

**FORM
INSP**

Rev
X/20

**State of Colorado
Oil and Gas Conservation Commission**

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



Inspection Date:

01/29/2021

Submitted Date:

02/10/2021

Document Number:

700405254

FIELD INSPECTION FORM

Loc ID 335681 Inspector Name: Moran, Rick On-Site Inspection 2A Doc Num: _____

Operator Information:

OGCC Operator Number: 10447
Name of Operator: URSA OPERATING COMPANY LLC
Address: 950 17TH STREET, SUITE 1900
City: DENVER State: CO Zip: 80202

Status Summary:

- THIS IS A FOLLOW UP INSPECTION
- FOLLOW UP INSPECTION REQUIRED
- NO FOLLOW UP INSPECTION REQUIRED

Findings:

- 15 Number of Comments
- 3 Number of Corrective Actions
- Corrective Action Response Requested

ANY CORRECTIVE ACTION(S) FROM PREVIOUS INSPECTIONS THAT HAVE NOT BEEN ADDRESSED ARE STILL APPLICABLE

Contact Information:

| Contact Name | Phone | Email | Comment |
|-----------------------|--------------|------------------------------------|---------------------------------|
| Knudson, Dwayne | 970-456-3335 | dknudson@ursaresources.com | All inspections |
| COGCC, Engineering | 303-894-2100 | dnr_cogccEngineering@state.co.us | |
| Inspection, Terra TEP | 970-285-9377 | COGCCInspectionReports@terraep.com | |
| Pesicka, Conor | 970-415-0789 | conor.pesicka@state.co.us | |

Inspected Facilities:

| Facility ID | Type | Status | Status Date | Well Class | API Num | Facility Name | Insp Status |
|-------------|------|--------|-------------|------------|-----------|-----------------|-------------|
| 288986 | WELL | SI | 11/01/2018 | GW | 103-10989 | BOIES C-24M-M2W | SI |
| 293281 | WELL | PR | 07/01/2018 | GW | 103-11113 | BOIES C-24M-N1 | PR |
| 293284 | WELL | PR | 05/28/2014 | GW | 103-11116 | BOIES C-24M-M1 | PR |
| 293285 | WELL | PR | 03/01/2020 | GW | 103-11117 | BOIES C-24M-N3 | PR |
| 293286 | WELL | SI | 12/10/2019 | GW | 103-11118 | BOIES C-24M-M3 | SI |
| 293287 | WELL | DG | 05/07/2013 | GW | 103-11119 | BOIES C-24M-N2 | WO |

General Comment:

A routine inspection identified the following compliance issues:
 1) Missing label on 1 tank. Photo 7. Complete by 4-10-2021.
 2) Update all signage to current operator. Photos 8 to 11. Complete by 4-10-2021.
 3) Acquire MIT on well 05-103-11119 Photo 3. Complete by 3-12-2021.

This is a summary of inspection report 700405254.

Location

Overall Good:

| Signs/Marker: | | | |
|----------------------|---|-------|------------|
| Type | WELLHEAD | | |
| Comment: | | | |
| Corrective Action: | | Date: | |
| Type | CONTAINERS | | |
| Comment: | | | |
| Corrective Action: | | Date: | |
| Type | TANK LABELS/PLACARDS | | |
| Comment: | One tank without label. | | |
| Corrective Action: | Add label to tank. | Date: | 04/10/2021 |
| Type | BATTERY | | |
| Comment: | Current signage as URSA. | | |
| Corrective Action: | Update all signage to current operator. | Date: | 04/10/2021 |

| | | | |
|---------------------------|-----|-------|-------|
| Emergency Contact Number: | | | |
| Comment: | 911 | | |
| Corrective Action: | | Date: | _____ |

Overall Good:

| Spills: | | | | |
|----------------|------|--------|--|--|
| Type | Area | Volume | | |
| | | | | |

In Containment: No

Comment: _____

Multiple Spills and Releases?

| Fencing/: | | | |
|--------------------|-----------|-------|--|
| Type | WELLHEAD | | |
| Comment: | | | |
| Corrective Action: | | Date: | |
| Type | SEPARATOR | | |
| Comment: | | | |
| Corrective Action: | | Date: | |

| Equipment: | | | |
|-----------------------------------|----------------------|-------|-----------------|
| Type: Plunger Lift | # 2 | | corrective date |
| Comment: | | | |
| Corrective Action: | | Date: | |
| Type: Ancillary equipment | # 2 | | |
| Comment: | Chemical containers. | | |
| Corrective Action: | | Date: | |
| Type: Horizontal Heated Separator | # 2 | | |

| | | | |
|-------------------------------|--------------------------|--|-------|
| Comment: | | | |
| Corrective Action: | | | Date: |
| Type: Bradenhead | # 5 | | |
| Comment: | Bradnenhead access. | | |
| Corrective Action: | | | Date: |
| Type: Emission Control Device | # 1 | | |
| Comment: | Emission control device. | | |
| Corrective Action: | | | Date: |
| Type: Deadman # & Marked | # 4 | | |
| Comment: | | | |
| Corrective Action: | | | Date: |
| Type: Bird Protectors | # 4 | | |
| Comment: | | | |
| Corrective Action: | | | Date: |

Tanks and Berms:

| Contents | # | Capacity | Type | Tank ID | SE GPS |
|--------------------|---|----------|-----------|---------|--------|
| CONDENSATE | 2 | 400 BBLs | STEEL AST | | , |
| Comment: | | | | | |
| Corrective Action: | | | | | Date: |

Paint

| | | |
|------------------|----------|--|
| Condition | Adequate | |
| Other (Content) | | |
| Other (Capacity) | | |
| Other (Type) | | |

Berms

| Type | Capacity | Permeability (Wall) | Permeability (Base) | Maintenance |
|--------------------|----------|---------------------|---------------------|-------------|
| Metal | Adequate | Walls Sufficent | | Adequate |
| Comment: | | | | |
| Corrective Action: | | | | Date: |

| Contents | # | Capacity | Type | Tank ID | SE GPS |
|--------------------|---|----------|-----------|---------|--------|
| PRODUCED WATER | 2 | 400 BBLs | STEEL AST | | , |
| Comment: | | | | | |
| Corrective Action: | | | | | Date: |

Paint

| | | |
|------------------|----------|--|
| Condition | Adequate | |
| Other (Content) | | |
| Other (Capacity) | | |
| Other (Type) | | |

Berms

| Type | Capacity | Permeability (Wall) | Permeability (Base) | Maintenance |
|------|----------|---------------------|---------------------|-------------|
| | | | | |

| | | | | | |
|--------------------|----------|-----------------|--|----------|--|
| Metal | Adequate | Walls Sufficent | | Adequate | |
| Comment: | | | | | |
| Corrective Action: | | | | Date: | |

Venting:

| | | | | |
|--------------------|--|--|-------|--|
| Yes/No | | | | |
| Comment: | | | | |
| Corrective Action: | | | Date: | |

Flaring:

| | | | |
|--------------------|--|-------|--|
| Type | | | |
| Comment: | | | |
| Corrective Action: | | Date: | |

| Inspected Facilities | | | | |
|--|-------------------|------------------------------|-------------------|----------------------------|
| Facility ID: <u>288986</u> | Type: <u>WELL</u> | API Number: <u>103-10989</u> | Status: <u>SI</u> | Insp. Status: <u>SI</u> |
| Idle Well | | | | |
| Purpose: <input checked="" type="checkbox"/> Shut In <input type="checkbox"/> Temporarily Abandoned Reminder: _____ | | | | |
| Comment: <input type="text" value="MIT on 9-16-2019."/> | | | | |
| Corrective Action: <input type="text"/> | | | | Date: <input type="text"/> |
| Facility ID: <u>293281</u> | Type: <u>WELL</u> | API Number: <u>103-11113</u> | Status: <u>PR</u> | Insp. Status: <u>PR</u> |
| Producing Well | | | | |
| Comment: <input type="text" value="PR"/> | | | | |
| Corrective Action: <input type="text"/> | | | | Date: <input type="text"/> |
| Facility ID: <u>293284</u> | Type: <u>WELL</u> | API Number: <u>103-11116</u> | Status: <u>PR</u> | Insp. Status: <u>PR</u> |
| Producing Well | | | | |
| Comment: <input type="text" value="PR"/> | | | | |
| Corrective Action: <input type="text"/> | | | | Date: <input type="text"/> |
| Facility ID: <u>293285</u> | Type: <u>WELL</u> | API Number: <u>103-11117</u> | Status: <u>PR</u> | Insp. Status: <u>PR</u> |
| Producing Well | | | | |
| Comment: <input type="text" value="PR"/> | | | | |
| Corrective Action: <input type="text"/> | | | | Date: <input type="text"/> |
| Idle Well | | | | |
| Purpose: <input type="checkbox"/> Shut In <input type="checkbox"/> Temporarily Abandoned Reminder: _____ | | | | |
| Comment: <input type="text"/> | | | | |
| Corrective Action: <input type="text"/> | | | | Date: <input type="text"/> |
| Facility ID: <u>293286</u> | Type: <u>WELL</u> | API Number: <u>103-11118</u> | Status: <u>SI</u> | Insp. Status: <u>SI</u> |
| Idle Well | | | | |
| Purpose: <input type="checkbox"/> Shut In <input type="checkbox"/> Temporarily Abandoned Reminder: _____ | | | | |
| Comment: <input type="text" value="Last recorded production August 2019."/> | | | | |
| Corrective Action: <input type="text"/> | | | | Date: <input type="text"/> |
| Facility ID: <u>293287</u> | Type: <u>WELL</u> | API Number: <u>103-11119</u> | Status: <u>DG</u> | Insp. Status: <u>WO</u> |

Idle Well

Purpose: Shut In Temporarily Abandoned Reminder: _____

Comment: Last MIT on 11-29-2015.

Corrective Action: Well must be either:

- 1) Per COGCC Rule 326.b.(1) a successful mechanical integrity test shall be performed on each temporarily abandoned well within thirty (30) days of the date the well becomes incapable of production or
- 2) Be properly plugged and abandoned.
- 3) A sundry requesting continued temporarily abandoned status should be submitted to Bob Koehler at the COGCC within thirty (30) days of receipt of this report - the sundry should detail the plan for the future operation of the well and the way the well is closed to the atmosphere. Shut-in and temporarily abandoned wells must be properly reported on COGCC Form 7, Operator's Monthly Production Report.

Date: 03/12/2021

Reclamation - Storm Water - Pit

Storm Water:

| Loc Erosion BMPs | BMP Maintenance | Lease Road Erosion BMPs | Lease BMP Maintenance | Chemical BMPs | Chemical BMP Maintenance | Comment |
|------------------|-----------------|-------------------------|-----------------------|--|--------------------------|---------|
| Berms | | | | Material Handling And Spill Prevention | | |
| Ditches | | Culverts | | | | |

Comment: 4" of snow on partially plowed location.

Corrective Action: _____

Date: _____

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 |
|--------------|----------------------|---|
| 402597135 | INSPECTION SUBMITTED | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=5349529 |
| 700405255 | inspection photos | http://ogccweblink.state.co.us/DownloadDocumentPDF.aspx?DocumentId=5349520 |