SPECIAL USE PERMIT

for

Property Located in the Northwest ¼, Section 18, Township 7 South, Range 95 West of the 6th P.M. in the Battlement Mesa Planned Unit Development, Located Southeast of the Town of Parachute, a 15.1 acre parcel of land described as River Bluff Filing #1, Lot 4, Service Center, within the Battlement Mesa Planned Unit Development, and more fully described in Exhibit "A", Garfield County.

(Parcel No. 2409-134-06-004)

In accordance with and pursuant to the provisions of the Garfield County Zoning Resolution of January 2, 1979 (and zoning amendment adopted on October 15, 1979 in Resolution 79-132) and the Garfield County Land Use and Development Code of 2013 as amended, and Resolution No. 2016-02 of the Board of County Commissioners of Garfield County, State of Colorado, the following activity is hereby authorized by Special Use Permit:

Extraction and Processing of Natural Resources to Develop 24 Natural Gas Wells on a Well Pad (known as "B Pad"), Battlement Mesa Partners (Surface Owner) and Ursa Operating Company (Operator), as shown on the site plan attached as Exhibit "B"

(MIPA-06-15-8342)

This Special Use Permit is issued subject to the conditions contained in Resolution No. 2016-02 and set forth in Exhibit "C" and shall be valid only during compliance with such conditions and other applicable provisions of the Garfield County Zoning Resolution of January 2, 1979, as amended, and the Garfield County Land Use and Development Code of 2013, as amended, Building Code, and other regulations of the Board of County Commissioners of Garfield County, Colorado.

GARFIELD COUNTY BOARD OF COUNTY COMMISSIONERS, GARFIELD COUNTY, COLORADO

Chairman Date

ATTEST:

Clerk of the Board

Exhibit A

(Legal Description)

Ursa Operating Company BMC B
Located in the NW 1/4 Section 18
Township 7 South
Range 95 West of the 6th P.M.
Battlement Mesa P.U.D. Phase 1
Garfield County, Colorado

Notes:

BMC B Site Easement Legal Description

A Site Easement located within the Battlement Mesa Planned Unit Development (hereinafter referred to as P.U.D.) as described in that document recorded as Reception No. 333476 in Garfield County Records (hereinafter referred to as G.C.R.) and amended by unrecorded Resolution No. 82–138 dated 21 June, 1982, said parcel also lies within Lot 4 of River Bluff Filing 1 as shown on the plat thereof recorded as Reception No. 371428, G.C.R., said parcel also lies within the West ½ of Section 18, Township 7 South, Range 95 West, of the 6th Principal Meridian, Garfield County, Colorado and being more particularly described as follows:

COMMENCING at the most Northeasterly corner of the said P.U.D. being the Point of Beginning of the legal description contained in said Reception No. 333476 also being the East Quarter Corner of Section 5, of said Tawnship 7 South, Range 95 West, from which the Sautheast corner of said Section 5 bears 5 00°15'43" We a distance of 2605.35 feet (Basis of Bearings for this description).

THENCE S46'38'00"W for a distance of 14066.77 feet to a point on a Westerly Line of said Lot 4, River Bluff Filing 1, and being the POINT OF BEGINNING.

Thence N 90°00'00" E a distance of 224.87 feet;
Thence N 90°00'00" E a distance of 107.89 feet;
Thence S 00°02'12" W a distance of 107.89 feet;
Thence N 90°00'00" E a distance of 107.89 feet;
Thence N 90°00'00" E a distance of 144.78 feet;
Thence S 00°00'00" E a distance of 324.00 feet;
Thence N 90°00'00" W a distance of 44.92 feet;
Thence S 17'37'00" W a distance of 489.56 feet;
Thence S 41'01'17" W a distance of 97.04 feet;
Thence N 49'49'59" W a distance of 92.13 feet;
Thence N 40'13'00" E a distance of 58.85 feet;
Thence N 18'43'59" E a distance of 58.85 feet;
Thence N 00'04'14" W a distance of 91.64 feet;
Thence N 00'04'14" W a distance of 91.64 feet;
Thence S 89'47'15" W a distance of 270.65 feet to a point on the Westerly line of said Lot 4;
Thence N 00'52'15" E along the westerly line of said Lot 4 a distance of 313.16 feet to the POINT OF BEGINNING.

Said Site Easement contains 4.4848 acres more or less.

Exhibit B (Site Plan, Page 1 of 2)

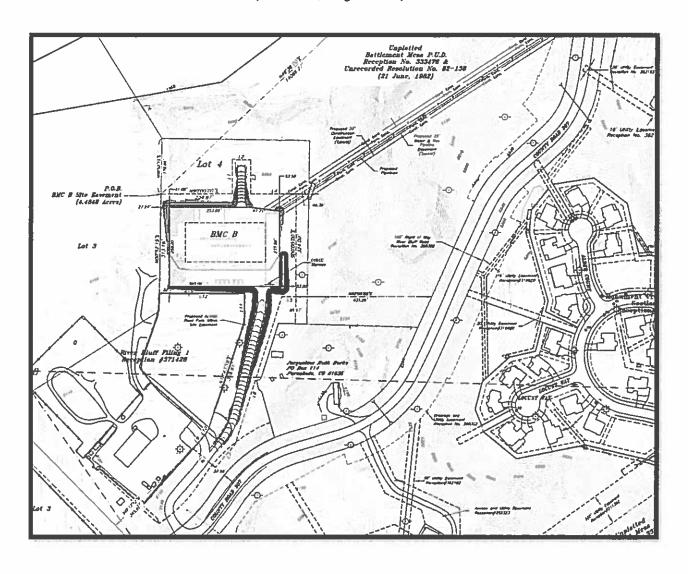


Exhibit B (Site Plan, Page 2 of 2)

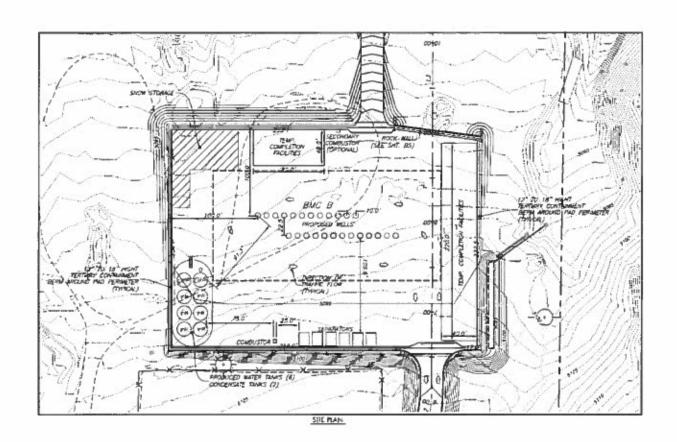


Exhibit C

(Page 1 of 5)

- 1. That all representations of the Applicant, either in testimony or the submitted application materials, shall be considered conditions of approval unless specifically altered by the Board of County Commissioners.
- If future extraction and processing activity (additional to what is being permitted herein)
 would be proposed, an amended Special Use Permit shall be required prior to that activity
 occurring on the site.
- 3. The Operator (Ursa) acknowledges that the County has performance standards in place that could lead to revocation of the Special Use Permit if violations of the permit occur.
- 4. Operation of the facility must be in accordance with all Federal, State and local regulations and permits governing the operation of this facility.
- 5. The County commits to notifying the operator of any compliance concern. This may include direct notice by Garfield County to other permitting agencies if necessary depending on the compliance concern.
- 6. The County can request a site inspection with reasonable notice to the Operator. Full access to any part of the site will be granted. On request, all paperwork must be shown. The County cannot request a large number of inspections that would interfere with normal operation without cause.
- 7. All extraction and processing activities shall be required to comply with the following performance standards:
 - a. Volume of the sound generated: Every use shall be so operated that the volume of sound inherently and recurrently generated does not exceed 70 dB(A) from 7:00 AM to 7:00 PM and 65 dB(A) from 7:00 PM to 7:00 AM, measured 350 feet from the edge of the pad. As set forth in COGCC Regulation 802(b), the noise levels shall be subject to an increase by 10 dB(A) for a period not to exceed 15 minutes in any one (1) hour period and cannot exceed 65 dB(A) for shrill or periodic impulsive noise. Complaint protocols shall be governed by COGCC Rule 802(c).
 - b. Vibration generated: every use shall be so operated that the ground vibration inherently and recurrently generated is not perceptible, without instruments, at any point of any boundary line of the property on which the use is located;
 - c. Emissions of smoke and particulate matter: 1) every use shall be so operated so
 as to comply with all Federal, State and County air quality laws, regulations and
 standards, and 2) applicant Operator will have water trucks onsite for dust
 abatement during construction;
 - d. Emission of heat, glare, radiation and furnes: every use shall be so operated that it does not emit heat, glare, radiation or furnes which substantially interfere with the existing use of the adjoining property or which constitutes a public nuisance or hazard. Flaring of gases, aircraft warning signals, reflective painting of storage tanks, or other such operations which may be required by law as safety or air pollution control measures shall be exempted from this provision;

Exhibit C (Page 2 of 5)

- e. Storage area, salvage yard, sanitary land-fill, and mineral waste disposal areas:
 - Storage of flammable, or explosive solids, or gases, shall be in accordance with accepted standards and laws and shall comply with the National Fire Code;
 - ii. At the discretion of the County Commissioners all outdoor storage facilities for fuel, raw materials and products shall be enclosed by a fence or wall adequate to conceal such facilities from adjacent property;
 - No materials or wastes shall be deposited upon a property in such form or manner that they may be transferred off the property by any reasonable foresecable natural causes or forces;
 - iv. All materials or wastes which might constitute a fire hazard or which may be edible by or otherwise be attractive to rodents or insects shall be stored outdoors in accordance with applicable State Board of Health Regulation;
 - f. Water pollution: in a case in which potential hazards exist, it shall be necessary to install safeguards designed to comply with the Regulations of the Environmental Protection Agency before operation of the facilities may begin.
- 8. All lighting, except as demonstrated for safety reasons, shall be directed inward and downward and be shaded in order to prevent direct reflection on adjacent property and residences in the area. LED lights will be used when possible and practical. Workers will be advised when moving light plants to ensure that the light is focused directly on the work being done. Most lighting will be below the sound wall. Drilling mast lighting that is above the sound wall will be downcast and/or shielded to reduce fugitive light outside sound wall and well pad. Safety considerations will take precedence.
- 9. The construction of the B Pad shall be limited to the hours of 7:00AM to 7:00PM, with the exception of emergencies and episodic events beyond Ursa's control. Drilling may occur continuously 24 hours a day. Well completion activity shall be limited to occurring between 7:00AM and 7:00PM. Once the wells are in production, vehicle trips to the pad shall be limited to the hours of 7:00AM to 7:00PM, with the exception of emergencies and episodic events beyond Ursa's control.
- 10. Operator will comply with COGCC Series 1100 rules and associated guidance which requires at least one annual pressure test be performed. Operator shall utilize only welded and flanged connections for all buried flowlines. The Applicant shall bed and partially backfill flowlines on the pad with non-native backfill to eliminate the corrosive soil concern. Operator will line all flowline trenches with a bentonite liner at least 6 inches in depth.

Exhibit C (Page 3 of 5)

- 11. Operator shall comply with the CDPHE regulations and air quality permit conditions for emission controls considering technically and economically feasible BMPs. All facilities onsite shall be subjected to an instrument-based leak detection and repair (LDAR) inspection at least monthly during drilling and completion and quarterly during production. If a leak over 10,000 ppm hydrocarbons is discovered, the first attempt to repair the leak shall be made as soon as reasonably possible and in accordance with state law.
- 12. The Operator shall comply with COGCC green completion practices and EPA's natural gas STAR program to reduce VOC emissions to the lowest level technically possible for the wells on the B Pad. Additionally, the Applicant commits to using carbon blankets over thief hatches on temporary tanks to reduce odors.
- 13. Once construction begins, the Operator shall treat all List A, B C noxious weeds within pad site perimeter and along access road according to Ursa's noxious weed management plan. This shall include three treatments annually by a licensed and certified herbicide applicator.
- 14. The Operator shall commit to ensuring truckloads of dirt, sand, aggregate materials, drilling cuttings, and similar materials are covered to reduce dust and PM emissions during transport.
- 15. The Operator shall install at least one up-gradient and two down-gradient groundwater piezometer monitoring wells at the B Pad location. The Operator shall conduct baseline sampling for, at a minimum, the following: all major cations and anions, total dissolved solids, iron, manganese, nitrates, nitrites, selenium, benzene, toluene, ethylbenzene, xylenes, methane, pH, specific conductance, and any chemical identified in the full disclosure of chemicals of potential concern. Results shall be reported to Garfield County.
- 16. The Operator shall conduct monthly monitoring of the well site groundwater wells for the parameters specified in condition of approval No. 15 during well drilling and completion activities, followed by annual monitoring for the duration of the project. All results of this monitoring shall be provided to the Garfield County Community Development Department and Oil and Gas Liaison within 60 days of sample collection. If (1) benzene, ethyl benzene, toluene, or xylenes are detected at levels greater than the concentration levels specified in Table 910-1 of the COGCC rules; (2) any cations, anions, metals, or total dissolved so lids exceed 1.25 times background concentrations; (3) methane or any chemical identified as a concern from the full disclosure of chemicals exceeds 1.25 background concentrations; or (4) if pH or specific conductance exceeds the limits specified in COGCC table 910-1, the Operator shall immediately remediate the concern as a condition of the Special Use Permit.

Exhibit C (Page 4 of 5)

- 17. The Operator shall provide a formal update to the Board of County Commissioners on a quarterly basis as to the progress of the project, including but not limited to, 1) advancement and utilization of odor and emissions technology, 2) Operator's technologies utilized to reduce emissions and odors on the well pad(s), and 3) review of complaints from neighboring property owners and Community Count's 24/7 response system. This update shall be coordinated through the Community Development Department specifically including the Oil and Gas liaison's office. Updates shall begin at the beginning of construction and continue throughout drilling and completion operations and cease once the pad is in full production operations.
- 18. No Special Use Permit shall be issued to the Applicant/Operator (and no activity shall occur on the site) until all required local, state and federal permits, except those permits which are obtained only after construction is complete, have been obtained and tendered to the County Community Development Department. A violation of any of the terms and/or conditions of these local, state and federal permits shall also be considered a violation of the Special Use Permit. The Air Quality permit shall be submitted as soon as it is received.
- 19. Prior to the issuance of the Special Use Permit, the Applicant should provide a discussion, calculations, and details for the proposed release structures from the detention pond.
- 20. The Operator will provide a draft site specific SPCC plan for B Pad within 30 days of installation of tank containment structures. The Operator shall provide a final site specific SPCC plan for the B Pad within six months of installation of the tank containment structures per EPA regulations. The site specific plan shall include information on storage tank sizes and the volume of secondary containment is calculated.
- 21. The Applicant (Ursa Operating Company LLC) shall provide a one-time contribution of \$50,000 to Garfield County (unless said \$50,000 payment has previously been paid for the D Pad Special Use Permit), prior to the issuance of the Special Use Permit, for site-specific air quality monitoring program designed, owned and operated by Garfield County. The sampler will collect a suite of 78 volatile organic compounds (VOCs) based of the EPA's TO-12 method which include the BTEX compounds. Results of the air monitoring will be publically available and reported to the BOCC on a regular basis. The Applicant shall provide the Garfield County Environmental Health Department with at least 2 weeks advance notice prior to drilling and completions activity. Permission shall be granted to Garfield County by the land owner (Battlement Mesa Partners) for the location of the sampling unit. A letter of agreement to the terms of the program shall be executed prior to the issuance of a special use permit.
- 22. Prior to construction, the Applicant shall design a proposed alternative physical water intake system for pulling water from the Colorado River up river from the B pad location to add as an alternative water supply in the event of a spill caused by the Applicant reaching the Colorado River the existing intake.
- 23. Applicant agrees and commits to a three year time frame which includes placing up to 24 natural gas wells into full production. This time frame will commence at the start of construction of a well pad.

Exhibit C (Page 5 of 5)

- 24. The preferred/primary haul route for this Special Use Permit is the Upper Route (I-70 exit 75). The Lower Route (I-70 exit 72) shall be a secondary route.
- 25. All drill cuttings shall be disposed of in accordance with state law/COGCC regulations.
- 26. Sound barriers shall be included around the well pad and internal completions equipment. Additional sound walls closer to residential units shall be available upon mutual agreement between the Operator, landowner, and homeowner(s).
- 27. Silica proppant shall be utilized only with silica controls including dustless silos or equivalent technology.

SPECIAL USE PERMIT

for

Property Located in the East ½ of the NW ¼ of Section 18, Township 7 South, Range 95 West of the 6th P.M. in the Battlement Mesa Planned Unit Development, approximately 7 acres in size, adjacent to and Southeast of River Bluff Road (County Road 307), Garfield County as more fully described in Exhibit "A"

(Parcel No. 2407-081-00-152)

In accordance with and pursuant to the provisions of the Garfield County Zoning Resolution of January 2, 1979 (and zoning amendment adopted on October 15, 1979 in Resolution 79-132) and the Garfield County Land Use and Development Code of 2013 as amended, and Resolution No. 2016-03 of the Board of County Commissioners of Garfield County, State of Colorado, the following activity is hereby authorized by Special Use Permit:

Extraction and Processing of Natural Resources to develop 28 Natural Gas Wells on a Well Pad (known as the "D Pad"), Battlement Mesa Land Investments (Surface Owner) and Ursa Operating Company (operator), as shown on the site plan attached as Exhibit "B".

(File No. MIPA-06-15-8341)

This Special Use Permit is issued subject to the conditions contained in Resolution No. 2016-03 and set forth in Exhibit C and shall be valid only during compliance with such conditions and other applicable provisions of the Garfield County Zoning Resolution of January 2, 1979, as amended, and the Garfield County Land Use and Development Code of 2013, as amended, Building Code, and other regulations of the Board of County Commissioners of Garfield County, Colorado.

GARFIELD COUNTY BOARD OF COUNTY COMMISSIONERS, GARFIELD COUNTY, COLORADO

	Chairman	Date
ATTEST:		
Clerk of the Board		

Exhibit A

(Legal Description)

East ½ of the NW ¼ of Section 18, Township 7 South, Range 95 West within the Battlement Mesa Planned Unit Development, a parcel having 1248.87 acres (PID: 2407-081-00-152).

Section: 8 Township: 7 Range: 95 ALL THAT PROPERTY LOCATED IN SEC 5, 6, 7, 8, 9, 10, 16, 17, 18, 19 IN 7-95. ALSO THAT PROPERTY LOCATED IN SEC 13 & 24 7-96 ALL WITHIN THE BATTLEMENT MESA PUD. EXCEPT A TR CONT 6.20 AC DESC IN REC #502259. EXCEPT TOWN CENTER FL #5 AS DESC IN REC #513419 CONT 22.370 AC. ALSO A TR OF LAND CONT 18.574 AC +/- AS DESC IN BNDY LINE ADJ BK 1703/327, 330 EXCEPT A TR OF LAND CONT. 37.65 AC +/- AS DESC ON THE FINAL PLAT, STONE QUARRY COMMONS, A RE-SUB OF LOTS 5-1 & 5-2 OF BATTLEMENT MESA PUD REC #691907. EXCEPT A TR OF LAND CONT 35.461 AC +/- AS DESC IN WD BK 1877/16 EXCEPT A TR OF LAND CONT 35.33 AC +/- AS DESC IN SWD BK 1947/706. EXCEPT A TR OF LAND CONT. 11.81 AC +/- AS DESC IN THE TOWN CENTER, FLG #6, BATTLEMENT MESA PUD, REC #743233 & GWD #743971. EXCEPT FOR 6 TRACTS OF LAND - PARCEL 1, 57.68 AC +/-: PARCEL 2, 76.26 AC +/-: PARCEL 3, 52.80 AC +/-: PARCEL 6, 35.67 AC +/-: PARCEL 7, 56.17 AC +/- AND OLD HIGH SCHOOL PARCEL, 41.35 AC +/- AND DESC IN SWD REC #740298, & TOTALING 319.93 AC +/-

Practical Description:

The proposed D Pad location is on a 7 acre portion of the 1248.87 acres adjacent to and southeast of River Bluff Road (CR 307) in the Battlement Mesa PUD. The proposed site is west of the Valley View Village residential area and south of the Willow Creek Village residential area.

Exhibit B (Site Plan)

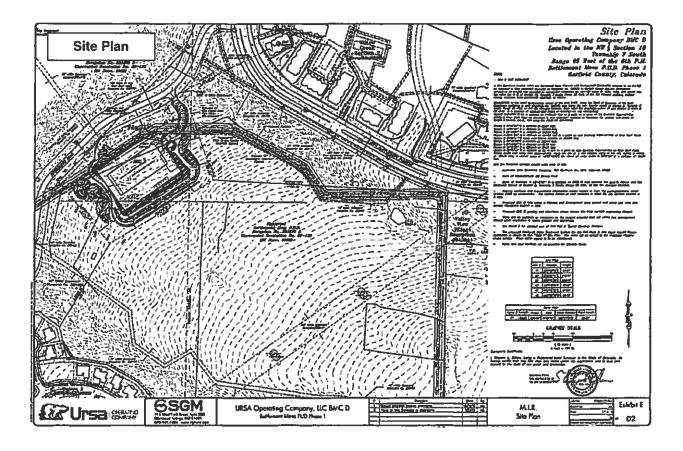


Exhibit C (Page 1 of 4)

- That all representations of the Applicant, either in testimony or the submitted application
 materials, shall be considered conditions of approval unless specifically altered by the
 Board of County Commissioners.
- If future extraction and processing activity (additional to what is being permitted herein)
 would be proposed, an amended Special Use Permit shall be required prior to that activity
 occurring on the site.
- 3. The Operator (Ursa) acknowledges that the County has performance standards in place that could lead to revocation of the Special Use Permit if violations of the permit occur.
- 4. Operation of the facility must be in accordance with all Federal, State and Local regulations and permits governing the operation of this facility.
- The County commits to notifying the operator of any compliance concern. This may
 include direct notice by Garfield County to other affected permitting agencies if necessary
 depending on the compliance concern.
- 6. The County can request a site inspection with reasonable notice to the Operator. Full access to any part of the site will be granted. On request, all paperwork must be shown. The County cannot request a large number of inspections that would interfere with normal operation without cause.
- 7. All extraction and processing activities shall be required to comply with the following performance standards:
 - a. Volume of the sound generated: Every use shall be so operated that the volume of sound inherently and recurrently generated does not exceed 70 dB(A) from 7:00 AM to 7:00 PM and 65 dB(A) from 7:00 PM to 7:00 AM, measured 350 feet from the edge of the pad. As set forth in COGCC Regulation 802(b), the noise levels shall be subject to an increase by 10 dB(A) for a period not to exceed 15 minutes in any one (1) hour period and cannot exceed 65 dB(A) for shrill or periodic impulsive noise. Complaint protocols shall be governed by COGCC Rule 802(c);
 - b. Vibration generated: every use shall be so operated that the ground vibration inherently and recurrently generated is not perceptible, without instruments, at any point of any boundary line of the property on which the use is located;
 - c. Emissions of smoke and particulate matter: 1) every use shall be so operated so as to comply with all Federal, State and County air quality laws, regulations and standards, and 2) applicant Operator will have water trucks onsite for dust abatement during construction;
 - d. Emission of heat, glare, radiation and fumes: every use shall be so operated that it does not emit heat, glare, radiation or fumes which substantially interfere with the existing use of the adjoining property or which constitutes a public nuisance or hazard. Flaring of gases, aircraft warning signals, reflective painting of storage tanks, or other such operations which may be required by law as safety or air pollution control measures shall be exempted from this provision;

Exhibit C (Page 2 of 4)

- e. Storage area, salvage yard, sanitary land-fill, and mineral waste disposal areas:
 - i. Storage of flammable, or explosive solids, or gases, shall be in accordance with accepted standards and laws and shall comply with the National Fire Code;
 - At the discretion of the County Commissioners all outdoor storage facilities for fuel, raw materials and products shall be enclosed by a fence or wall adequate to conceal such facilities from adjacent property;
 - iii. No materials or wastes shall be deposited upon a property in such form or manner that they may be transferred off the property by any reasonable foreseeable natural causes or forces;
 - iv. All materials or wastes which might constitute a fire hazard or which may be edible by or otherwise be attractive to rodents or insects shall be stored outdoors in accordance with applicable State Board of Health Regulation;
- f. Water pollution: in a case in which potential hazards exist, it shall be necessary to install safeguards designed to comply with the Regulations of the Environmental Protection Agency before operation of the facilities may begin.
- 8. All lighting, except as demonstrated for safety reasons, shall be directed inward and downward and be shaded in order to prevent direct reflection on adjacent property and residences in the area. LED lights will be used when possible and practical. Workers will be advised when moving light plants to ensure that the light is focused directly on the work being done. Most lighting will be below the sound wall. Drilling mast lighting that is above the sound wall will be downcast and/or shielded to reduce fugitive light outside sound wall and well pad. Safety considerations will take precedence.
- 9. The construction of the D Pad shall be limited to the hours of 7:00AM to 7:00PM, with the exception of emergencies and episodic events beyond Ursa's control. Drilling may occur continuously 24 hours a day. Well completion activity shall be limited to occurring between 7:00AM and 7:00PM. Once the wells are in production, vehicle trips to the pad shall be limited to the hours of 7:00AM to 7:00PM, with the exception of emergencies and episodic events beyond Ursa's control.
- 10. Operator will comply with COGCC Series 1100 rules and associated guidance which requires at least one annual pressure test be performed. Operator shall utilize only welded and flanged connections for all buried flowlines. The Applicant shall bed and partially backfill flowlines on the pad with non-native backfill to eliminate the corrosive soil concern. Operator will line all flowline trenches with a bentonite liner at least 6 inches in depth.

Exhibit C

(Page 3 of 4)

- 11. Operator shall comply with the CDPHE regulations and air quality permit conditions for emission controls considering technically and economically feasible BMPs. All facilities onsite shall be subjected to an instrument-based leak detection and repair (LDAR) inspection at least monthly during drilling and completion and quarterly during production. If a leak over 10,000 ppm hydrocarbons is discovered, the first attempt to repair the leak shall be made as soon as reasonably possible and in accordance with state law.
- 12. The Operator shall comply with COGCC green completion practices and EPA's natural gas STAR program to reduce VOC emissions to the lowest level technically possible for the wells on the D Pad. Additionally, the Applicant commits to using carbon blankets over thief hatches on temporary tanks to reduce odors.
- 13. Once construction begins, the Operator shall treat all List A, B C noxious weeds within pad site perimeter and along access road according to Ursa's noxious weed management plan. This shall include three treatments annually by a licensed and certified herbicide applicator.
- 14. The Operator shall commit to ensuring truckloads of dirt, sand, aggregate materials, drilling cuttings, and similar materials are covered to reduce dust and PM emissions during transport.
- 15. The Operator shall provide a formal update to the Board of County Commissioners on a quarterly basis as to the progress of the project, including but not limited to, 1) advancement and utilization of odor and emissions technology, 2) Operator's technologies utilized to reduce emissions and odors on the well pad(s), and 3) review of complaints from neighboring property owners and Community Count's 24/7 response system. This update shall be coordinated through the Community Development Department specifically including the Oil and Gas liaison's office. Updates shall begin at the beginning of construction and continue throughout drilling and completion operations and cease once the pad is in full production operations.
- 16. No Special Use Permit shall be issued to the Applicant/Operator (and no activity shall occur on the site) until all required local, state and federal permits, except those permits which are obtained only after construction is complete, have been obtained and tendered to the County Community Development Department. A violation of any of the terms and/or conditions of these local, state and federal permits shall also be considered a violation of the Special Use Permit. The Air Quality permit shall be submitted as soon as it is received.
- 17. The Operator will provide a draft site specific SPCC plan for D Pad within 30 days of installation of tank containment structures. The Operator shall provide a final site specific SPCC plan for the D Pad wells pad within six months of installation of the tank containment structures per EPA regulations. The site specific plan shall include information on storage tank sizes and the volume of secondary containment is calculated.

Exhibit C (Page 4 of 4)

- 18. Prior to the issuance of the Special Use Permit, the Applicant should provide a discussion, calculations, and details for the proposed release structures from the detention pond.
- 19. Prior to the hearing before the Board of County Commissioners, the Applicant should evaluate if a culvert is necessary at the driveway intersection with River Bluff Road. It appears from the topography that grading of the area to drain may also be necessary to get runoff to drain to the existing culverts.
- 20. The Applicant (Ursa Operating Company LLC) shall provide a one-time contribution of \$50,000 to Garfield County (unless said \$50,000 payment has previously been paid for the B Pad Special Use Permit), prior to the issuance of the Special Use Permit, for site-specific air quality monitoring program designed, owned and operated by Garfield County. The sampler will collect a suite of 78 volatile organic compounds (VOCs) based of the EPA's TO-12 method which include the BTEX compounds. Results of the air monitoring will be publically available and reported to the BOCC on a regular basis. The Applicant shall provide the Garfield County Environmental Health Department with at least 2 weeks advance notice prior to drilling and completions activity. Permission shall be granted to Garfield County by the land owner (Battlement Mesa Partners) for the location of the sampling unit. A letter of agreement to the terms of the program shall be executed prior to the issuance of a special use permit.
- 21. The Application proposes a significant landscaping program; as a result, the Applicant should provide more information regarding the ongoing irrigation for this plan.
- 22. Applicant agrees and commits to a three year time frame which includes placing up to 28 natural gas wells into full production. This time frame will commence at the start of construction of a well pad.
- 23. The preferred/primary haul route for this Special Use Permit is the Upper Route (I-70 exit 75). The Lower Route (I-70 exit 72) shall be a secondary route.
- 24. All drill cuttings shall be disposed of in accordance with state law/COGCC regulations.
- 25. Sound barriers shall be included around the well pad and internal completions equipment. Additional sound walls closer to residential units shall be available upon mutual agreement between the Operator, landowner, and homeowner(s).
- 26. Silica proppant shall be utilized only with silica controls including dustless silos or equivalent technology.