

**RAILROAD COMMISSION OF TEXAS
OFFICE OF GENERAL COUNSEL
OIL & GAS SECTION**

**OIL AND GAS DOCKET
NO. 05-0215448**

**COMMISSION-CALLED HEARING
REGARDING ULTRA PETROLEUM
(USA), INC.'S WHITE ESTATE LEASE,
WELL NO. 1, CEDAR CREEK, S.
(SMACKOVER) FIELD, HENDERSON
COUNTY, TEXAS**

INTERIM ORDER

The Commission finds that, after statutory notice in the above-numbered docket, heard on March 25-26, 1997, the presiding examiners propose this Interim Order for the purpose of insuring the safety of the general public pursuant to Statewide Rule 36, and that this proceeding was duly submitted to the Railroad Commission of Texas at conference held in its offices in Austin, Texas.

This hearing was called pursuant to §1.47 of the Commission's General Rules of Practice and Procedure to require Ultra Petroleum (USA), Inc. to demonstrate that its White Estate (03519) Lease, Well No. 1, in the Cedar Creek, S. (Smackover) Field, Henderson County, Texas is in compliance with Railroad Commission rules pertaining to the drilling and completion of wells and does not pose an unreasonable risk to the public safety and to demonstrate that Ultra Petroleum (USA), Inc.'s Contingency Plan, filed pursuant to Statewide Rule 36, provides safeguards that protect the general public from the harmful effects of hydrogen sulfide.

The Commission, after review and due consideration of the examiners' recommendation based on the evidence presented at the hearing on March 25, 1997, finds that this Interim Order will insure the safety of the general public pursuant to Statewide Rule 36 during the pendency of these proceedings and, pursuant to §1.145 of the Commission's General Rules of Practice and Procedure, should be entered in this docket.

WHEREAS, the Commission finds that the Ultra Petroleum (USA), Inc. White Estate Well No. 1, in the Cedar Creek, S. (Smackover) Field, in Henderson County, Texas is currently completed with sufficient mechanical safeguards to prevent oil and gas containing hydrogen sulphide from reaching the surface during the pendency of this case; and

WHEREAS, the Commission finds that the Contingency Plan filed by Ultra Petroleum (USA), Inc. for the White Estate Well No. 1, currently on file with the Commission pursuant to Statewide Rule 36, cannot be efficiently and effectively implemented and must therefore be revised, refiled and approved by the Commission.

Therefore, it is **ORDERED** by the Railroad Commission of Texas that during the pendency of this docket that Ultra Petroleum (USA), Inc. shall:

1. Immediately place and maintain at least two (2) H₂S trained and certified attendants at the wellsite of the White Estate Well No. 1 to monitor the location twenty-four (24) hours per day. These on-site attendants shall have sufficient communication capability and training to immediately notify Ultra Petroleum (USA), Inc. personnel, public safety and emergency response personnel, and the Railroad Commission in the event of an accidental release of hydrogen sulphide gases or fluids. The attendants shall work 12-hour shifts which overlap such that when each attendant begins his shift, the other attendant on duty will have completed one-half (6 hours) of his 12-hour shift. A minimum of two (2) hours of self-contained fresh-air breathing equipment per person shall be maintained by the on-site attendants.
2. Take pressure readings every twelve (12) hours of both the tubing and annulus pressures of the White Estate Well No. 1 and report the results to the Commission's Kilgore District Office weekly, with the first pressures taken on or before May 16, 1997. If either tubing or annulus gauges indicate a pressure increase, immediately notify Commission District personnel and take immediate precautionary actions.
3. Add the Tool Police Department to the automatic telephone dialing system of the community alert network.
4. By May 27, 1997, submit a revised Contingency Plan that can be efficiently and effectively implemented to comply with Statewide Rule 36. Thereafter, Ultra Petroleum (USA), Inc. shall have thirty (30) days in which to perform trial implementations (practice drills) of the Contingency Plan.
5. Prior to performing any Contingency Plan safety practice drills, or conducting any public or emergency personnel H₂S education or training meetings, provide advanced notice of the drills, and the opportunity to witness same, to Caution, Inc., the White Estate, and the Commission staff.
6. Recalculate the radius of exposure based on absolute open flow rates and perform dispersement modeling, and submit the results with its revised Contingency Plan.
7. Not produce the White Estate Well No. 1, or conduct any other operations on said well, until a production Contingency Plan has been circulated to all interested parties and approved by the Commission, after notice and a hearing, and sufficient safety practice drills are performed to ensure that said production Contingency Plan can be effectively and efficiently implemented.

It is further **ORDERED** that continuation of this proceeding shall be set for July 10, 1997 for further presentation to the examiners.

Done this _____ day of _____, 1997.

RAILROAD COMMISSION OF TEXAS

CHAIRMAN

COMMISSIONER

COMMISSIONER

ATTEST:

SECRETARY