

FORM
2

Rev
12/05

State of Colorado
Oil and Gas Conservation Commission

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



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400435572

Date Received:

06/20/2013

PluggingBond SuretyID

20120125

APPLICATION FOR PERMIT TO:

1. ☒ Drill, ☐ Deepen, ☐ Re-enter, ☐ Recomplete and Operate

2. TYPE OF WELL

OIL ☐ GAS ☒ COALBED ☐ OTHER _____
SINGLE ZONE ☒ MULTIPLE ☐ COMMINGLE ☐

Refiling ☐

Sidetrack ☐

3. Name of Operator: URSA OPERATING COMPANY LLC

4. COGCC Operator Number: 10447

5. Address: 602 SAWYER STREET #710

City: HOUSTON State: TX Zip: 77007

6. Contact Name: Shauna Redican Phone: (720)508-8350 Fax: (720)508-8368

Email: sredican@ursaresources.com

7. Well Name: BAT Well Number: 33B-24-07-96

8. Unit Name (if appl): _____ Unit Number: _____

9. Proposed Total Measured Depth: 6187

WELL LOCATION INFORMATION

10. QtrQtr: NESW Sec: 24 Twp: 7S Rng: 96W Meridian: 6

Latitude: 39.420933 Longitude: -108.060351

Footage at Surface: 1937 feet FNL/FSL 1965 feet FEL/FWL
FSL FWL

11. Field Name: Wildcat Field Number: 99999

12. Ground Elevation: 5183 13. County: GARFIELD

14. GPS Data:

Date of Measurement: 08/05/2010 PDOP Reading: 2.4 Instrument Operator's Name: Scott Aibner

15. 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
2305 FSL 1997 FEL 2305 FSL 1997 FEL
Sec: 24 Twp: 7S Rng: 96W Sec: 24 Twp: 7S Rng: 96W

16. Is location in a high density area? (Rule 603b)? ☐ Yes ☒ No

17. Distance to the nearest building, public road, above ground utility or railroad: 232 ft

18. Distance to nearest property line: 282 ft 19. Distance to nearest well permitted/completed in the same formation(BHL): 309 ft

20. LEASE, SPACING AND POOLING INFORMATION

Objective Formation(s)	Formation Code	Spacing Order Number(s)	Unit Acreage Assigned to Well	Unit Configuration (N/2, SE/4, etc.)
WILLIAMS FORK	WMFK	139-116	588	L1,5&6,NENE,S2NE,S2

21. Mineral Ownership: ☒ Fee ☐ State ☐ Federal ☐ Indian Lease #: _____

22. Surface Ownership: ☒ Fee ☐ State ☐ Federal ☐ Indian

23. Is the Surface Owner also the Mineral Owner? ☐ Yes ☒ No Surface Surety ID#: _____

23a. If 23 is Yes: Is the Surface Owner(s) signature on the lease? ☐ Yes ☐ No

23b. If 23 is No: ☒ Surface Owners Agreement Attached or ☐ \$25,000 Blanket Surface Bond ☐ \$2,000 Surface Bond ☐ \$5,000 Surface Bond

24. Using standard QtrQtr, Sec, Twp, Rng format enter entire mineral lease description upon which this proposed wellsite is located (attach separate sheet/map if you prefer):

See attached mineral lease map.

25. Distance to Nearest Mineral Lease Line: 968 ft

26. Total Acres in Lease: 387

DRILLING PLANS AND PROCEDURES

27. Is H2S anticipated? ☐ Yes ☒ No If Yes, attach contingency plan.

28. Will salt sections be encountered during drilling? ☐ Yes ☒ No

29. Will salt (>15,000 ppm TDS CL) or oil based muds be used during drilling? ☐ Yes ☒ No

30. If questions 28 or 29 are yes, is this location in a sensitive area (Rule 901.e)? ☐ Yes ☐ No

31. Mud disposal: ☒ Offsite ☐ Onsite

If 28, 29, or 30 are "Yes" a pit permit may be required.

Method: ☐ Land Farming ☐ Land Spreading ☒ Disposal Facility Other: _____

Note: The use of an earthen pit for Recompletion fluids requires a pit permit (Rule 905b). If air/gas drilling, notify local fire officials.

Casing Type	Size of Hole	Size of Casing	Wt/Ft	Csg/Liner Top	Setting Depth	Sacks Cmt	Cmt Btm	Cmt Top
CONDUCTOR	20	16	55	0	60	50	60	0
SURF	12+1/4	8+5/8	24/32	0	1,818	451	1,818	0
1ST	7+7/8	4+1/2	11.6	0	6,187	548	6,187	

32. BOP Equipment Type: ☐ Annular Preventer ☒ Double Ram ☐ Rotating Head ☐ None

33. Comments A Form 2A Amendment to expand the pad and add additional wells to the location was submitted on 6/13/2013. Spacing order 139-31 unit configuration includes all of Section 24, T7S, R96W excluding Lots 2, 3 & 4. TOP OF CEMENT OF 1ST STRING/PRODUCTION CASING WILL BE >500 FEET ABOVE TOP OF GAS.

34. Location ID: 422301

35. Is this application in a Comprehensive Drilling Plan ? ☐ Yes ☒ No

36. Is this application part of submitted Oil and Gas Location Assessment ? ☒ Yes ☐ No

I hereby certify all statements made in this form are, to the best of my knowledge, true, correct, and complete.

Signed: _____ Print Name: Shauna Redican

Title: Permit Representative Date: 6/20/2013 Email: sredican@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: Matthew Lee Director of COGCC Date: 7/21/2013

API NUMBER

05 045 22097 00

Permit Number: _____ Expiration Date: 7/20/2015

CONDITIONS OF APPROVAL, IF ANY:

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.

(1) COMPLIANCE WITH THE MOST CURRENT REVISION OF THE NORTHWEST COLORADO NOTIFICATION POLICY IS REQUIRED.

(2) COMPLIANCE WITH THE MOST CURRENT REVISION OF THE GARFIELD COUNTY RULISON-FIELD NOTICE TO OPERATORS IS REQUIRED.

Applicable Policies and Notices to Operators

Piceance Rulison Field - Notice to Operators.

NW Colorado Notification Policy.

Notice Concerning Operating Requirements for Wildlife Protection.

Attachment Check List

Att Doc Num	Name
400435572	FORM 2 SUBMITTED
400435607	MINERAL LEASE MAP
400435608	SURFACE AGRMT/SURETY
400435609	30 DAY NOTICE LETTER
400435610	WELL LOCATION PLAT
400435611	DEVIATED DRILLING PLAN
400435612	DIRECTIONAL DATA

Total Attach: 7 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	No LGD or public comments. Final Review--passed.	7/18/2013 11:58:37 AM
LGD	pass, gdb	7/11/2013 5:06:41 PM
Permit	Changed spacing order, acreage, and unit configuration.	7/11/2013 10:39:10 AM
Engineer	THE PROPOSED SURFACE CASING IS MORE THAN 50' BELOW THE DEPTH OF THE DEEPEST WATER WELL WITHIN 1-MILE OF THE SURFACE LOCATION WHEN CORRECTED FOR ELEVATION DIFFERENCES. THE DEEPEST WATER WELL WITHIN 1-MILE IS 160 FEET DEEP.	6/25/2013 3:03:30 PM
Permit	Pass completeness.	6/21/2013 10:15:59 AM

Total: 5 comment(s)

BMP

<u>Type</u>	<u>Comment</u>