIN, CURTIS

Berms	Pass	Compaction	Pass			
Ditches	Pass					
Gravel	Pass					

S/A/V: SATISFACTORY Corrective Date: _____

Comment:

CA:

Pits: ☒ NO SURFACE INDICATION OF PIT

Attached Documents

You can go to COGCC Images (https://cogcc.state.co.us/weblink/) and search by document number:

Document Num	Description	URL
675202857	INSPECTION APPROVED	http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=3864324