

FORM
2

Rev
12/05

State 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: 400244338			
PluggingBond SuretyID 20110150			

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: ULTRA RESOURCES INC 4. COGCC Operator Number: 10375
5. Address: 304 INVERNESS WAY SOUTH #295
City: ENGLEWOOD State: CO Zip: 80112
6. Contact Name: DEBBIE GHANI Phone: (303)645-9810 Fax: (303)708-9748
Email: dghani@ultrapetroleum.com
7. Well Name: PONDEROSA 41-17 Well Number: 1V
8. Unit Name (if appl): _____ Unit Number: _____
9. Proposed Total Measured Depth: 7625

WELL LOCATION INFORMATION

10. QtrQtr: NENE Sec: 17 Twp: 14S Rng: 64W Meridian: 6
Latitude: 38.837039 Longitude: -104.573131

Footage at Surface: 600 feet FNL 300 feet FEL

11. Field Name: WILDCAT Field Number: 99999
12. Ground Elevation: 6505 13. County: EL PASO

14. GPS Data:

Date of Measurement: 01/03/2012 PDOP Reading: 2.4 Instrument Operator's Name: OWEN MCKEE

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
660 FNL 660 FEL 660 FNL 660 FEL
Sec: 17 Twp: 14S Rng: 64W Sec: 17 Twp: 14S Rng: 64W

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: 315 ft

18. Distance to nearest property line: 300 ft 19. Distance to nearest well permitted/completed in the same formation(BHL): 21147 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.)
CODELL	CODL			
GREENHORN	GRNH			
NIOBRARA	NBRR			

21. Mineral Ownership: ☒ Fee ☐ State ☐ Federal ☐ Indian Lease #: 1217
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):
N/2 of Sec 17 T14S, R64W and a metes and bounds portion in the NE/4 of Sec 18 T14S, R64W (see attached Lease Map)

25. Distance to Nearest Mineral Lease Line: 660 ft 26. Total Acres in Lease: 330

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	24	16	65	0	120	180	120	0
SURF	12+1/4	8+5/8	24	0	1,400	470	1,400	0
1ST	7+7/8	5+1/2	17	0	7,625	640	7,625	2,500

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

33. Comments Ultra's phased development plan includes Phase I – a small pad for one pilot well. Based on the results of this pilot well, Phase II would include a larger pad for up to four horizontal wells. Distance to nearest building is 875' NWDistance to nearest public road is 344' E.Distance to nearest railroad is greater than 5250'NWDistance to nearest property line is 300' E.Distance to nearest Niobrara well is 21,147' SW to the Lewis #1 (status = DA).

34. Location ID: _____

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: DEBBIE GHANI

Title: SR. PERMITTING SPECIALIST Date: 1/31/2012 Email: dghani@ultrapetroleum.com

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. Nesline Director of COGCC Date: 2/26/2012

API NUMBER

05 041 06067 00

Permit Number: _____ Expiration Date: 2/25/2014

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) Provide 24 hour notice of MIRU to Mike Leonard at 719-647-9715 or e-mail at mike.leonard@ state.co.us. Provide the following information: Operator Name, Well Name and Number, API #, Spud Date, Contact Name, Contact Phone #, Email Address.
- 2) Provide cement coverage from TD to a minimum of 200' above Niobrara. Verify coverage with cement bond log.
- 3) If dry hole, set 40 sks cement 50' above D-Sand top, 40 sks cement 50' above Niobrara top, 40 sks cement above any DST w/ show, 50 sks cement from 50' below to 50' above surface casing shoe, 15 sks cement top of surface casing, cut 4' below GL, weld on plate, 5 sks cement in rat hole & 5 sks cement in mouse hole.
- 4) Run and submit Directional Survey from TD to base of surface casing. Ensure that the wellbore complies with setback requirements in commission orders or rules prior to producing the well.

Attachment Check List

Att Doc Num	Name
2063821	SURFACE CASING CHECK
400244338	FORM 2 SUBMITTED
400244377	PLAT
400244379	TOPO MAP
400244962	LEASE MAP
400246616	DEVIATED DRILLING PLAN
400246635	DIRECTIONAL DATA

Total Attach: 7 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>
Permit	Final review passed 2/24/2012 NKP	2/24/2012 3:59:57 PM
Permit	Per D. Ghani, Distance to nearest building is 875' NW, Distance to nearest public road is 344' E, Distance to nearest railroad is >5280' NW, Distance to nearest mineral lease line is 660' N	2/22/2012 11:43:05 AM
Permit	Email to opr to verify distances to cultural features, lease line. 2/21/2012 NKP	2/22/2012 11:42:31 AM

Total: 3 comment(s)

BMP

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

Total: 0 comment(s)