

Inspector Name: LEONARD, MIKE

**FORM
INSP**Rev
05/11**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 |
|----|----|----|----|

Inspection Date:

04/06/2012

Document Number:

664000470

Overall Inspection:

Satisfactory**FIELD INSPECTION FORM**

| | | | | |
|---------------------|---------------|---------------|---------------|--------------------------------------|
| Location Identifier | Facility ID | Loc ID | Tracking Type | Inspector Name: <u>LEONARD, MIKE</u> |
| | <u>427923</u> | <u>427908</u> | | |

Operator Information:OGCC Operator Number: 10375 Name of Operator: ULTRA RESOURCES INCAddress: 304 INVERNESS WAY SOUTH #295City: ENGLEWOODState: COZip: 80112**Contact Information:**

| Contact Name | Phone | Email | Comment |
|--------------|----------------|----------------------------|-----------------|
| Rogers, Kent | (303) 917-5741 | krogers@ultrapetroleum.com | All Inspections |
| McKee, Cally | (307) 367-6442 | cmckee@ultrapetroleum.com | All Inspections |

Compliance Summary:QtrQtr: NENE Sec: 17 Twp: 14S Range: 64W**Inspector Comment:****Related Facilities:**

| Facility ID | Type | Status | Status Date | Well Class | API Num | Facility Name | |
|-------------|----------|--------|-------------|------------|-----------|--------------------|---|
| 427908 | LOCATION | AC | 02/26/2012 | | - | PONDEROSA 41-17 1V | |
| 427923 | WELL | XX | 02/26/2012 | | 041-06067 | PONDEROSA 41-17 1V | X |
| 428249 | PIT | | 03/20/2012 | | - | PONDEROSA 41-17 | |

Equipment:**Location Inventory**

| | | | |
|--------------------------------|-------------------------|---------------------|-------------------------|
| Special Purpose Pits: _____ | Drilling Pits: <u>1</u> | Wells: <u>5</u> | Production Pits: _____ |
| Condensate Tanks: _____ | Water Tanks: <u>2</u> | Separators: _____ | Electric Motors: _____ |
| Gas or Diesel Motors: <u>5</u> | Cavity Pumps: _____ | LACT Unit: _____ | Pump Jacks: <u>5</u> |
| Electric Generators: _____ | Gas Pipeline: _____ | Oil Pipeline: _____ | Water Pipeline: _____ |
| Gas Compressors: _____ | VOC Combustor: <u>1</u> | Oil Tanks: <u>4</u> | Dehydrator Units: _____ |
| Multi-Well Pits: _____ | Pigging Station: _____ | Flare: <u>1</u> | Fuel Tanks: _____ |

Location**Signs/Marker:**

| Type | Satisfactory/Unsatisfactory | Comment | Corrective Action | CA Date |
|-----------------|-----------------------------|---------|-------------------|---------|
| DRILLING/RECOMP | Satisfactory | | | |

Emergency Contact Number: (S/U/V) Satisfactory

Corrective Date: _____

Comment: _____

Corrective Action: _____

Spills:

Inspector Name: LEONARD, MIKE

| Type | Area | Volume | Corrective action | CA Date |
|------|------|--------|-------------------|---------|
|------|------|--------|-------------------|---------|

☐ Multiple Spills and Releases?

| Fencing/: | | | | |
|------------------|-----------------------------|---------|-------------------|---------|
| Type | Satisfactory/Unsatisfactory | Comment | Corrective Action | CA Date |
| LOCATION | Satisfactory | | | |

| | | | |
|-----------------|---------|--|--|
| Venting: | | | |
| Yes/No | Comment | | |
| | | | |

| Flaring: | | | | |
|-----------------|-----------------------------|---------|-------------------|---------|
| Type | Satisfactory/Unsatisfactory | Comment | Corrective Action | CA Date |
| | | | | |

Predrill

Location ID: 427908

Site Preparation:

Lease Road Adeq.: _____

Pads: _____

Soil Stockpile: _____

Corrective Action: _____ Date: _____ CDP Num.: _____

Form 2A COAs:

| Group | User | Comment | Date |
|-------|----------|--|------------|
| OGLA | koepsear | Notify the COGCC Regional Environmental Protection Specialist (Steve Lindblom; email Steve.Lindblom@state.co.us) 7 days prior to collection of baseline samples. The COGCC may elect to collect split samples during the baseline sampling event for independent chemical analysis. | 02/15/2012 |
| OGLA | koepsear | Notify the COGCC Oil and Gas Location Assessment (OGLA) Specialist for South Eastern Colorado (Arthur Koepsell; email Arthur.Koepsell@state.co.us), the COGCC Field Inspection Supervisor for Southern Colorado (Mike Leonard; email Mike.Leonard@state.co.us) 24 hours prior to mobilizing a drill rig to the location. | 02/15/2012 |
| OGLA | koepsear | In accordance with COGCC Rule 1002.f.(2)A. & B., during multi-well drilling and completion operations the operator shall provide a designated storage area for dry bulk chemicals and miscellaneous fluids. The storage area shall be covered to prevent contact of precipitation with chemicals, shall be elevated above storm- or standing water, and shall provide sufficient containment to prevent release of spilled fluids or chemicals from impacting soil, surface water or groundwater and will prevent the co-mingling of spilled fluids or chemicals with other E & P Waste. | 02/15/2012 |
| OGLA | koepsear | Notify the COGCC Oil and Gas Location Assessment (OGLA) Specialist for South Eastern Colorado (Arthur Koepsell; email Arthur.Koepsell@state.co.us), the COGCC Field Inspection Supervisor for Southern Colorado (Mike Leonard; email Mike.Leonard@state.co.us) 48 hours prior to commencing pad construction. COGCC Notifications can be made by using on eForms using form 42. | 02/15/2012 |

| | | | |
|------|----------|---|------------|
| OGLA | koepsear | <p>The operator will conduct baseline sampling of (at a minimum) the two (2) closest water wells, two (2) deep aquifer samples (as close to the location as possible). Preference for deep aquifer samples is for wells completed in either the Laramie-Fox Hills or Arapahoe formations.</p> <p>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.</p> <p>If free gas or a dissolved methane concentration level greater than one (1) milligrams per liter (mg/l) is detected in a water well, gas compositional analysis and stable isotope analysis of the methane (carbon and deuterium) shall be performed to determine gas type (biogenic or thermogenic). If the methane concentration increases by more than five (5) mg/l between sampling periods, or increases to more than ten (10) mg/l, the operator shall notify the Director and the owner of the water well immediately. If thermogenic methane concentrations increase between sampling periods, the operator shall submit to the Director an action plan to determine the source of the increase.</p> <p>The selected sampling locations will be sampled again 1 year, 3 years and 6 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 sample locations shall also be submitted to the Director in an electronic data deliverable format.</p> | 02/15/2012 |
| OGLA | koepsear | Operator must implement site-specific best management practices in accordance with good engineering practices, including, but not limited to, construction of a berm or diversion dike, site grading, or other comparable measures, sufficient to prevent a release of drilling, completion, produced fluids, or chemical products from migrating off of the location. | 02/15/2012 |
| OGLA | koepsear | Prior to initiating construction of the fresh water pit the operator is required to submit a Form 15 Pit Permit. The fresh water storage pit shall be lined in accordance with Rule 904.b. and 904.c. The fresh water storage pit shall include signage that: identifies the pit use as a freshwater-only pit, prohibits placing E&P Waste in the pit, and lists each well that the pit will serve. The pit is required to be closed with a form 27. | 02/15/2012 |

Wildlife BMPs:

| BMP Type | Comment |
|---------------|---|
| Site Specific | CONTRACTOR SHALL CONTROL FUGITIVE DUST AT THE WELL SITE AND ON ACCESS ROADS ON AN AS-NEEDED BASIS. METHODS AND CHEMICALS USED FOR DUST CONTROL SHALL COMPLY WITH EL PASO COUNTY AND MAY INCLUDE THE USE OF MULCHES AND/OR TACKIFIERS, EROSION CONTROL MATS AND/OR BLANKETS, APPROPRIATE SEED MIXES AND/OR SOIL AMENDMENTS AND ANY OTHER PRACTICES NECESSARY TO PREVENT SOIL EROSION BY WIND AND STORMWATER. |

Stormwater:**Comment:** _____**Staking:****On Site Inspection (305):****Surface Owner Contact Information:**

Name: _____

Address: _____

Inspector Name: LEONARD, MIKE

Phone Number: _____

Cell Phone: _____

Operator Rep. Contact Information:

Landman Name: _____

Phone Number: _____

Date Onsite Request Received: _____

Date of Rule 306 Consultation: _____

Request LGD Attendance: _____

LGD Contact Information:

Name: _____ Phone Number: _____ Agreed to Attend: _____

Summary of Landowner Issues:

Summary of Operator Response to Landowner Issues:

Onsite Inspection Memorandum Summarizing Discussions at Inspection as Attachment:

Well

Facility ID: 427923 API Number: 041-06067 Status: XX Insp. Status: ND

Environmental

Spills/Releases:

Type of Spill: _____ Description: _____ Estimated Spill Volume: _____

Comment: _____

Corrective Action: _____ Date: _____

Reportable: _____ GPS: Lat _____ Long _____

Proximity to Surface Water: _____ Depth to Ground Water: _____

Water Well:

DWR Receipt Num: _____ Owner Name: _____ GPS : _____ Lat _____ Long _____

Field Parameters:

Sample Location: _____

Emission Control Burner (ECB): _____

Comment: _____

Pilot: _____ Wildlife Protection Devices (fired vessels): _____

Reclamation - Storm Water - Pit

Interim Reclamation:

Date Interim Reclamation Started: _____ Date Interim Reclamation Completed: _____

Land Use: RANGELAND

Comment: _____

1003a. Debris removed? _____ CM _____

CA _____ CA Date _____

Waste Material Onsite? _____ CM _____

CA _____ CA Date _____
 Unused or unneeded equipment onsite? _____ CM _____
 CA _____ CA Date _____
 Pit, cellars, rat holes and other bores closed? _____ CM _____
 CA _____ CA Date _____
 Guy line anchors removed? _____ CM _____
 CA _____ CA Date _____
 Guy line anchors marked? _____ CM _____
 CA _____ CA Date _____

1003b. Area no longer in use? _____ Production areas stabilized ? _____
 1003c. Compacted areas have been cross ripped? _____
 1003d. Drilling pit closed? _____ Subsidence over on drill pit? _____
 Cuttings management: _____
 1003e. Areas no longer needed for drilling or subsequent operations for have been re-vegetated to 80% of pre-existing? _____
 Production areas have been stabilized? _____ Segregated soils have been replaced? _____

RESTORATION AND REVEGETATIONCropland

Top soil replaced _____ Recontoured _____ Perennial forage re-established _____

Non-Cropland

Top soil replaced _____ Recontoured _____ 80% Revegetation _____

1003 f. Weeds Noxious weeds? _____

Comment: _____

Overall Interim Reclamation

Final Reclamation/ Abandoned Location:

Date Final Reclamation Started: _____ Date Final Reclamation Completed: _____

Final Land Use: RANGELAND

Reminder: _____

Comment: _____

Well plugged _____ Pit mouse/rat holes, cellars backfilled _____

Debris removed _____ No disturbance /Location never built _____

Access Roads _____ Regraded _____ Contoured _____ Culverts removed _____

Gravel removed _____

Location and associated production facilities reclaimed _____ Locations, facilities, roads, recontoured _____

Compaction alleviation _____ Dust and erosion control _____

Non cropland: Revegetated 80% _____ Cropland: perennial forage _____

Weeds present _____ Subsidence _____

Comment: _____

Corrective Action: _____ Date _____

Overall Final Reclamation

Inspector Name: LEONARD, MIKE

| | | | | | | |
|---------------------|-----------------|-------------------------|-----------------------|---------------|--------------------------|---------|
| Storm Water: | | | | | | |
| Loc Erosion BMPs | BMP Maintenance | Lease Road Erosion BMPs | Lease BMP Maintenance | Chemical BMPs | Chemical BMP Maintenance | Comment |
| | | Seeding | Pass | | | |
| Check Dams | Pass | Ditches | Pass | | | |
| Waddles | Pass | Mulching | Pass | | | |
| Ditches | Pass | Check Dams | Pass | | | |
| Gravel | Pass | Gravel | Pass | | | |

S/U/V: Satisfactory Corrective Date: _____

Comment: LOCATION WAS INSPECTED DURING HIGH WIND EVENT. NO APPARENT MOVEMENT OF SOILS FROM DISTURBED AREAS.

CA: _____

| | | | |
|---------|-------------|------------|-----------------|
| Permit: | Facility ID | Permit Num | Expiration Date |
| | 428249 | 400257442 | |
| | 428249 | 400257442 | |