

FORM
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04/01State of Colorado
Oil and Gas Conservation Commission

1120 Lincoln Street, Suite 801, Denver, Colorado 80205 Phone: (303) 894-2100 Fax: (303) 894-2109



DE ET OE ES

Document Number:

400211470

Oil and Gas Location Assessment

☒ New Location ☐ Amend Existing Location Location#: _____

Submit original plus one copy. This form is to be submitted to the COGCC prior to any ground disturbance activity associated with oil and gas development operations. This Assessment may be approved as a standalone application or submitted as an informational report accompanying an Application for Permit-To-Drill, Form 2. Approval of this Assessment will allow for the construction of the below specified location; however, it does not supersede any land use rules applied by the local land use authority. This form may serve as notice to land owners and other interested parties, please see the COGCC web site at <http://colorado.gov/cogcc/> for all accompanying information pertinent to this Oil and Gas Location Assessment.

Location ID:

426591

Expiration Date:

11/19/2014☒ This location assessment is included as part of a permit application.

1. CONSULTATION

- ☐ This location is included in a Comprehensive Drilling Plan. CDP # _____
- ☐ This location is in a sensitive wildlife habitat area.
- ☐ This location is in a wildlife restricted surface occupancy area.
- ☐ This location includes a Rule 306.d.(1)A.ii. variance request.

2. Operator

Operator Number: 10375

Name: ULTRA RESOURCES INC

Address: 304 INVERNESS WAY SOUTH #295

City: ENGLEWOOD State: CO Zip: 80112

3. Contact Information

Name: Debbie Ghani

Phone: (303) 645-9810

Fax: (303) 708-9748

email: dghani@ultrapetroleum.com

4. Location Identification:

Name: OLIVE OYL STATE N Number: 44-16

County: EL PASO

QuarterQuarter: SESE Section: 16 Township: 15S Range: 64W Meridian: 6 Ground Elevation: 6005

Define a single point as a location reference for the facility location. This point should be used as the point of measurement in the drawings to be submitted with this application. When the location is to be used as a well site then the point shall be a well location.

Footage at surface: 660 feet FSL, from North or South section line, and 660 feet FEL, from East or West section line.

Latitude: 38.738983 Longitude: -104.554245 PDOP Reading: 2.5 Date of Measurement: 09/15/2011

Instrument Operator's Name: BEN MILIUS

5. Facilities (Indicate the number of each type of oil and gas facility planned on location):

Special Purpose Pits: 1	Drilling Pits:	Wells: 9	Production Pits:	Dehydrator Units:
Condensate Tanks:	Water Tanks: 2	Separators:	Electric Motors:	Multi-Well Pits:
Gas or Diesel Motors: 9	Cavity Pumps:	LACT Unit:	Pump Jacks: 9	Pigging Station:
Electric Generators:	Gas Pipeline:	Oil Pipeline:	Water Pipeline:	Flare: 1
Gas Compressors:	VOC Combustor: 1	Oil Tanks: 8	Fuel Tanks:	

Other: _____

6. Construction:

Date planned to commence construction: 12/01/2011 Size of disturbed area during construction in acres: 7.83
Estimated date that interim reclamation will begin: 04/15/2014 Size of location after interim reclamation in acres: 2.00
Estimated post-construction ground elevation: 6000 Will a closed loop system be used for drilling fluids: Yes ☒
Will salt sections be encountered during drilling: Yes ☐ No ☒ Is H2S anticipated? Yes ☐ No ☒
Will salt (>15,000 ppm TDS Cl) or oil based muds be used: Yes ☐ No ☒
Mud disposal: Offsite ☒ Onsite ☐ Method: Land Farming ☐ Land Spreading ☐ Disposal Facility ☒
Other: County landfill

7. Surface Owner:

Name: _____ Phone: _____
Address: _____ Fax: _____
Address: _____ Email: _____
City: _____ State: _____ Zip: _____ Date of Rule 306 surface owner consultation: 09/13/2011
Surface Owner: ☐ Fee ☒ State ☐ Federal ☐ Indian
Mineral Owner: ☐ Fee ☒ State ☐ Federal ☐ Indian
The surface owner is: ☒ the mineral owner ☒ committed to an oil and gas lease
☒ is the executer of the oil and gas lease ☐ the applicant
The right to construct the location is granted by: ☒ oil and gas lease ☐ Surface Use Agreement ☐ Right of Way
☐ applicant is owner
Surface damage assurance if no agreement is in place: ☐ \$2000 ☐ \$5000 ☐ Blanket Surety ID _____

8. Reclamation Financial Assurance:

☒ Well Surety ID: 20110150 ☐ Gas Facility Surety ID: _____ ☐ Waste Mgnt. Surety ID: _____

9. Cultural:

Is the location in a high density area (Rule 603.b.): Yes ☐ No ☒
Distance, in feet, to nearest building: 4667, public road: 4785, above ground utilit: 5280
, railroad: 5280, property line: 660

10. Current Land Use (Check all that apply):

Crop Land: ☐ Irrigated ☐ Dry land ☐ Improved Pasture ☐ Hay Meadow ☐ CRP
Non-Crop Land: ☒ Rangeland ☐ Timber ☐ Recreational ☐ Other (describe): _____
Subdivided: ☐ Industrial ☐ Commercial ☐ Residential

11. Future Land Use (Check all that apply):

Crop Land: ☐ Irrigated ☐ Dry land ☐ Improved Pasture ☐ Hay Meadow ☐ CRP
Non-Crop Land: ☒ Rangeland ☐ Timber ☐ Recreational ☐ Other (describe): _____
Subdivided: ☐ Industrial ☐ Commercial ☐ Residential

12. Soils:

List all soil map units that occur within the proposed location. Attach the National Resource Conservation Service (NRCS) report showing the "Map Unit Description" report listing the soil typical vertical profile. This data is to be used when segregating topsoil.

The required information can be obtained from the NRCS web site at <http://soildatamart.nrcs.usda.gov/> or from the COGCC web site GIS Online map page found at <http://colorado.gov/cogcc>. Instructions are provided within the COGCC web site help section.

NRCS Map Unit Name: 30 FORT COLLINS LOAM

NRCS Map Unit Name: _____
NRCS Map Unit Name: _____

13. Plant Community:

Complete this section only if any portion of the disturbed area of the location's current land use is on non-crop land.

Are noxious weeds present: Yes ☐ No ☒

Plant species from: ☒ NRCS or, ☐ field observation Date of observation: 09/13/2011

List individual species: see attached Rangeland Productivity and Plant Composition

Check all plant communities that exist in the disturbed area.

- ☐ Disturbed Grassland (Cactus, Yucca, Cheatgrass, Rye)
☒ Native Grassland (Bluestem, Grama, Wheatgrass, Buffalograss, Fescue, Oatgrass, Brome)
☐ Shrub Land (Mahogany, Oak, Sage, Serviceberry, Chokecherry)
☐ Plains Riparian (Cottonwood, Willow, Aspen, Maple, Poplar, Russian Olive, Tamarisk)
☐ Mountain Riparian (Cottonwood, Willow, Blue Spruce)
☐ Forest Land (Spruce, Fir, Ponderosa Pine, Lodgepole Pine, Juniper, Pinyon, Aspen)
☐ Wetlands Aquatic (Bullrush, Sedge, Cattail, Arrowhead)
☐ Alpine (above timberline)
☐ Other (describe): _____

14. Water Resources:

Rule 901.e. may require a sensitive area determination be performed. If this determination is performed the data is to be submitted with the Form 2A.

Is this a sensitive area: ☒ No ☐ Yes Was a Rule 901.e. Sensitive Areas Determination performed: ☒ No ☐ Yes

Distance (in feet) to nearest surface water: 185, water well: 4900, depth to ground water: 270

Is the location in a riparian area: ☒ No ☐ Yes Was an Army Corps of Engineers Section 404 permit filed ☒ No ☐ Yes

Is the location within a Rule 317B Surface Water Supply Area buffer zone:

☒ No ☐ 0-300 ft. zone ☐ 301-500 ft. zone ☐ 501-2640 ft. zone

If the location is within a Rule 317B Surface Water Supply Area buffer have all public water supply systems within 15 miles been notified: ☐ No ☐ Yes

15. Comments:

Ultra's phased development plan includes Phase I – a small pad for one vertical well. Based on the results of this pilot well, Phase II would include a larger pad for eight horizontal wells.

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

Signed: _____ Date: 10/06/2011 Email: dghani@ultrapetroleum.com

Print Name: Debbie Ghani Title: Permitting Coordinator

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: David S. Neslin Director of COGCC Date: 11/20/2011

CONDITIONS OF APPROVAL, IF ANY:

All representations, stipulations and conditions of approval stated in this Form 2A for this location shall constitute representations, stipulations and conditions of approval for any and all subsequent operations on the location unless this Form 2A is modified by Sundry Notice, Form 4 or an Amended Form 2A.

The location is in a intermittent drainage; therefore the pad shall be constructed to prevent stormwater run-on/run-off.

The operator will conduct baseline sampling of (at a minimum) the two (2) closest water wells, springs, or surface water features within a one (1) mile radius of the proposed Olive Oyl State 44-16 location. Sampling preference shall be given to domestic water wells and springs over surface water. Testing of surface water features shall only be conducted if two (2) water wells or springs do not exist within a one (1) mile radius of the selected oil and gas location. If possible, the water wells or springs selected should be on opposite sides of the oil and gas location not exceeding a one (1) mile radius. If water wells or springs on opposite sides of the oil and gas location cannot be identified or access to the wells is denied by the owner, then the two (2) closest wells or springs within a one (1) mile radius of the oil and gas location shall be sampled. The operator may conduct additional groundwater monitoring at their own discretion.

Laboratory analysis at a minimum will include the following:

pH (lab)
TDS
Conductivity (lab, not resistivity)
SAR calculation
Ca, K, Mg, Na, As, B, Ba, Cd, Cr, Cu, Fe, Mn, Pb, Se (all total recoverable)
Br, Cl, F, SO₄,
Alkalinity (Total, HCO₃ and CO₃ – all expressed as CaCO₃)
benzene
toluene
ethyl benzene
o-xylene
m- + p-xylene
Dissolved Methane
MBAS
DRO, GRO

Field parameters including pH, Temperature and Conductivity shall be recorded prior to collecting the sample for laboratory analysis. Field observations such as odor, water color, sediment, bubbles and effervesce shall also be included.

The selected sampling locations will be sampled again 1 year after and 3 years after completion. Post completion sampling of water wells will consist of the same analyte list as the pre-drilling program.

Copies of all test results, field parameters and field observations described above shall be provided to the Director and the water well owner within three (3) months of collecting the samples. The analytical data and surveyed well locations shall also be submitted to the Director in an electronic data deliverable format.

Operators shall make a good faith effort to conduct initial baseline testing of the selected water wells prior to the drilling of the proposed well; however, not conducting baseline testing because access to the water wells cannot be obtained shall not be grounds for a violation.

Notify the COGCC Oil and Gas Location Assessment (OGLA) Specialist for South Eastern Colorado (Arthur Koepsell; email Arthur.Koepsell@state.co.us) and the COGCC Field Inspection Supervisor for Southern Colorado (Mike Leonard; email Mike.Leonard@state.co.us) 48 hours prior to commencing pad construction.

Attachment Check List

Att Doc Num	Name
1698742	MULTI-WELL PLAN
2533409	CORRESPONDENCE
400211470	FORM 2A SUBMITTED
400212362	ACCESS ROAD MAP
400212363	HYDROLOGY MAP
400212365	LOCATION PICTURES
400212366	REFERENCE AREA MAP
400212368	REFERENCE AREA PICTURES
400212369	TOPO MAP
400212370	NRCS MAP UNIT DESC
400212377	NRCS MAP UNIT DESC
400212379	MULTI-WELL PLAN
400212515	LOCATION DRAWING

Total Attach: 13 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Final review passed 11/14/2011 NKP	11/14/2011 9:40:14 AM
Permit	Per D. Ghani, revised Multi-well plan showing proposed bottom hole locations for any additional horizontal wells submitted 11/11/2011.	11/14/2011 9:39:58 AM
Permit	Email to opr 11/7/2011 Please submit a revised multi-well plan that includes conceptual bottom hole locations for all proposed additional wells (see Rule 303d(3)I). NKP	11/8/2011 9:31:15 AM
Permit	Per D. Ghani, distance to surface water verified as 185 feet. 11/7/2011 NKP	11/7/2011 11:25:25 AM
OGLA	Neasrest surface water is 185 east of the location.	11/1/2011 3:51:59 PM
Permit	Email to opr 11/1/2011 The distance to surface water appears to be closer than 2860 feet. Please verify. NKP	11/1/2011 9:48:42 AM
OGLA	Ready to pass 10/28/2011.	10/27/2011 7:40:27 AM

Total: 7 comment(s)

BMP

<u>Type</u>	<u>Comment</u>
Construction	Culverts will be designed and installed to pass the 100-year flow from the upstream tributary basin. The culverts will be designed with the proper materials and cover to protect the culverts from the anticipated loads.

Total: 1 comment(s)