

**From:** [Debbie Ghani](#)  
**To:** [Koepsell, Arthur](#)  
**Subject:** RE: Ponderosa 41- 17 1V Form 2A # 400244390, Ultra Resources  
**Date:** Tuesday, February 21, 2012 9:01:09 AM

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Approved

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**From:** Koepsell, Arthur [mailto:Arthur.Koepsell@state.co.us]  
**Sent:** Tuesday, February 21, 2012 8:59 AM  
**To:** Debbie Ghani  
**Subject:** RE: Ponderosa 41- 17 1V Form 2A # 400244390, Ultra Resources

Debbie,

Could you approve/acknowledge the COAs included in the email below? I believe your acknowledgement of the COAs is all I am waiting for to pass the 2A.

Thanks,

Arthur

Arthur W. Koepsell, P.G.  
Oil & Gas Location Assessment Specialist  
Southern Area

Oil and Gas Location Assessment  
Colorado Oil and Gas Conservation Commission  
1120 Lincoln St. Suite 801  
Denver Colorado 80203  
Phone (303) 894-2100 ext. 5148

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**From:** Debbie Ghani [mailto:dghani@ultrapetroleum]  
**Sent:** Wednesday, February 15, 2012 3:05 PM  
**To:** Koepsell, Arthur  
**Subject:** RE: Ponderosa 41- 17 1V Form 2A # 400244390, Ultra Resources

COGCC Notifications can be made by using on eForms using form 42.

Hi Arthur: I don't see a Form 42 on eForms ... is it new?

Debbie

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**From:** Koepsell, Arthur [mailto:Arthur.Koepsell@state.co.us]  
**Sent:** Wednesday, February 15, 2012 8:25 AM  
**To:** Debbie Ghani  
**Subject:** RE: Ponderosa 41- 17 1V Form 2A # 400244390, Ultra Resources

Debbie,

Here are the Conditions of Approval (COAs) for the Ponderosa 41-17V:

- Notify the COGCC Oil and Gas Location Assessment (OGLA) Specialist for South Eastern Colorado (Arthur Koepsell; email [Arthur.Koepsell@state.co.us](mailto:Arthur.Koepsell@state.co.us)), the COGCC Field Inspection Supervisor for Southern Colorado (Mike Leonard; email [Mike.Leonard@state.co.us](mailto:Mike.Leonard@state.co.us)) 48 hours prior to commencing pad construction.
- COGCC Notifications can be made by using on eForms using form 42.
- Notify the COGCC Oil and Gas Location Assessment (OGLA) Specialist for South Eastern Colorado (Arthur Koepsell; email [Arthur.Koepsell@state.co.us](mailto:Arthur.Koepsell@state.co.us)), the COGCC Field Inspection Supervisor for Southern Colorado (Mike Leonard; email [Mike.Leonard@state.co.us](mailto:Mike.Leonard@state.co.us)) 24 hours prior to mobilizing a drill rig to the location.
- 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.
- 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.
- 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.
- 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.

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, SO<sub>4</sub>, Alkalinity (Total, HCO<sub>3</sub> and CO<sub>3</sub> – all expressed as CaCO<sub>3</sub>) 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.

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.

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.

Please feel free to contact me if you have any questions or concerns.

Arthur W. Koepsell, P.G.  
Oil & Gas Location Assessment Specialist  
Southern Area

Oil and Gas Location Assessment  
Colorado Oil and Gas Conservation Commission  
1120 Lincoln St. Suite 801  
Denver Colorado 80203  
Phone (303) 894-2100 ext. 5148

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**From:** Debbie Ghani [<mailto:dghani@ultrapetroleum.com>]  
**Sent:** Friday, February 03, 2012 11:35 AM  
**To:** Koepsell, Arthur  
**Subject:** RE: Ponderosa 41- 17 1V Form 2A # 400244390, Ultra Resources

Based on our conference call today, will you alter the language re water sampling to distinguish "pre" and "post" sampling requirements?

Debbie

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**From:** Koepsell, Arthur [Arthur.Koepsell@state.co.us]  
**Sent:** Tuesday, January 31, 2012 3:56 PM  
**To:** Debbie Ghani

**Subject:** Ponderosa 41- 17 1V Form 2A # 400244390, Ultra Resources

Debbie,

The COGCC is reviewing the Form 2A (#400229630) for the Ultra Resources Ponderosa 41- 17 1V location, located in the NENE Sec 17 T14S R64W El Paso County, Colorado. The COGCC requests the following changes regarding the data submitted on or attached to the Form 2A prior to passing the Oil and Gas Location Assessment (OGLA).

Distance to surface water

A review of the location indicates that there is an intermittent stream located approximately 650 feet northeast of the location. The COGCC requests that the distance to surface water be amended to 650 feet.

The COGCC requests your acknowledgment of the following proposed Conditions of Approval (COAs) for the Form 2A.

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

Notify the COGCC Oil and Gas Location Assessment (OGLA) Specialist for South Eastern Colorado (Arthur Koepsell; email [Arthur.Koepsell@state.co.us](mailto:Arthur.Koepsell@state.co.us)), the COGCC Field Inspection Supervisor for Southern Colorado (Mike Leonard; email [Mike.Leonard@state.co.us](mailto:Mike.Leonard@state.co.us)) 24 hours prior to mobilizing a drill rig to the location.

Notify the COGCC Environmental Protection Specialist Steve Lindblom; email [Steve.Lindblom@state.co.us](mailto:Steve.Lindblom@state.co.us) 7 days prior to collection of baseline water samples. The COGCC may elect to collect split samples during the baseline sampling event for independent chemical analysis.

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.

The operator will conduct baseline sampling of (at a minimum) the two (2) closest water wells and collect two (2) surface water samples from the closest stream one (1) upstream one (1) downstream of the proposed location. If possible, the water wells or springs selected should be on opposite sides of the oil and gas location. 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, SO<sub>4</sub>, Alkalinity (Total, HCO<sub>3</sub> and CO<sub>3</sub> – all expressed as CaCO<sub>3</sub>) 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.

If free gas or a dissolved methane concentration level greater than two (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. If the test results indicate biogenic gas, no further isotopic testing shall be done. If the test results indicate thermogenic or a mixture of thermogenic and biogenic gas, then the operator shall submit to the Director an action plan to determine the source of the gas. 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.

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 sample locations shall also be submitted to the Director in an electronic data deliverable format.

Thanks,

Arthur

Arthur W. Koepsell, P.G.  
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