

APPLICATION FOR PERMIT TO:

Drill Deepen Re-enter Recomplete and Operate

TYPE OF WELL OIL <input type="checkbox"/> GAS <input checked="" type="checkbox"/> COALBED <input type="checkbox"/> OTHER _____	Refiling <input checked="" type="checkbox"/>
ZONE TYPE SINGLE ZONE <input checked="" type="checkbox"/> MULTIPLE ZONES <input type="checkbox"/> COMMINGLE ZONES <input type="checkbox"/>	Sidetrack <input type="checkbox"/>

Date Received:
06/20/2016

Well Name: TOMPKINS Well Number: 32B-08-07-95

Name of Operator: URSA OPERATING COMPANY LLC COGCC Operator Number: 10447

Address: 1050 17TH STREET #1700

City: DENVER State: CO Zip: 80265

Contact Name: Jennifer Lind Phone: (720)508-8362 Fax: (720)508-8368

Email: jlind@ursaresources.com

RECLAMATION FINANCIAL ASSURANCE
Plugging and Abandonment Bond Surety ID: 20120125

WELL LOCATION INFORMATION

QtrQtr: SESE Sec: 5 Twp: 7S Rng: 95W Meridian: 6

Latitude: 39.459963 Longitude: -108.013960

Footage at Surface: 200 feet ^{FNL/FSL} FSL 585 feet ^{FEL/FWL} FEL

Field Name: PARACHUTE Field Number: 67350

Ground Elevation: 5528 County: GARFIELD

GPS Data:
Date of Measurement: 04/22/2014 PDOP Reading: 1.7 Instrument Operator's Name: HOFFMANN

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

Footage at Top of Prod Zone:	^{FNL/FSL}	^{FEL/FWL}	Bottom Hole:	^{FNL/FSL}	^{FEL/FWL}
<u>1760</u>	<u>FNL</u>	<u>1980</u>	<u>1760</u>	<u>FNL</u>	<u>1980</u>
Sec: <u>8</u>	Twp: <u>7S</u>	Rng: <u>95W</u>	Sec: <u>8</u>	Twp: <u>7S</u>	Rng: <u>95W</u>

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.)

A PORTION OF THE N/2 OF SEC.8-T7S-R95W.

Total Acres in Described Lease: 268 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: 48 Feet

CULTURAL DISTANCE INFORMATION

Distance to nearest:

Building: 455 Feet

Building Unit: 455 Feet

High Occupancy Building Unit: 5256 Feet

Designated Outside Activity Area: 5280 Feet

Public Road: 223 Feet

Above Ground Utility: 215 Feet

Railroad: 4994 Feet

Property Line: 201 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: 04/29/2014

SPACING and UNIT INFORMATION

Distance from completed portion of proposed wellbore to nearest completed portion of offset wellbore permitted or completed in the same formation: 330 Feet

Distance from Completed Portion of Wellbore to Nearest Unit Boundary 846 Feet (Enter 5280 for distance greater than 1 mile.)

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

SPACING & FORMATIONS COMMENTS

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	WMFK	440-70	320	Sec 8:N/2

DRILLING PROGRAM

Proposed Total Measured Depth: 7562 Feet

Distance from proposed wellbore to nearest existing or permitted wellbore belonging to another operator:

100 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: Commercial Disposal

Other Disposal Description:

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	84	0	60	111	60	0
SURF	12+1/4	8+5/8	32	0	1808	373	1808	0
1ST	7+7/8	4+1/2	11.6	0	7562	507	7562	3856

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 is being submitted as a re-filed APD for the Tompkins 32B-08-07-95 well. No changes to the well are proposed at this time. First String / Production cement will be > 500 feet above TOG. BMPs were approved with the Tompkins Pad (Location ID# 438312) Form 2A.
I certify that there have been no changes on land use, lease description.
The pad has been built and conductors have been set. There are currently no producing wells on this pad, however Ursa is currently drilling on this pad and anticipates drilling to be completed in Q3 of 2016.
There will be no additional surface disturbance.
The location does not require a variance from any of the rules listed in Rule 306.d.(1).(A).(ii).
The location is not within a wildlife Restricted Surface Occupancy Area.
There have been no changes to the mineral lease.

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

Location ID: 438312

Is 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: Cari Mascioli

Title: Regulatory Technician Date: 6/20/2016 Email: cmascioli@ursaresources.com

Operator must have a valid water right or permit allowing for industrial use or purchased water from a seller that has a valid water right or permit allowing for industrial use, otherwise an application for a change in type of use is required under Colorado law. Operator must also use the water in the location set forth in the water right decree or well permit, otherwise an application for a change in place of use is required under Colorado law. Section 37-92-103(5), C.R.S. (2011).

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: 7/28/2016

Expiration Date: 07/27/2018

API NUMBER

05 045 22475 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

	Approval of this refill APD does not provide relief from compliance with the COGCC Reclamation Rules.
	1) Operator shall comply with the most current revision of the Northwest Notification Policy. 2) Operator shall comply with the most current revision of the Garfield County Rulison Field Notice to Operators, with the following exception: All field notice requirements specified in that Notice to Operators are superseded by the requirements of the most current revision of the Northwest Colorado Notification Policy (see Condition of Approval #1). 3) Operator shall provide cement coverage from the production casing shoe (4+1/2" FIRST STRING) to a minimum of 200' above all Mesaverde Group (and Ohio Creek Formation, if present) oil, gas, and water-bearing sandstone and coalbed formations. Verify production casing cement coverage with a cement bond log.

Best Management Practices

No BMP/COA Type

Description

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Applicable Policies and Notices to Operators

Policy
Piceance Rulison Field - Notice to Operators. http://cogcc.state.co.us/documents/reg/Policies/NoticeToOp-20060623-2.pdf
NW Colorado Notification Policy. http://cogcc.state.co.us/documents/reg/Policies/nw_notification_procedures.pdf
Notice Concerning Operating Requirements for Wildlife Protection. http://cogcc.state.co.us/documents/reg/Policies/Wildlife_Notice.pdf

Attachment Check List

Att Doc Num

Name

401063310	FORM 2 SUBMITTED
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Total Attach: 1 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	BMPs and COAs for nuisance conditions including noise, odors, dust and lighting are on the Form 2A for this location, 2A# 400778235. Logging BMP attached to previously approved form 2 Doc 400620238. Final review complete.	7/27/2016 12:34:12 PM
Permit	Conductor pipe was set 12/9/14. See document 400752728 approved 12/17/16. Corrected Unit description from S.8:N/2 to Sec 8:N/2 and notified operator.	7/22/2016 2:26:24 PM
Engineer	The Wasatch Formation is present at surface, possibly overlain by landslide deposits, based on review of COGCC's geologic maps. The operator's proposed surface casing setting depth or First String cement coverage will provide adequate isolation across Wasatch G productive intervals (offset Wasatch G production within one mile to the northeast in Section 4). The operator's proposed surface casing setting depth is above the Fort Union Formation top. Based on COGCC offset log review, Fort Union cement coverage is not required for wells on this pad. Drilling operations on this pad are on-going, and this is a re-file permit. Lower Wasatch cement coverage is not required, consistent with other approved permits on this pad. Condition of Approval #3 addresses isolation of the Mesaverde Group. Operator agreed with revised cement volumes and a proposed cement top for the First String via email on 7/20/2016 to provide the required coverage (updated by COGCC in the casing/cement section of this form on 7/22/2016; sacks based on operator's proposed 1.83 cf/sk yield).	7/22/2016 10:01:08 AM
Engineer	Offset water well check: COGCC evaluated offset water wells within one mile of this proposed well's surface hole location. This information was used in addition to locally-available geophysical logs and hydrogeologic information to evaluate the adequacy of the operator's proposed surface casing setting depth. The deepest water well within one mile is 240 feet. Offset Well Evaluation: Existing offset oil and gas wells within 1,500 feet of this wellbore meet standards. No mitigation required. Changed distance to wellbore owned by another operator to 100' per operator. Distance is in plan view only. Actual three dimensional separation is much greater. No anti-collision scan or stimulation consent required.	7/15/2016 9:43:25 AM
Permit	Passed completeness.	6/24/2016 12:13:14 PM
Permit	Note - attachments and BMPs found in well file.	6/24/2016 12:13:03 PM

Total: 6 comment(s)