

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



Document Number:

400262052

Date Received:

03/15/2012

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: OLIVE OYL STATE N 44-16

Well Number: 1V

8. Unit Name (if appl): OLIVE OYL STATE

Unit Number: _____

9. Proposed Total Measured Depth: 6081

WELL LOCATION INFORMATION

10. QtrQtr: SESE Sec: 16 Twp: 15S Rng: 64W Meridian: 6

Latitude: 38.738983

Longitude: -104.554241

Footage at Surface: 659 feet FNL/FSL 658 feet FEL/FWL FEL

11. Field Name: WILDCAT

Field Number: 99999

12. Ground Elevation: 6005

13. County: EL PASO

14. GPS Data:

Date of Measurement: 02/22/2012 PDOP Reading: 2.5 Instrument Operator's Name: BRIAN RITZ

15. If well is ☒ Directional ☐ Horizontal (highly deviated) **submit deviated drilling plan.**

Footage at Top of Prod Zone: FNL/FSL 855 FSL 739 FEL FEL Bottom Hole: FNL/FSL 855 FSL 739 FEL FEL
Sec: 16 Twp: 15S Rng: 64W Sec: 16 Twp: 15S 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: 4667 ft

18. Distance to nearest property line: 658 ft 19. Distance to nearest well permitted/completed in the same formation(BHL): 3 mi

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	GRNHN			
NIOBRARA	NBRR			

21. Mineral Ownership: ☐ Fee ☒ State ☐ Federal ☐ Indian Lease #: 9976.9

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):
ALL OF SECTION 16, TOWNSHIP 15 SOUTH, RANGE 64 WEST

25. Distance to Nearest Mineral Lease Line: 739 ft 26. Total Acres in Lease: 640

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	503	330	503	0
1ST	7+7/8	5+1/2	17	0	6,081	300	6,081	2,500

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

33. Comments The original well has been drilled to a total depth of 5,610' TMD and will be abandoned in the 7-7/8" hole section due to wellbore instability and severe lost circulation. Well indicates that we have a bridge below 4,153' TMD to total depth of the well at 5,610' TMD. The 8-5/8", 24#, K-55 STC surface casing shoe is at 503' TMD. Original well bore will be abandoned below 4150' TMD. Abandonment plug will be placed via the balanced plug method from 4100' TMD to 3900' TMD. TOOH to approximately 1,550' TMD to balance a high viscosity gel plug for a false bottom to help support 750' KOP from 1200' to 50' inside of surface casing shoe. Verbal approval received 3-15-12 from Dirk Sutphin.

34. Location ID: 426591

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: 3/15/2012 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: _____ Director of COGCC Date: _____

API NUMBER

05 041 06065 00

Permit Number: _____ Expiration Date: _____

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.

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Attachment Check List

Att Doc Num	Name
400262052	FORM 2 SUBMITTED
400262058	PLAT
400262059	DEVIATED DRILLING PLAN
400262142	DIRECTIONAL DATA

Total Attach: 4 Files

General Comments

<u>User Group</u>	<u>Comment</u>	<u>Comment Date</u>

Total: 0 comment(s)

BMP

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

Total: 0 comment(s)