

**Petroglyph Operating Company, Inc.
Monthly Report – August 2008**

Petroglyph Operating Company, Inc. (Petroglyph) is submitting this monthly report for the activities that have occurred at their Little Creek Field in the Raton Basin from the last date of data collection for the July Monthly Report (July 15, 2008) through August 25, 2008. Along with this monthly report, Petroglyph is submitting an electronic copy of all data including Microsoft Excel spreadsheets from which the attached summaries and graphs were created.

1.0 Investigation

Aquifer Characterization: Testing of the injection and recovery wells began on July 7th and is nearing completion with testing on the last well started on 8/25/08. Since the last report tests have been performed on Injection 5 Rohr, Injection 7 Walden, Injection 1 Pascual, Injection 8 Haeffner and Injection 2 Gonzalez. Recovery 1 Kittleson was also retested. Results of the pressure build up and pump testing will be presented in a detailed report to be submitted within 3-4 weeks of completion of testing, assuming receipt of water quality monitoring results.

Petroglyph continues to monitor gas production from the wells. Only Recovery 1 Kittleson and Recovery 4 Barrett continue to show gas production during this reporting period as indicated in Attachment 1. As shown on the graphs, ongoing pumping tests as well as the shut-in period for the recovery wells has had effects on the gas production from these wells during the reporting period. POCI 55 is no longer producing gas at the surface as shown in Attachment 1. In addition Recovery 3 PEI showed gas production until 8/12/08 when an attempt was made to clear the well of murky water using Walsenburg City water and the gas flow stopped.

The injection and recovery pipeline construction is complete except for reseeding disturbed areas where needed. The separator, water tank, water distribution pump and flare are all set and tied into the pipe lines. The electrical hook-ups are in progress.

Dissolved Methane Sampling: Petroglyph's consultant, Norwest Applied Hydrology, has completed initial sampling for dissolved methane in water wells within a one mile radius of the remediation system. Sampling results were included in the April monthly report. Contact was made with well owner Burge during the reporting period and his well was sampled for dissolved methane. The Burge well was not previously sampled as Petroglyph could not establish contact and permission. In addition to Burge, Gumpert and Roloff wells were also tested at the request of the well owner. The laboratory reporting sheets are presented in the electronic files accompanying this report and the results are summarized below.

- Burge 3,900 ug/l
- Gumpert 1,700 ug/l
- Roloff 3,800 ug/l

2.0 Monitoring

Gas Pressure Monitoring

Barrett, Bergman, Coleman, and Meyer have continuous pressure monitoring for fluid levels that have been installed by Petroglyph. Information from these wells is downloaded monthly by Petroglyph and included in electronic format with this monthly report. Attachment 2 shows graphically the changes in pressure for each of these wells. As can be seen on the graphs, pressure is trending downward in all wells and this downward trend has not changed from previous monthly reports. The downward trend does appear to be leveling off in Barrett and Coleman. Water levels are also measured in the Barrett and Meyer wells. As shown in Attachment 2, the water levels in both wells are trending downward as well and this downward trend has not changed from previous monthly reports.

Gas flow monitors have been installed by Petroglyph at the Angely, Bruington, Coleman, and Smith wells. Continuous gas flow monitoring occurs at Coleman and Smith, while gas flow is spot monitored with a gage and orifice tester at Angely and Bruington. Gas pressure at Bounds and Angely wells is currently monitored by COGCC or their consultant, however the data is presented in this report. The data from this monitoring is provided in Attachment 3. While gas flow can be variable, in general gas flow has shown an overall decrease in all wells. Gas flows from the Smith and Angely wells have dropped to zero in recent measurements and appear to be sustained at or near zero for the last several months. The Bruington well has decreased from approximately 35 mcf/day in January to near 0 in the most recent readings. In late May the Bounds well showed a decrease from approximately 2 mcf/day to less than 1 mcf/day, which continues to hold through the most recent measurements.

Fluid Levels in Petroglyph Production Wells

Eleven Petroglyph production wells are monitored for fluid level and casing pressure. An additional four Petroglyph production wells are continuously monitored for fluid level pressures. Three monitoring wells are also monitored for water levels. Changes in fluid levels in Petroglyph's production wells are shown graphically in Attachment 4. As shown in the attachment and as would be expected since Petroglyph is no longer pumping these wells to draw down water levels, water levels continue to rise in all wells although the rate of rise is slowing. There is no data provided for the Rohr 09-05 well because the power in the well is off and waiting some repair work. The pressure data for Lively 03-03 is missing because the downhole gage failed and will need to be replaced.

Bi-Weekly and Monthly Water Well Monitoring

Petroglyph monitors or has monitored approximately 84 wells in the vicinity of the site, including 7 new wells added during this reporting period. One of the new well owners, Waltz) does not want to be part of an ongoing monitoring program so his well will not be sampled in the future. Table 1 shows all of the wells that have ever been sampled, the sampling start date, the date of the last sample, the number of samples since the last reporting period and a description of the sampling results and any changes from the previous reporting period.

Of these 84 wells, 11 are no longer sampled or were not sampled during this reporting period. Sampling may vary during any one reporting period due to a variety of reasons. During this reporting period 24 wells were sampled once, 46 wells were sampled twice, 2 wells were sampled three times and 1 well had four sampling results.

As shown on Table 1, the monitoring results for the 66 wells sampled with comparable results from the last reporting period (excluding the new sample points) showed that 42 wells had no change from the previous monitoring period measurements. Changes in % LEL, % by volume CH₄, and % volume O₂ were evaluated to determine if the wells were showing an indication of increasing or decreasing methane gas content. Of the remaining 24 wells, 18 showed increases, with 12 of those only slight increases and 5 showed slight decreases. One well showed variable results which could be interpreted as both increasing and decreasing.

Table 2 has been added to show the current monitoring schedule including which wells are monitored bi-weekly and which wells are monitored monthly or at a different frequency.

Hand Held Measurements

Petroglyph conducts periodic ground surveys using a hand held methane detector at locations where gas has previously been detected, at locations where a property owner requests such a survey or at locations where previous surveys such as the helicopter survey have detected gas seepage. These surveys are conducted based on need or urgency so can range from several times a week to a one time survey based on concerns from a property owner. During this reporting period there were no hand held measurements conducted.

Helicopter Survey

Petroglyph completed a helicopter survey for methane seepage (May 16, 17, and 18) and provided that data to the COGCC under separate cover. Hand held methane detector ground surveys have been conducted for areas where the helicopter survey indicated a potential new presence of methane or to confirm other helicopter readings. These hand held surveys have been completed for the May helicopter survey.

3.0 Mitigation

Methane Alarms

There are currently a total of 14 homes with alarm systems provided by Petroglyph and that number has not changed from previous reports. Petroglyph's contractor has completed the updating of alarm systems for 9 homeowners who requested the updated system with both visual and audible alarms.

Water Supply

Petroglyph is currently providing water to 15 homes. Two new names were added to the list during this reporting period, Ireland-Murphy and P.C. Roberts. Table 3 provides a list

of the homes currently receiving water. Water is delivered as needed and can vary from month to month due to residential water use and whether or not the homes are occupied.

Other

In addition to providing water several homeowners approached Petroglyph with other requests. These are detailed in the electronic data base under the Word file titled Water Well Activities and summarized below.

- Contacted Ken Burge in July 2008. 8/5/08 grabbed a water sample for dissolved methane analysis. No gas detected at well head with RKI.
- With Bruingtons permission on 7/29/08 Weber Water removed tubing, pump and pump cable and stored at Weber's yard. Fluid level will be measured weekly.
- At Kerman on 8/12/08 Mike Barrett Calibrated SMC Model 2001 Gas Monitor (located in crawl space). Was factory set at 1000 ppm and recalibrated to 10,000 ppm (20%LEL).
- At Ireland-Murphy Weber Water installed cistern at Petroglyph's expense in July and August 2008. Added to the water haul list 8/18/08.
- Moore well is located south of La Veta and it was reported a few months ago that it had methane in it. T. Melland and Mike Barrett checked it with RKI gas detector on 7/29/08. Approaching the well a sound like gas leaking from the well could be heard. The RKI detected no concentrations of methane, CO or H2S. John Moore is replacing this well with a new well that has been drilled. There were no concentrations of methane, CO or H2S detected in the new well.

Public Outreach

Ken Smith did attend a meeting of the Huerfano County Commissioners on August 27th to answer questions from the commissioners on Petroglyph's ongoing response to methane in the domestic wells. In addition, Craig Saldin will be attending a meeting of the River Ridge Ranch Board of Governors on August 30th.

Health and Safety/Emergency Planning

The new employee responsible for safety has started and has assumed the safety duties for the site as well as the routine and event-specific methane monitoring.

4.0 Schedule

The following is the currently anticipated schedule for the completion of testing for the injection system and implementation of Phase I, pumping and injection of water from the Poison Canyon Formation.

- Testing of the injection and recovery began July 7th and is expected to until August 25 to complete.
- Upon completion of testing, a report will be prepared and submitted to the COGCC and the EPA. Report preparation will take approximately three to four

weeks and the report submittal is currently expected to occur in approximately mid September.

- At the time of submittal of the report, Petroglyph will request approval of the rule authorization and permission to inject Poison Canyon water from the EPA.
- Commencement of injection of the Poison Canyon water is currently anticipated to begin in late September or once all needed regulatory approvals have been obtained.
- Routine bi-weekly and monthly sampling will continue with new sampling sites added as needed. Sampling will be adjusted based on the monitoring results in accordance with the Petroglyph Monitoring and Response Plan submitted to the COGCC on April 7, 2008
- Hand held seep monitoring will continue as needed.

The currently anticipated schedule for the completion of Phase I is outlined in table form below. The schedule is contingent on a number of factors including weather conditions and equipment problems.

Phase I Steps	Estimated Completion Date
1. Testing of Mitigation Wells	Through August 25, 2008
2. Submittal of Final Mitigation Well Report	September 12, 2008 (depending on data availability)
4. Start of injection activities	September 26, 2008 (or once approval is obtained from the EPA)

Table 1 Water Well Measurements for the Period of May 15 to June 15, 2008					
Permit Number	Name	Sampling Start Date	Last Sample	Samples Since Last Monthly Report	If sampled, comparison of results from this period to last period
20783	Goemmer Cattle	9/24/07	7/14/08	None	Not sampled during this period
230572	Willis	7/11/07	8/13/08	7/30/08 and 8/13/08	No change from previous measurements with no detectable methane and O2% volume at 20.9
84106	Rohr	7/06/07	8/11/08	7/28/08 and 8/11/08	No change from previous measurements with no detectable methane and O2% volume at 20.9. This well will be sampled quarterly from this point forward.
93386	Lowry	7/12/07	7/14/08	None	Not sampled during this period
203536	Hurley	8/2/07	8/13/08	7/30/08 and 8/13/08	At the well head: <ul style="list-style-type: none"> No change in LEL H2S increased from 3.5 ppm to 10.5 ppm O2 % volume decreased from 16.9 to 15.5 CO remained at 0 CH4 % volume increased from 17 to 22 No change at the cistern
121013	Schafer	8/15/07	8/21/08	7/28/08 and 8/21/08	No change from previous measurements, except H2S which increased from 0 to 1 ppm last month is back to 0 ppm. No detectable methane and O2% volume at 20.9
123144	Searle	7/11/07	8/11/08	7/28/08 and 8/11/08	No change from previous measurements with no detectable methane and O2% volume at 20.9
145915	Carsella	7/11/07	8/13/08	7/28/08 and 8/13/08	No change from previous measurements with no detectable methane and O2% volume at 20.9
169043	Burge	7/11/07	8/5/08	7/30/08 and 8/5/08	No change from previous measurements with no detectable methane and O2% volume at 20.9.
181278	Bounds	7/12/07	8/20/08	7/23/08, 8/6/08, and 8/20/08	No change from previous measurement with %LEL at 100; CH4% at 100, and O2%, CO and H2S at 0.
191079	Brian Dale (?)	8/15/07	8/21/08	8/21/08	No change from previous measurements with no detectable methane and O2% volume at 20.9.
192144	Snow	8/2/07	8/21/08	8/21/08	<ul style="list-style-type: none"> %LEL remained at >100 CH4 % vol increased from 1 to 5 O2 % vol decreased from 10.4 to 1.2 CO and H2S remained at 0
192203	Rankins	7/12/07	7/14/08	None	Not sampled during this period

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Permit Number	Name	Sampling Start Date	Last Sample	Samples Since Last Monthly Report	If sampled, comparison of results from this period to last period
193520X	McEntee	8/2/07	8/11/08	7/28/08 and 8/11/08	At wellhead no change from previous measurements with no detectable methane and O2% volume at 20.9. At east wellhead: <ul style="list-style-type: none"> • %LEL increased to >100 • CH4 % increased from 2.45 to 61 and then back to 33 • O2 % increased from 9.8 to 16.5 • CO and H2S remain at 0
193521	Ping	7/11/07	10/19/07	None	No longer sampled
196371	Lyon	8/15/07	8/21/08	8/21/08	No change from previous measurements with no detectable methane and O2% volume at 20.9.
197472	Williams/Bartlett	8/15/07	8/15/07	None	No longer sampled
205195	Johnson	8/15/07	8/11/08	7/28/08 and 8/11/08	<ul style="list-style-type: none"> • %LEL increased from 0 to 7 • CH4 % increased from 0 to 0.35 • O2 % decreased from 20.9 to 19.8 • No change to CO and H2S at 0 ppm Values at the cistern have remained unchanged 2 nd Well <ul style="list-style-type: none"> • %LEL decreased from 39 to 0 • CH4 % decreased from 1.95 to 0 • O2 % increased from 17 to 20.9 • CO and H2S remain at 0
210526	Bruington	8/7/07	8/21/08	7/30/08, 8/7/08, 8/14/08, and 8/21/08	<ul style="list-style-type: none"> • %LEL has not changed at >100 • CH4% has increased slightly from 97 to 98 • O2 % has increased slightly from 0 to 0.1 with a 2.8 reading on 8/7/08 • CO has increased from 16 to 20 ppm • H2S went from 5 to a low of 3.5 and in the most recent sample was 5.5 ppm Values at the cistern were unchanged at 0 for all except O2 which was 20.9.
215322	Petroglyph	7/6/07	9/24/07	None	Not sampled during this reporting period
216732	Petroglyph	7/11/07	9/24/07	None	Not sampled during this reporting period
	Petroglyph	2/13/08	2/13/08	None	Not sampled during this reporting period

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Permit Number	Name	Sampling Start Date	Last Sample	Samples Since Last Monthly Report	If sampled, comparison of results from this period to last period
215706	Brice	7/12/07	8/11/08	7/28/08 and 8/11/08	No change from previous measurements with no detectable methane and O2% volume at 20.9
219376	White	8/2/07	8/21/08	7/29/08 and 8/21/08	<ul style="list-style-type: none"> • %LEL increased from 0 to 5 • CH4 % increased from 0 to 0.25 • O2 % increased from 16 to 18.8 • CO and H2S remained at 0
221465	Evenden	8/2/07	8/21/08	8/21/08	No change from previous measurements with no detectable methane and O2% volume at 20.9.
222294	Cramer	8/3/07	8/21/08	7/29/08 and 8/21/08	No change from previous measurements for %LEL, CH4%, CO and H2S with no detectable methane. O2% volume has decreased from 20.9 to 18.7.
222539	Lively	7/6/07	8/11/08	7/28/08 and 8/11/08	No change from previous measurements with no detectable methane and O2% volume at 20.9
235292	Kerman/Hanson	7/6/07	8/12/08	7/28/08 and 8/12/08	<ul style="list-style-type: none"> • %LEL decreased from 5 to 0; • CH4 % decreased from 0.25 to 0 • O2% increased from 16.9 to 20.9 • CO and H2S remain at 0 Well vent not measured. No change at the cistern with all values at 0 except O2% which is 20.9.
235516	Colorado Switzer	7/12/07	8/11/08	7/28/08 and 8/11/08	No change from previous measurements with no detectable methane and O2% volume at 20.9
236272	Houghtling	7/6/07	8/11/08	7/28/08 and 8/11/08	<ul style="list-style-type: none"> • % LEL remains unchanged at >100 • CH4 % volume has decreased slightly from 94 to 89 • O2% volume increased slightly from 0.2 to 4.9 • H2S and CO remain unchanged at 0 ppm No change at cistern
238209	Salazar	8/15/07	8/11/08	7/28/08 and 8/11/08	No change from previous measurements with no detectable methane and O2% volume at 20.9. Note that well owner has requested that his well no longer be sampled.
238689	Angely	7/5/07	8/20/08	7/23/08, 8/6/08 and 8/20/08	No change from previous measurements with no detectable methane and all measurements at 0 during the reporting period except for O2% which was at 20.9.

Table 1 Water Well Measurements for the Period of May 15 to June 15, 2008					
Permit Number	Name	Sampling Start Date	Last Sample	Samples Since Last Monthly Report	If sampled, comparison of results from this period to last period
239657	Smith	7/5/07	8/11/08	7/28/08 and 8/11/08	At Wellhead: No change from last measurements. All values at 0 except O2% which is at 20.9. At Well Vent: <ul style="list-style-type: none"> • % LEL increased from 0 to >100 • CH4 % increased from 0 to 44 • O2% volume decreased from 20.9 to 12.1 • H2S and CO remain at 0 ppm The cistern showed unchanged values except that H2s decreased from 2 ppm to 0.
240947	Wolahan	7/12/07	8/11/08	7/28/08 and 8/11/08	No change from previous measurements. O2 % went from 19.5 to 12 to 20.9. No detectable methane.
244403	Bergman	7/6/07	8/11/08	7/28/08 and 8/11/08	<ul style="list-style-type: none"> • % LEL remains unchanged at >100 • CH4 % volume has decreased from 154 to 44 • O2% volume has increased from 7.9 to 11.9 • H2S and CO remain unchanged at 0 ppm
246775	Sharp	9/9/07	8/12/08	7/30/08 and 8/12/08	No change from previous measurements with no detectable methane and O2% volume at 20.9
248680	Campbell	8/14/07	8/13/08	7/30/08 and 8/13/08	No change from previous measurements with no detectable methane and O2% volume at 20.9
248862	Meyer	8/14/07	8/13/08	7/30/08 and 8/13/08	<ul style="list-style-type: none"> • % LEL no change >100 • CH4 % volume has increased from 85 to 86 • O2% volume has increased from 1.2 to 2.72 • H2S and CO remain at 0 with slight sulfur odor noted
248983	Tobias	8/3/07	8/13/08	7/30/08 and 8/13/08	<ul style="list-style-type: none"> • % LEL remains at >100 • CH4 % volume has increased from 8 to 26 • O2 has decreased from 18.8 to 14.6 • No change for CO and H2S at 0
249181	Hentschel	9/9/07	8/12/08	7/30/08 and 8/12/08	No change from previous measurements with no detectable methane and O2% volume at 20.9
249362	Andexler	9/9/07	9/9/07	None	No longer sampled (at landowner request)
250369	Martin	7/12/07	8/11/08	7/28/08 and 8/11/08	No change from previous measurements with no detectable methane and O2% volume at 20.9

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Water Well Measurements for the Period of May 15 to June 15, 2008					
Permit Number	Name	Sampling Start Date	Last Sample	Samples Since Last Monthly Report	If sampled, comparison of results from this period to last period
252931	Derowitsch	7/6/07	8/11/08	7/28/08 and 8/11/08 6/18/08, 7/02/08 and 7/14/08	No change from previous measurements at wellhead. The last measurement at well vent showed a decrease in %LEL from 16 to 11, a decrease in CH4% from 0.8 to 0.55, with no change to other measured parameters. The cistern showed a slight decrease in %LEL in final measurement of the period from 6 to 5; an increase in H2S from 8.5 to 10.5 ppm; a slight change in CH4% from 0.3 to 0.25 and a slight decrease in O2% from 20.9 to 20.6.
253317	Gonzalez	7/12/07	8/11/08	7/28/08 and 8/11/08	No change from previous measurements with no detectable methane and O2% volume at 20.9
254577	Ryerson	9/9/07	8/12/08	7/30/08 and 8/12/08	No change from previous measurements with no detectable methane and O2% volume at 20.9
255929	Conley	7/11/07	8/11/08	7/28/08 and 8/11/08	No change from previous measurements with no detectable methane and O2% volume at 20.9
256504	Hopke	7/5/07	8/11/08	7/28/08 and 8/11/08	At wellhead: <ul style="list-style-type: none"> • No change in % LEL at >100 • CH4 % volume has decreased from 45 to 43 • O2% volume has increased from 10.5 to 12.2 • H2S and CO remain at 0 No change at cistern with no detectable methane and O2% volume at 20.9
257113	Masters	7/6/07	8/11/08	7/28/08 and 8/11/08	No change from previous measurements with no detectable methane and O2% volume at 20.9
257994	Barrett	7/12/07	8/11/08	7/28/08 and 8/11/08	<ul style="list-style-type: none"> • % LEL remains at >100 • CH4 % volume decreased from 22 to 15 • O2% volume has increased from 16 to 17.4 • CO and H2S remain at 0
259122	Higgins	9/26/07	8/13/08	7/28/08 and 8/13/08	No change from previous measurements with no detectable methane and O2% volume at 20.9
260097	Dee	7/5/07	8/11/08	7/28/08 and 8/11/08	No change from previous measurements with no detectable methane and O2% volume at 20.9.
264581	Ireland	7/12/07	8/11/08	7/28/08 and 8/11/08	No change from previous measurements with no detectable methane and O2% volume at 20.9

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Permit Number	Name	Sampling Start Date	Last Sample	Samples Since Last Monthly Report	If sampled, comparison of results from this period to last period
267694	Coleman	7/5/07	8/11/08	7/28/08 and 8/11/08	No changes from previous measurements for wellhead with no detectable methane and O2% volume at 20.9. At well vent % LEL increased from 10 to 17 with a reading of 73 on 7/28/08; CH4% went from 0.5 to 3.65 to 0.85; and O2% went from 20.9 to 20.4 to 20.9. CO and H2S remain at 0.
267695	Speh	9/4/07	8/11/08	7/28/08 and 8/11/08	No change from previous measurements with no detectable methane and O2% volume at 20.9
269435	Goacher	7/11/07	8/12/08	7/28/08 and 8/12/08	No change from previous measurements with no detectable methane and O2% volume at 20.9
270552	Chaves	9/9/07	8/13/08	7/30/08 and 8/13/08	No change from previous measurements with no detectable methane and O2% at 20.9.
271136	May	7/12/07	8/11/08	7/28/08 and 8/11/08	No change from previous measurements with no detectable methane and O2% volume at 20.9
274468	Roloff	9/9/07	7/28/08	7/28/08	No change from previous measurements with no detectable methane and O2% volume at 20.9. H2S increased from 0 to 2.5 ppm. Reading attempted 8/12/08 but gate locked so no access
235515	English	8/16/07	7/28/08	7/28/08	No change at wellhead and cistern from previous measurements with no detectable methane and O2% volume at 20.9. Reading also attempted 8/11/08 but locked gate prevented access.
258815	Goodwin	7/12/07	8/11/08	7/28/08 and 8/11/08	At wellhead: <ul style="list-style-type: none"> • %LEL went from 0 to 12 to 5 • CH4% went from 0 to 0.6 to 0.3 • O2% went from 20.9 to 20.6 to 20.9 • CO and H2S remain at 0 No change at cistern from previous measurements with no detectable methane and O2% volume at 20.9
16861-F	Golden Cycle Land	7/12/07	8/11/08	7/28/08 and 8/11/08	No change from previous measurements with no detectable methane and O2% volume at 20.9
84108-A	McPherson	7/6/07	8/11/08	7/28/08 and 8/11/08	No change from previous measurements with no detectable methane and O2% volume at 20.9
16861-F ¹	Unknown	8/13/07	8/11/08	7/28/08 and 8/11/08	No change from previous measurements with no detectable methane and O2% volume at 20.9

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Permit Number	Name	Sampling Start Date	Last Sample	Samples Since Last Monthly Report	If sampled, comparison of results from this period to last period
	Andreatta	8/14/07	8/13/08	7/30/08 and 8/13/08	No change from previous measurements with no detectable methane and O2% volume at 20.9
	Anselmo	8/14/07	8/14/07	None	No longer sampled
	Dernell	8/15/07	8/21/08	7/28/08 and 8/21/08	No change from previous measurements with no detectable methane and O2% volume at 20.9
	Unknown	8/15/07	8/15/07	None	No longer sampled
	Lang	10/29/07	7/28/08	7/28/08	No change from previous measurements with no detectable methane and O2% volume at 20.9. Sampling attempted 8/11/08 but locked gate prevented access
220100	Cordova	10/30/07	8/14/08	7/28/08 and 8/14/08	<ul style="list-style-type: none"> • %LEL increased from 5 to 31 • CH4% increased from 0.25 to 1.55 • All other values remained unchanged
234836	White, Jim	1/4/08	8/12/08	7/29/08 and 8/12/08	<p>At wellhead</p> <ul style="list-style-type: none"> • % LEL increased from 0 to >100 • CH4 % volume increased from 0 to 5 • O2% volume decreased from 19.9 to 3.4 • CO increased from 0 to 11 • H2S decreased from 2.5 to 0 ppm <p>No change at cistern except H2S went from 2 to 0 ppm. At wellhead all readings were 0 except for O2% which is 20.9.</p>
192509	Eddleman, Paul	1/17/08	8/12/08	7/29/08 and 8/12/08	<p>At the wellhead:</p> <ul style="list-style-type: none"> • % LEL went from >100 to 0 and back to >100 in sampling • CH4 % volume went from 12 to 0 and then 12 in sampling • O2% volume went from 0.2 to 20.9 and back down to 2.7 • H2S remained at 0 with slight odor noted in last sample. • CO went from 16 to 0 and back up to 16 ppm <p>The cistern and well vent were not measured.</p>
226536	Eddleman, Todd	1/17/08	8/12/08	7/29/08 and 8/12/08	All values remained at 0 except for O2% which went from 20.9 to 18.7.

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31935	Garza-Vela	1/30/08	8/12/08	7/29/08 and 8/12/08	All values remain at 0 except for O2% which increased from 18.6 to 20.9 and CO which went from 2 to 0.
271524-A	Modlish	1/30/08	8/12/08	7/29/08 and 8/12/08	No change from previous measurements with no detectable methane and O2% volume at 20.9.
271748	Sample	3/10/08	8/12/08	7/29/08 and 8/12/08	<ul style="list-style-type: none"> • %LEL increased from 0 to 5 • CH4 % increased from 0 to 0.25 • CO and H2S remain at 0 • O2 % volume decreased from 20.9 to 16 No change at the cistern with all values at 0 except for O2% at 20.9.
197128	Roberts	4/08/08	8/12/08	7/29/08 and 8/12/08	<ul style="list-style-type: none"> • %LEL increased from 0 to >100 • CH4 % volume increased from 0 to 5 • O2 % decreased from 20.9 to 13.8 • CO remains at 0 • H2S increased from 0 to 5 No measurement at well vent.
258651	Gonzalez	5/22/08	8/13/08	7/30/08	At wellhead: <ul style="list-style-type: none"> • %LEL increased from 0 to >100 • CH4 % volume increased from 0 to 47 • O2 % decreased from 20.9 to 11.4 • CO and H2S remain at 0 NO measurement at well vent and cistern showed no change with all values at 0 except for O2% which is 20.9.
	Moore	7/25/08	7/25/08	7/25/08	First well hissing with slight odor of sulfur. All values at both first and second well are 0 with no detectable methane, except for O2% at 20.9
246350	Gumpert	7/29/08	8/5/08	7/29/08 and 8/5/08	Strong sulfur odor. %LEL, CH4% and CO at 0; O2% at 20.9 and 2ppm H2S.
268180	Billstrand	8/12/08	8/12/08	8/12/08	At wellhead no detectable methane with all values at 0 except O2% at 20.9. At cistern no detectable methane with O2% at 20.9 and 2 ppm H2S.
213070	Stephens	8/12/08	8/12/08	8/12/08	No detectable methane with all values at 0 except O2% at 20.9.

Table 1					
Water Well Measurements for the Period of May 15 to June 15, 2008					
Permit Number	Name	Sampling Start Date	Last Sample	Samples Since Last Monthly Report	If sampled, comparison of results from this period to last period
190327	Palmer	8/12/08	8/12/08	8/12/08	%LEL and CH4% at 0; H2S at 1.5 ppm; CO at 34 ppm; O2% at 19.9.
196372	Geiselbrecht	8/12/08	8/12/08	8/12/08	No detectable methane with all values at 0 except O2% at 20.9.
234839	Waltz	8/12/08	8/12/08	8/12/08	No detectable methane with all values at 0 except O2% at 20.9. Owner does not want to be part of methane survey so this well will not continue to be sampled.

**Table 2
Methane Readings Schedule**

<u>Landowner</u>	<u>Subdivision</u>	<u>Water Level</u>	<u>Cistern</u>	<u>Bi-Weekly</u>	<u>Monthly</u>	<u>Quarterly</u>
Kathy Dee	River Ridge			X		
Wolahan	River Ridge		X	X		
Gonzalez	River Ridge			X		
Martin	River Ridge			X		
McPherson	River Ridge			X		
Rohr	River Ridge					X
Houghtling	River Ridge		X	X		
Kent Smith	River Ridge		X	X		
Bergman	River Ridge			X		
Lively	River Ridge			X		
Kerman	River Ridge		X	X		
Speh	River Ridge			X		
Lang	River Ridge		X	X		
Conley	River Ridge			X		
Searle	River Ridge			X		
Roloff	River Ridge			X		
Goacher	River Ridge			X		
Colorado-Switzer	River Ridge			X		
Bobby English	River Ridge		X	X		
May	River Ridge			X		
Brice	River Ridge			X		
Richard Goodwin	River Ridge		X	X		
Ireland	River Ridge			X		
Golden Cycle Land (Goemmer)	River Ridge			X		

Table 2 Methane Readings Schedule						
Landowner	Subdivision	Water Level	Cistern	Bi-Weekly	Monthly	Quarterly
Burge	River Ridge			X		
Barrett	River Ridge			X		
Bruce Hopke	River Ridge		X	X		
Unknown (Masters)	River Ridge			X		
Masters	River Ridge			X		
Coleman	River Ridge			X		
Sharp	River Ridge		X	X		
Ryerson	River Ridge			X		
Meyers	River Ridge			X		
Chaves	River Ridge			X		
Hentschel	River Ridge			X		
Rankins	River Ridge					X
Lowry	River Ridge					X
Goemmer Cattle	River Ridge					X
T. Gonzalez	Bear Creek		X	X		
Michael Hurley	Bear Creek	X	X	X		
Tobias	Bear Creek			X		
Higgins	Bear Creek	X		X		
Andreatta	Bear Creek			X		
Carsella	Bear Creek			X		
Willis	Bear Creek			X		
Janet Campbell	River Ridge			X		
Dale	City Ranch				X	
McEntee	City Ranch			X		
Johnson	City Ranch		X	X		
Cordova	City Ranch		X	X		

Table 2 Methane Readings Schedule						
Landowner	Subdivision	Water Level	Cistern	Bi-Weekly	Monthly	Quarterly
Dernell	City Ranch				X	
Salazar	City Ranch				X	
Schaefer	City Ranch				X	
Bruington	WEEKLY					
Orlie White	Silver Spurs	X			X	
Evenden	Silver Spurs				X	
Roberts	Silver Spurs		X?	X		
Snow	Silver Spurs	X			X	
Cramer	Silver Spurs	X	X		X	
Lyon	Silver Spurs				X	
Jim White	Silver Spurs		X	X		
Garza-Vela	Silver Spurs		X	X		
Modlish	Silver Spurs			X		
Todd Eddleman	Silver Spurs			X		
Paul Eddleman	Silver Spurs			X		
Mitch Sample	Silver Spurs		X	X		
Gumpert	Silver Spurs			X		
Scott Billstrand	Silver Spurs			X		
Lawrence Waltz	Silver Spurs			X		
Stephens	Silver Spurs			X		
Palmer (G/S)	Silver Spurs			X		
Geiselbrecht	Silver Spurs			X		

Campbell, Palmer, Geiselbrecht, Stephens & Billstrand - Will Start Bi-Weekly and then change to Monthly.

Waltz has been removed at request of homeowner.

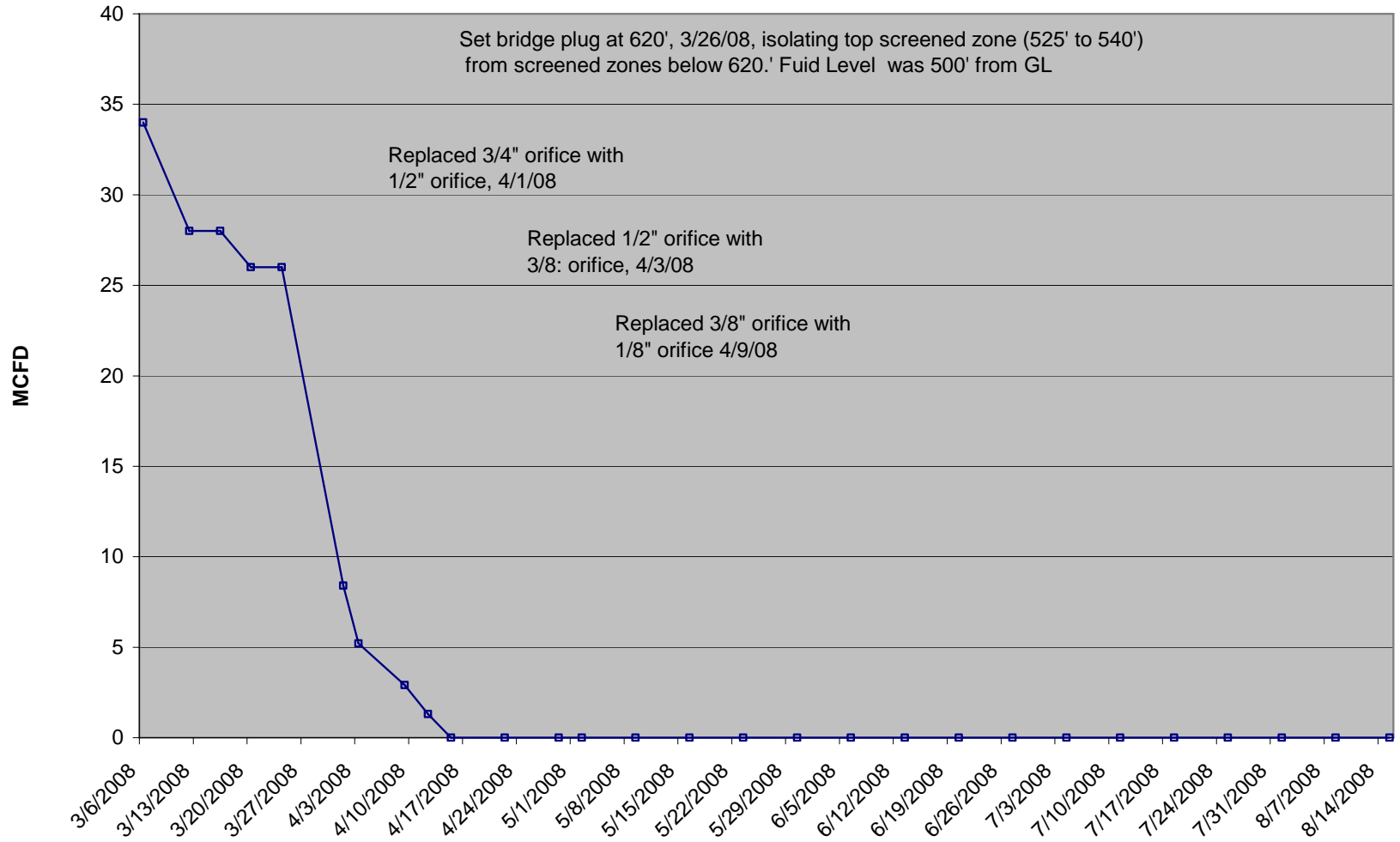
Rohr will be checked Quarterly with Rankin, Lowry, and Goemmer Cattle.

Table 3
Residences Receiving Water

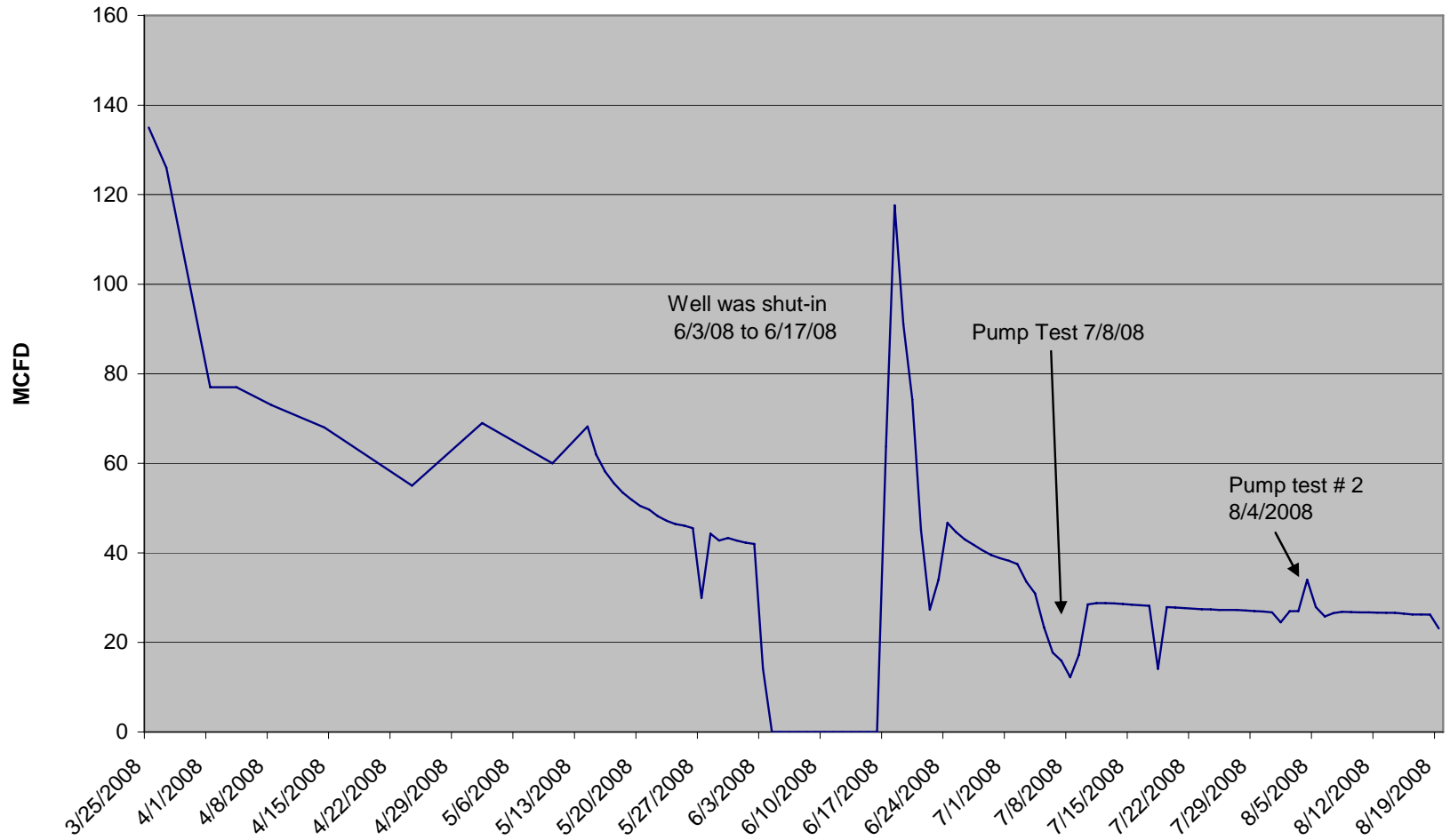
Jerry Angely	Has received water provided by PEI in the past but his well is currently working now
Kent Smith	Has received water provided by PEI
Alan Cramer	Has received water provided by PEI
Tom Gonzales	Has received water provided by PEI
Spencer/Carol Snow	Has received water provided by PEI
Bruington	Has received water provided by PEI
Todd Eddleman	Has received water provided by PEI
Paul Eddleman	Has received water provided by PEI
Jim White	Has received water provided by PEI
Edward Lyon	New to list as of 3/12/08
Donald Sharp	New to list as of 3/14/08
Edward Johnson	New to list as of 6/6/08
Richard McEntee	New to list as of 7/08/08
P.C. Roberts	New to list as of 8/8/08
Ireland-Murphy	New to list as of 8/18/08

Attachment 1
Gas Flow in Monitoring Well POCI 55, Recovery 1 Kittleson,
Recovery 3 PEI and Recovery 4 Barrett

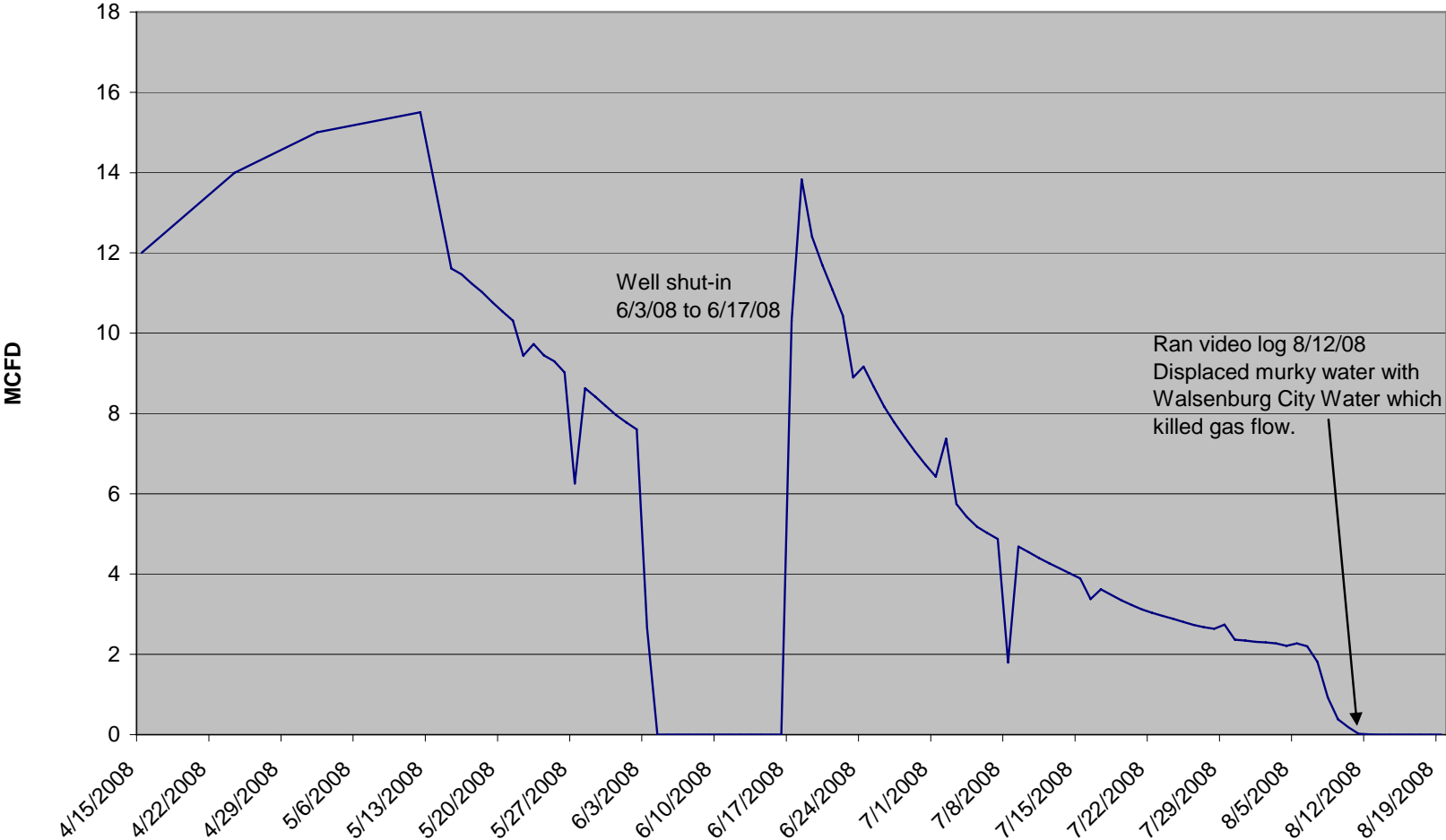
POCI 55 MW Gas Flow from 3/6/08 to 8/15/08



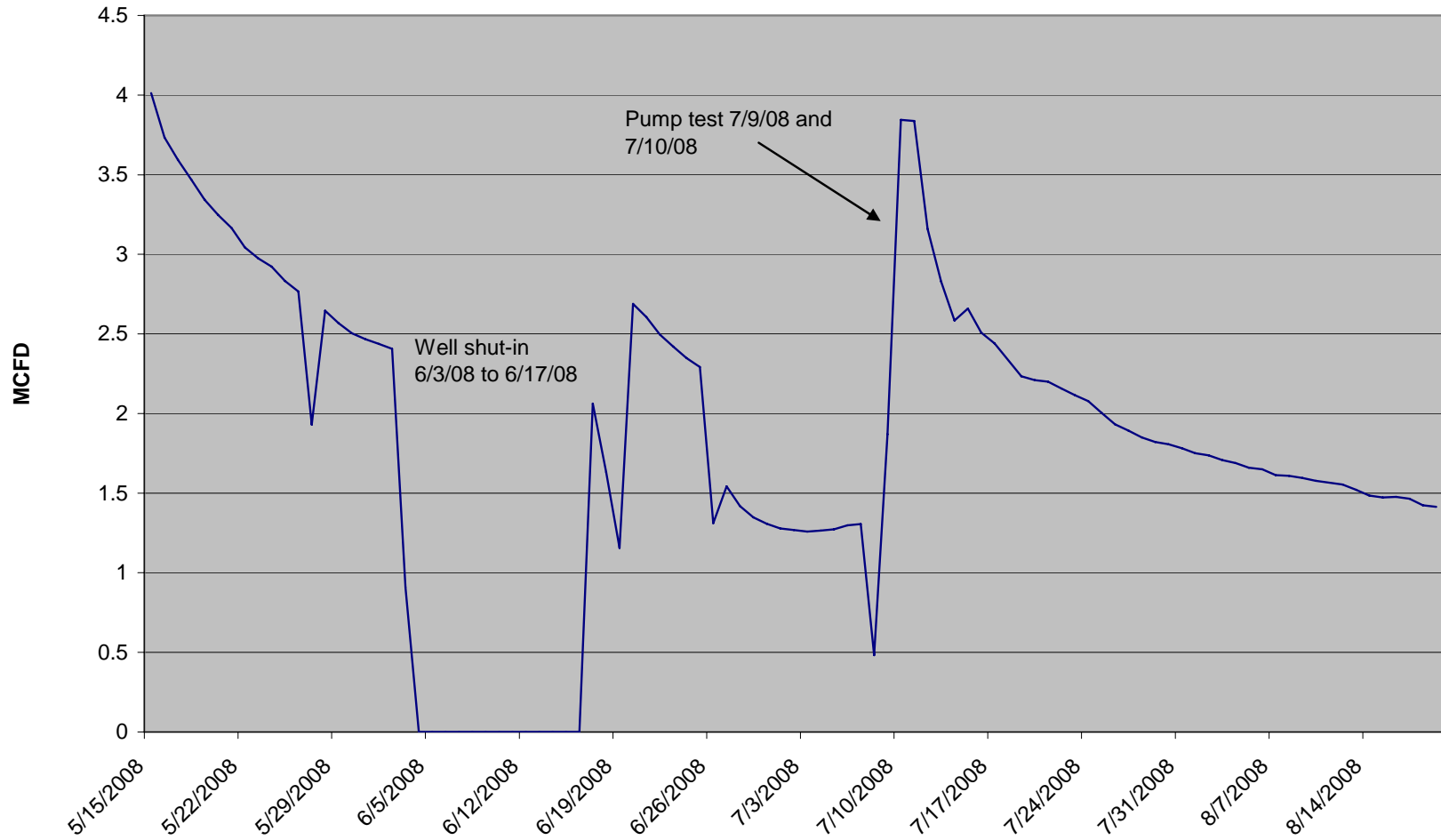
**Recovery 1 Kittleson Gas Flow
from 3/25/08 to 8/19/08**



**Recovery 3 PEI Gas Flow
from 4/15/08 to 8/19/08**



**Recovery 4 Barrett Gas Flow
from 5/15/08 to 8/19/08**



Attachment 2
Graphs of Pressure and Fluid Level Data From
POCI 55, Barrett, Bergman, Coleman, and Meyer

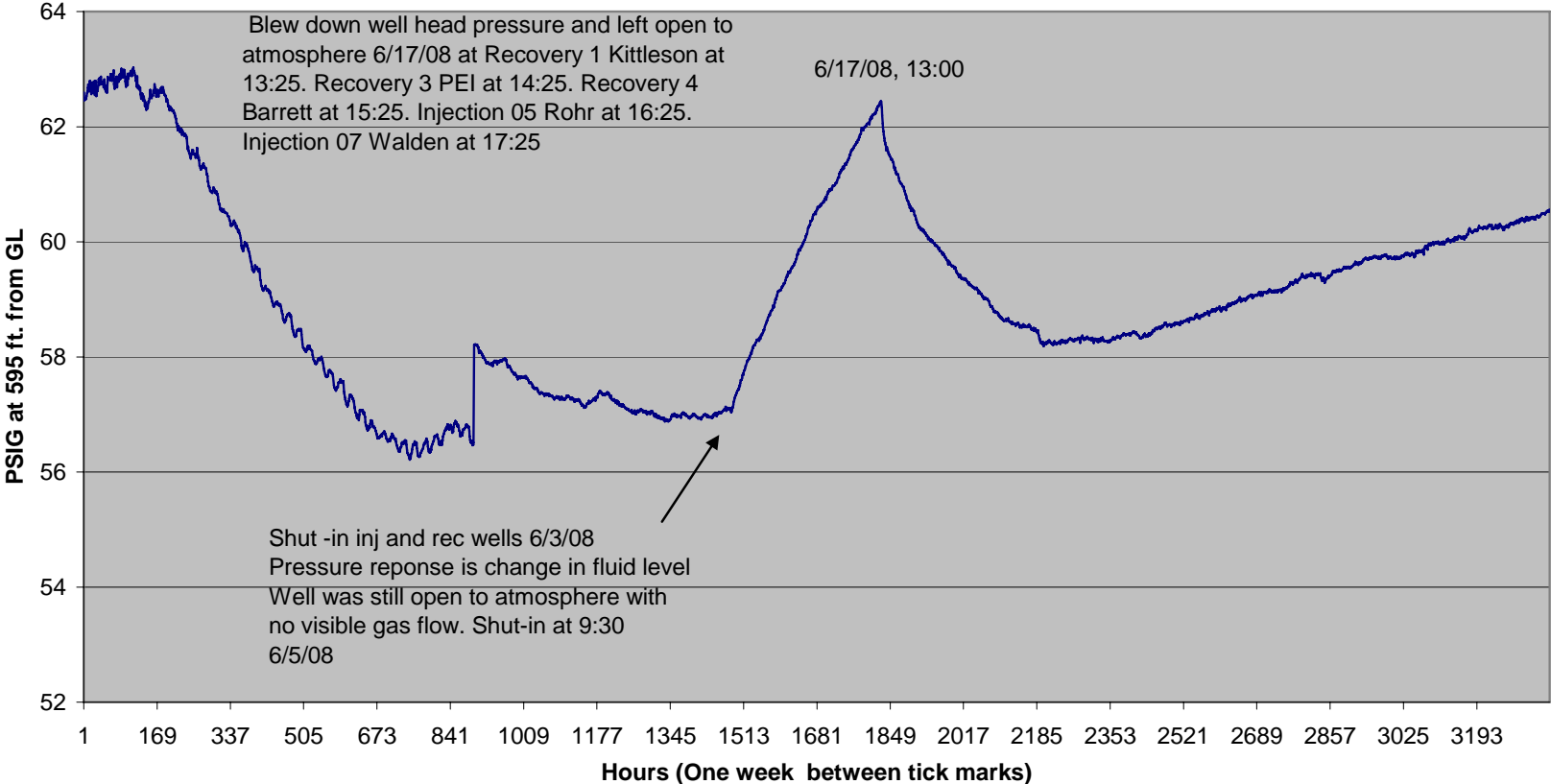
POCI 55 Monitor Well from 4/2/08 to 8/20/08

Permit # 275819

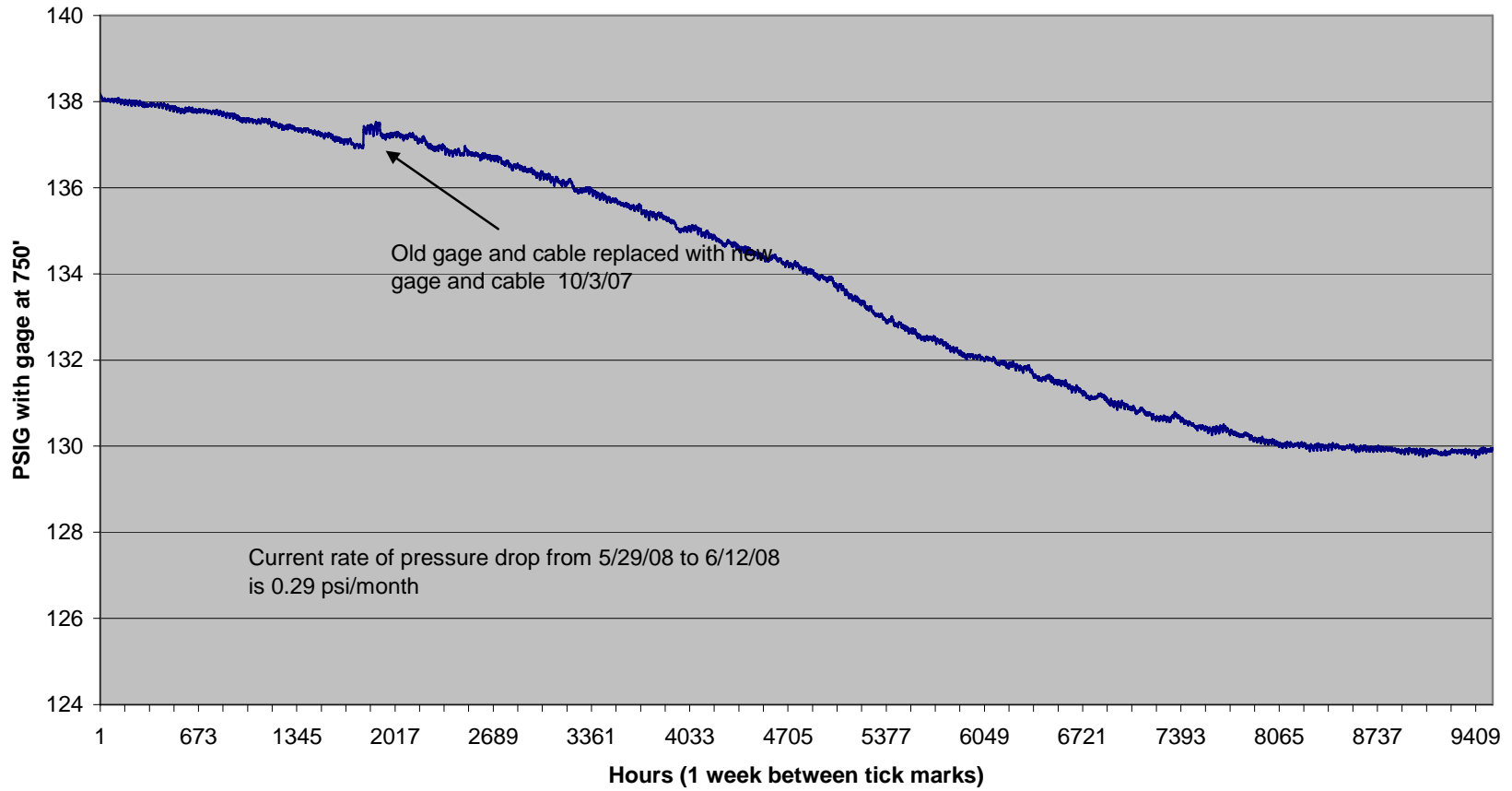
Lot 55 RRR

SE SW Sec 3 29S 67W

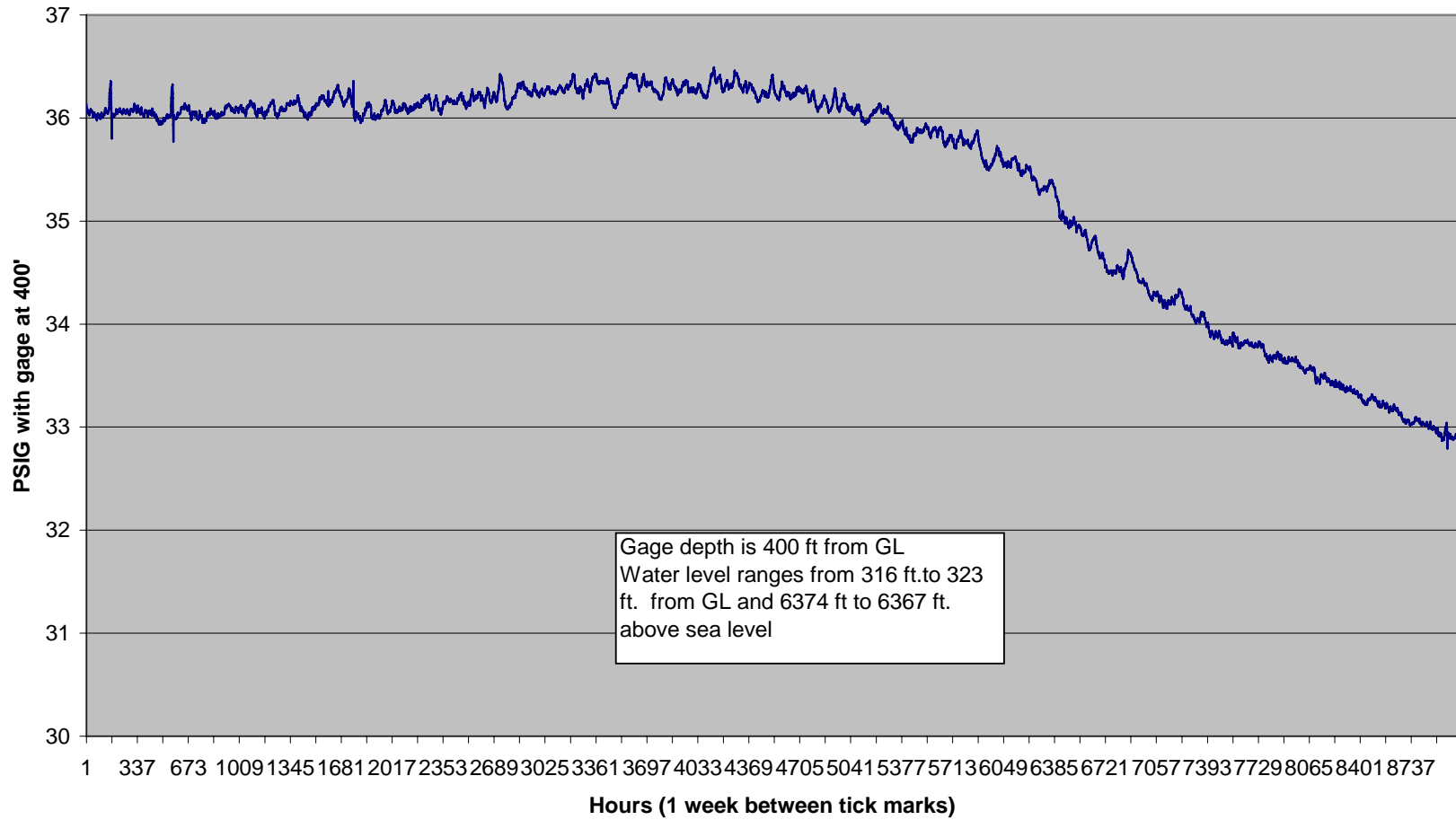
GL elev. 6690'



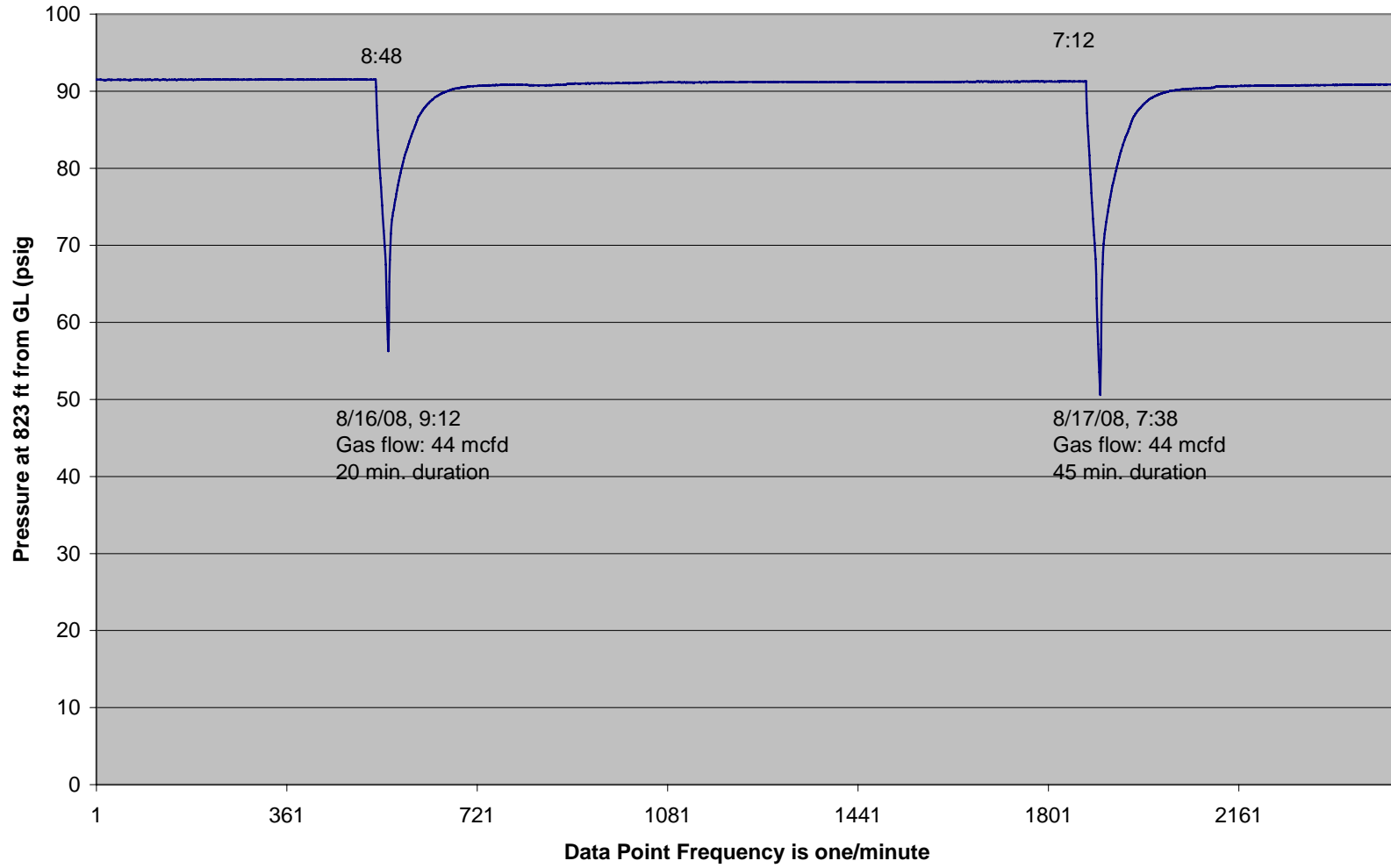
Barrett WW from 7/20/07 to 8/20/08
Permit # 257994
Lot 57 RRR
NW, SE Sec 3, T29S R67W
G.L. elev. 6707'



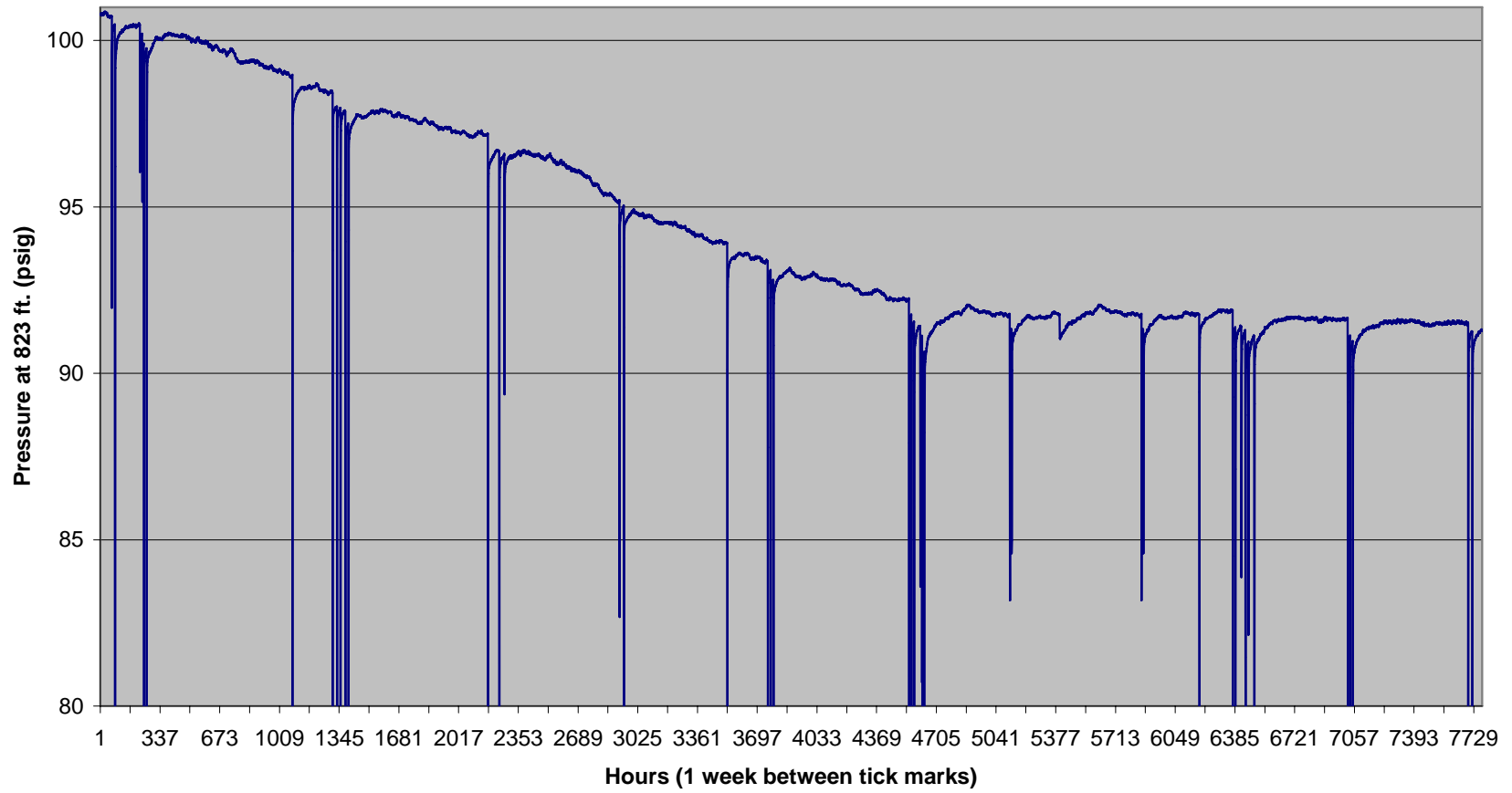
Bergman WW pressure data from 8/9/07 to 8/20/08
Permit # 24403, SW NW Sec 3 29S 67W
Lot 48 RRR



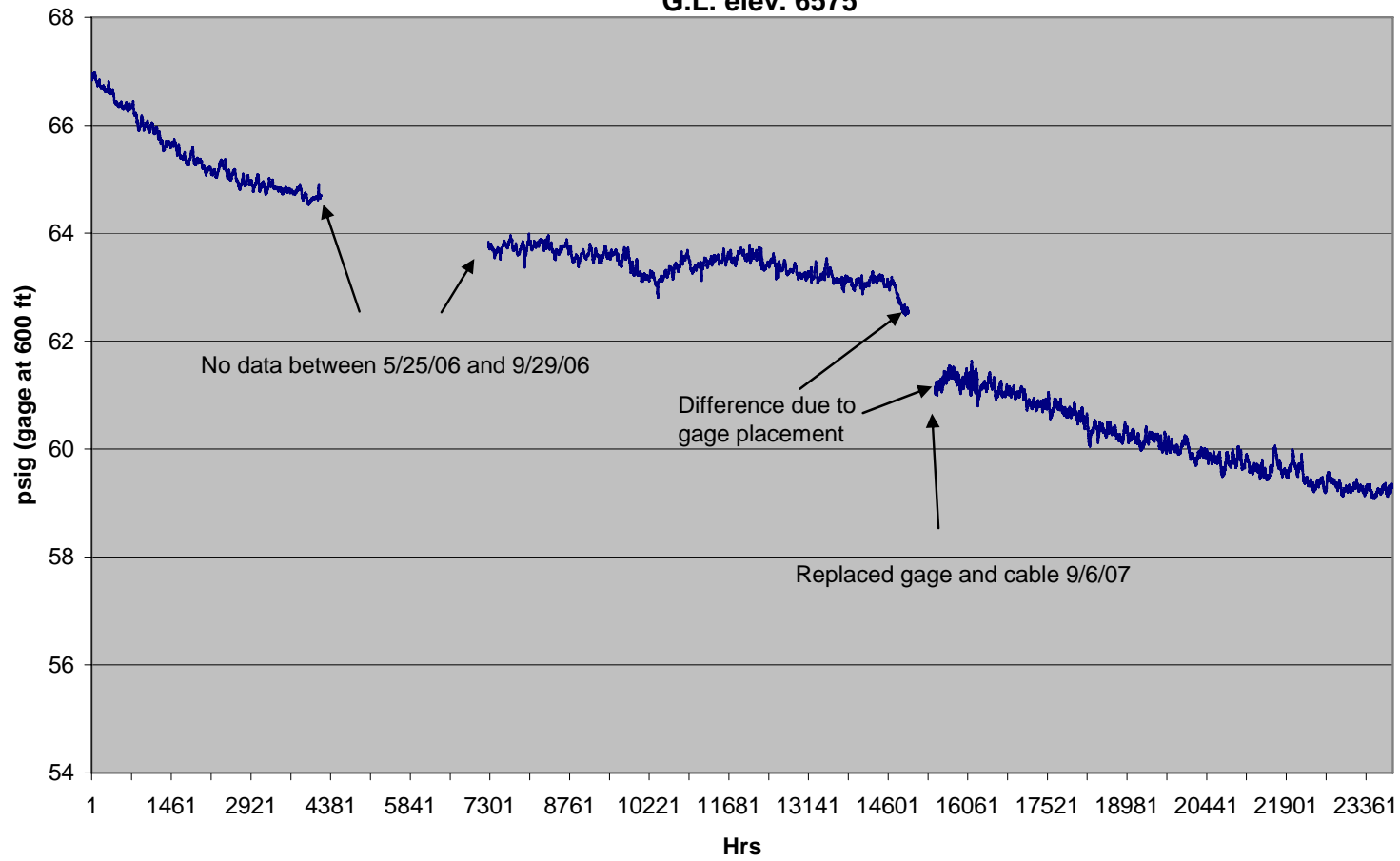
Coleman WW (GL elev. 6848') Pressure Data from 8/15/08 to 8/17/08



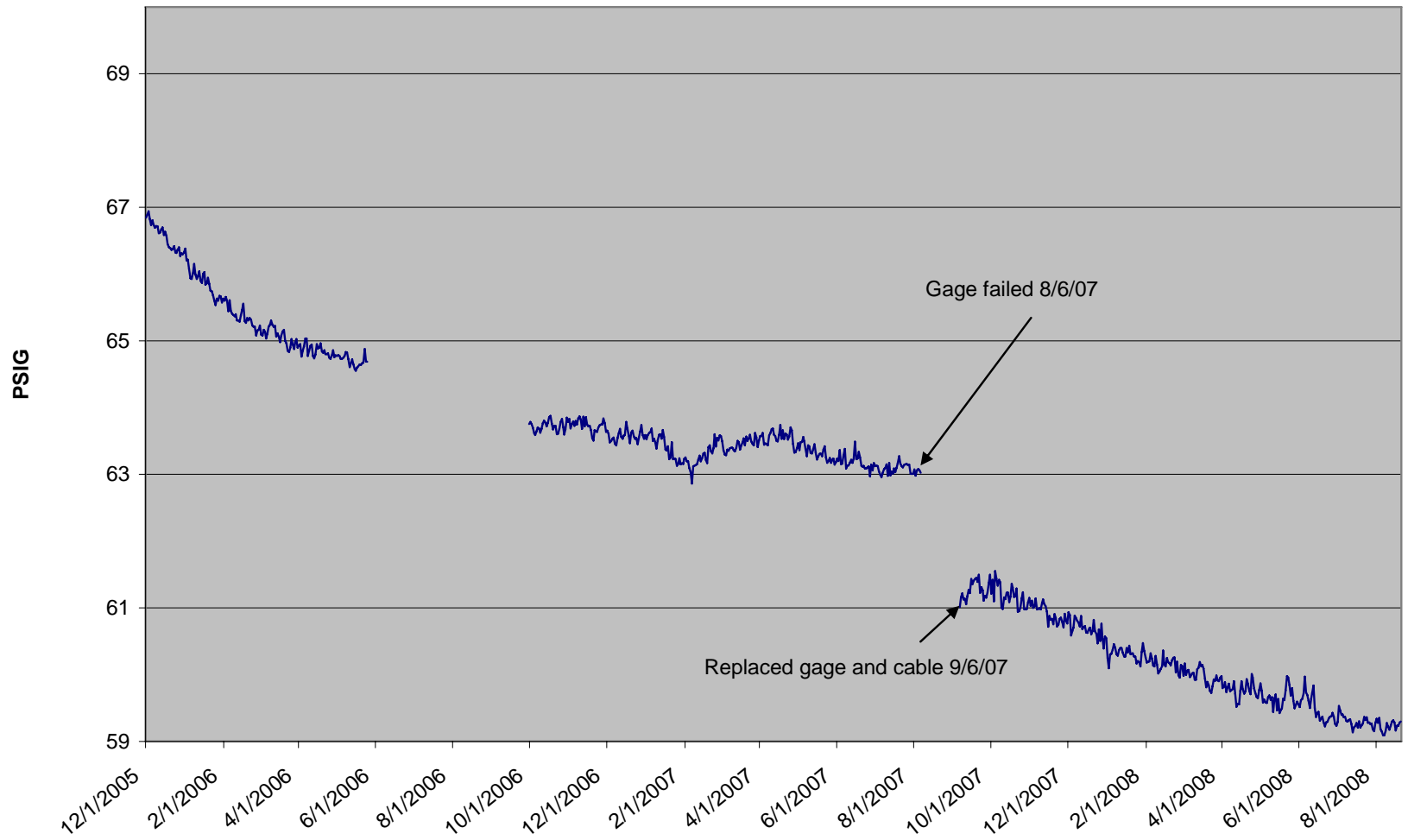
Coleman WW Pressure Data from 10/31/07 to 8/19/08
Permit # 267964 NE SW Sec 10 29S 67W
Lot 70 RRR
G.L. elev. 6848'



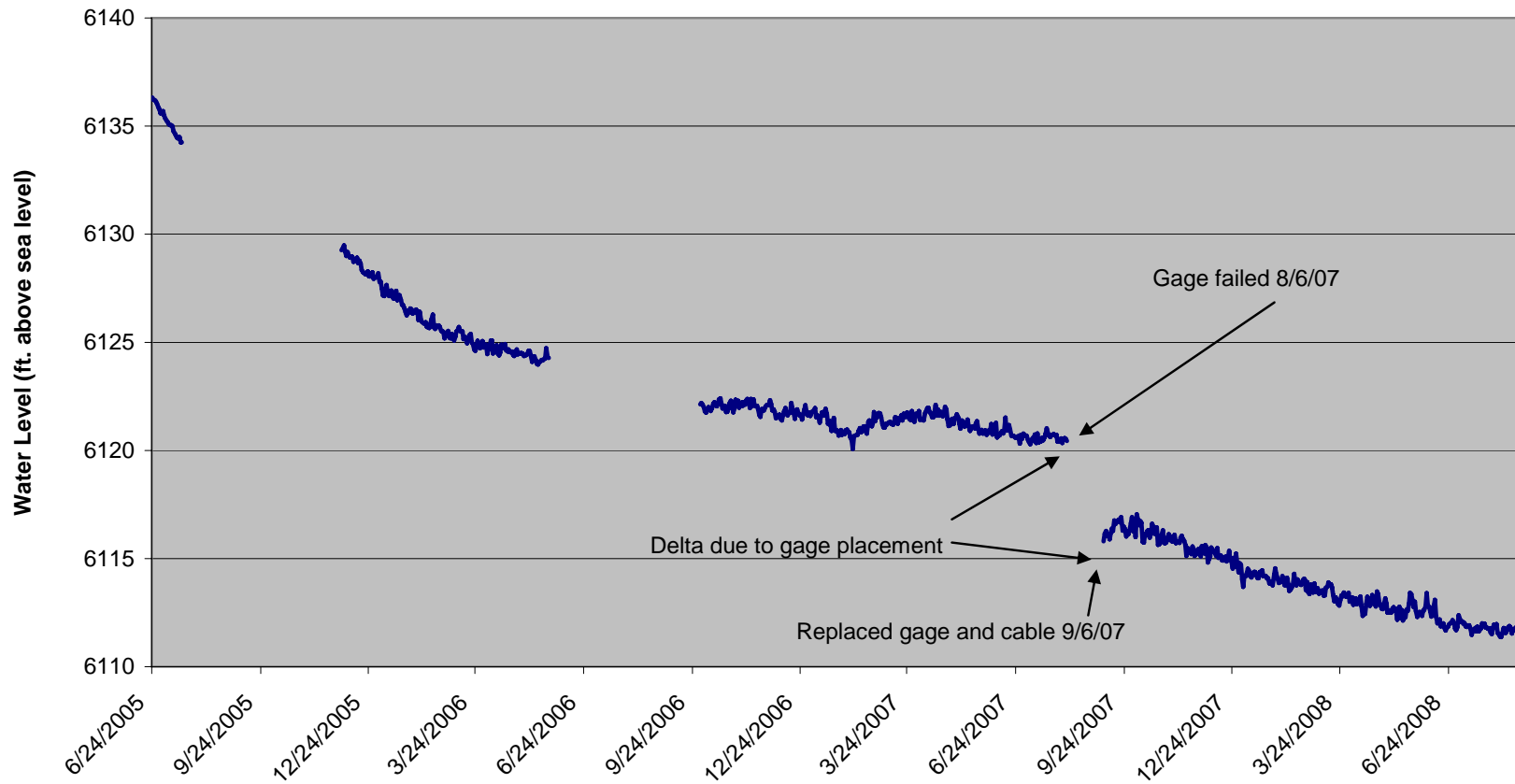
Meyers WW 11/30/05 to 8/20/08
Permit # 248862
Lot 120 RRR
SW, NE Sec 30 T28S R66W
G.L. elev. 6575'



Meyers WW BHP from 12/1/05 to 8/20/08

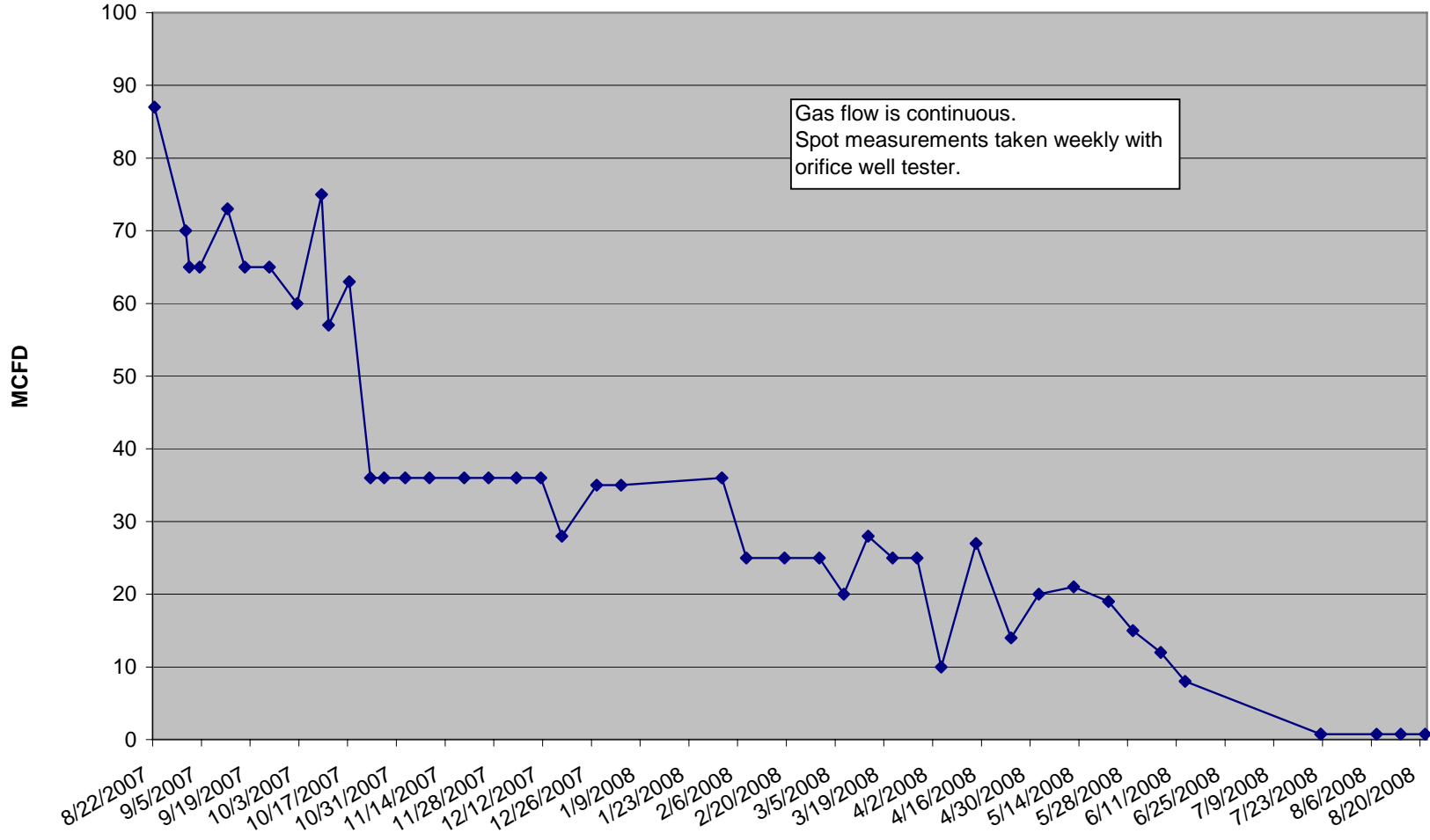


Meyer WW Water Level from 6/24/05 to 8/20/08
Permit # 248862
Lot 120 RRR
SW, NE Sec 30 T28S R66W

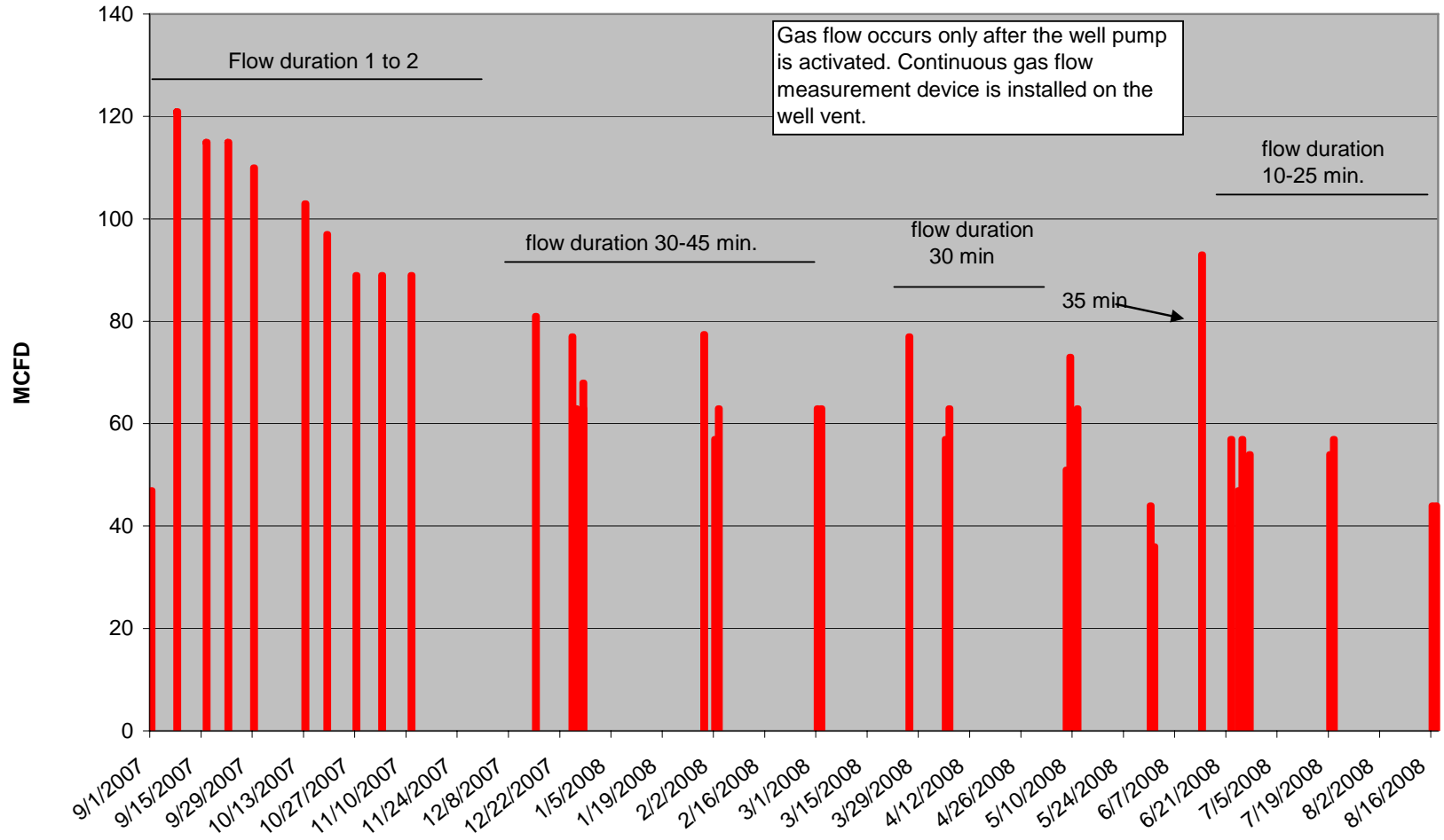


Attachment 3
Gas Flow Measurements at Bruington, Coleman, Angely, Bounds, and Smith

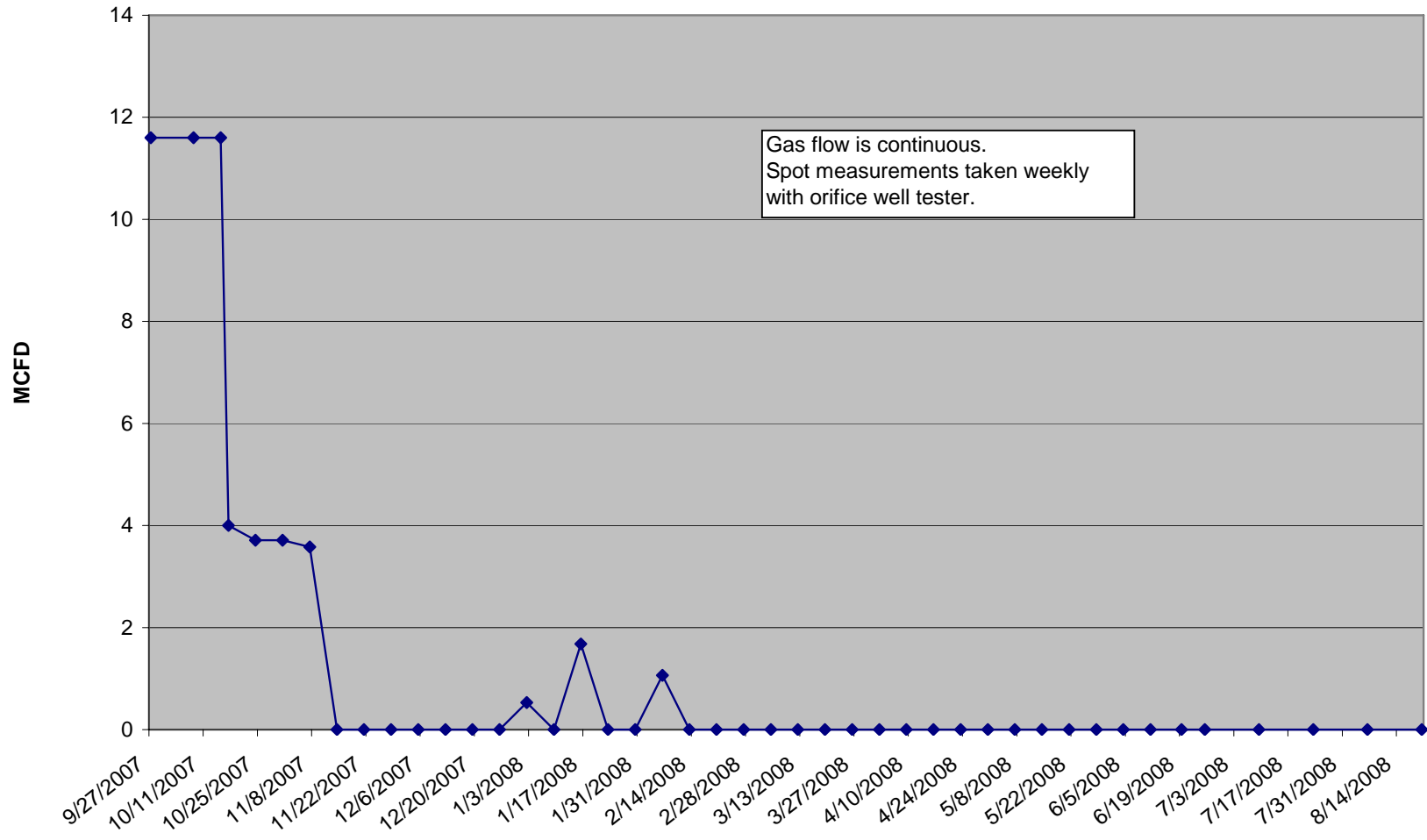
**Bruington WW # 210526 Measured Gas Flow
from 8/22/07 to 8/21/08**



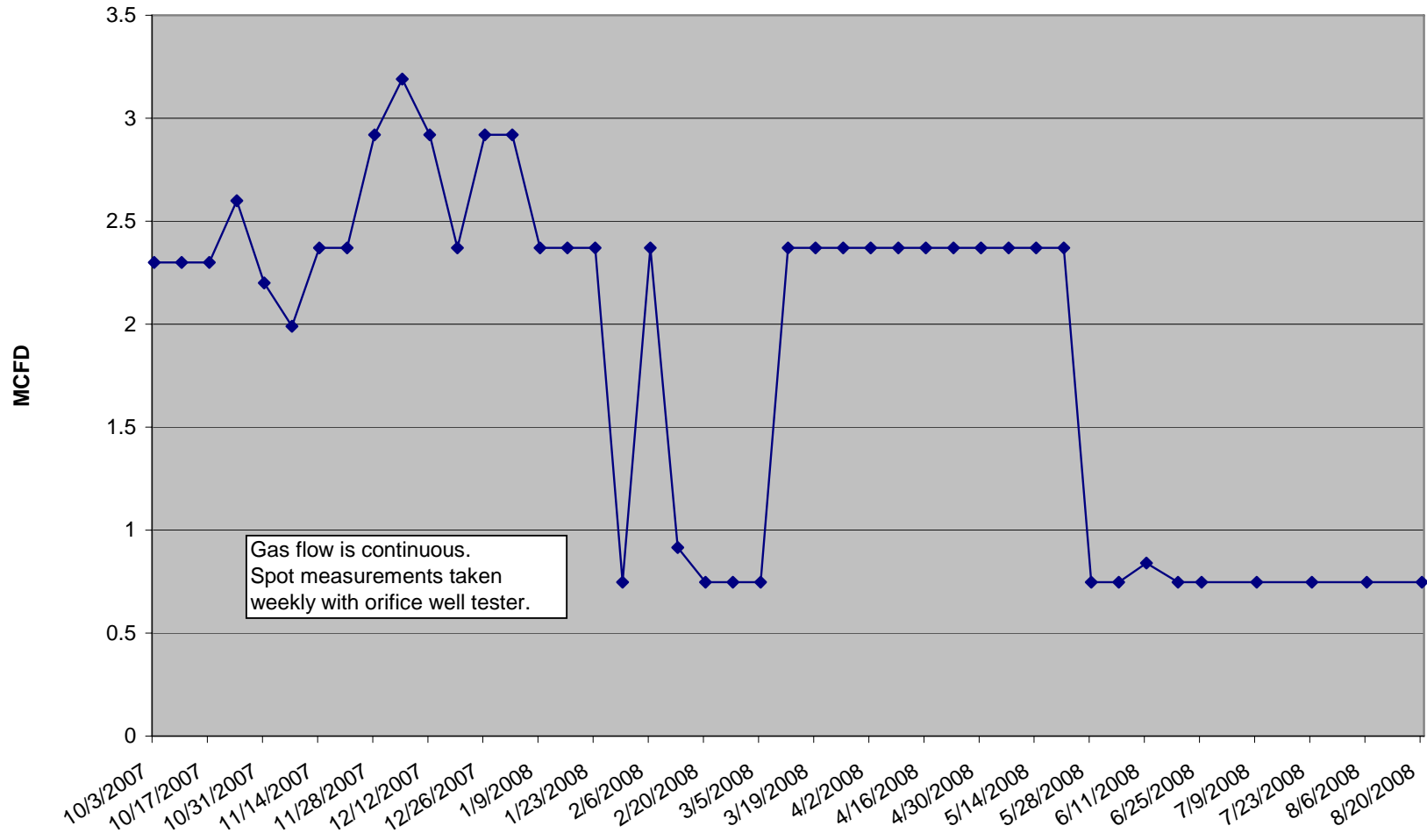
**Coleman WW #267294 Measured Gas Flow
from 9/1/07 to 8/17/08**



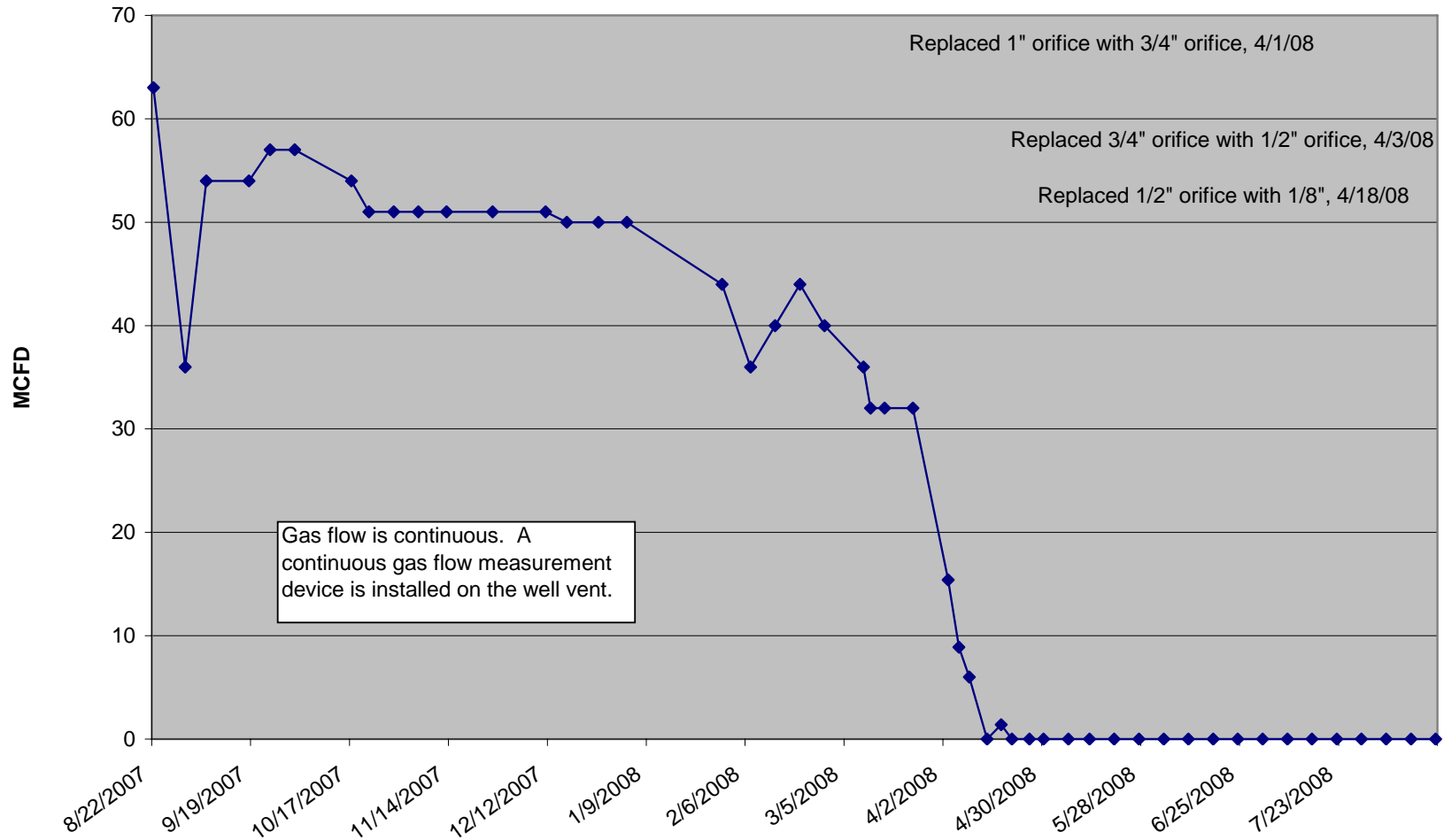
**Angely WW # 238689 Measured Gas Flow
from 9/27/07 to 8/20/08**



**Bounds WW #181278 Measured Gas Flow
from 10/3/07 to 8/20/08**

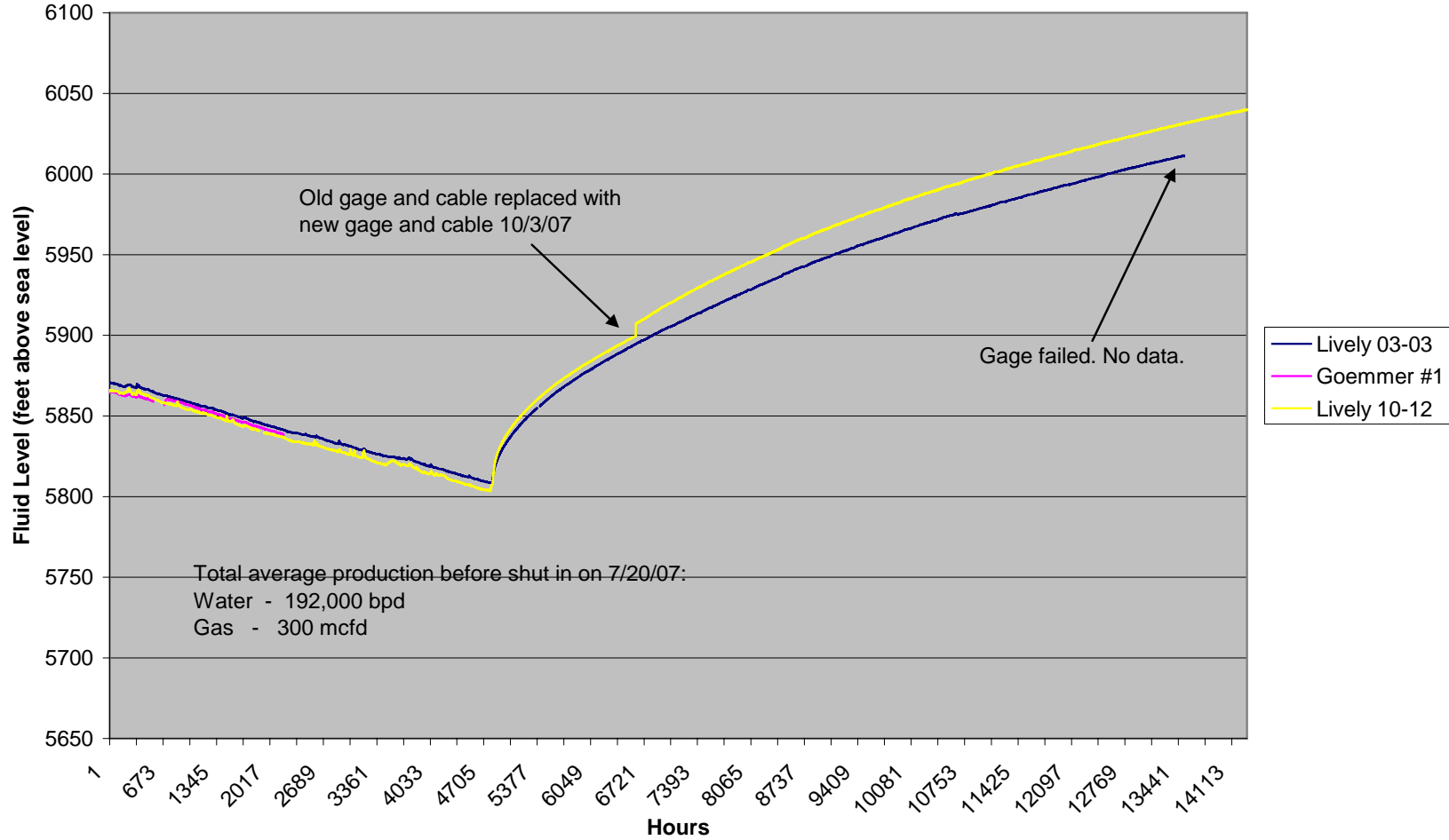


Smith WW # 239657 Measured Gas Flow
from 8/22/07 to 8/19/08

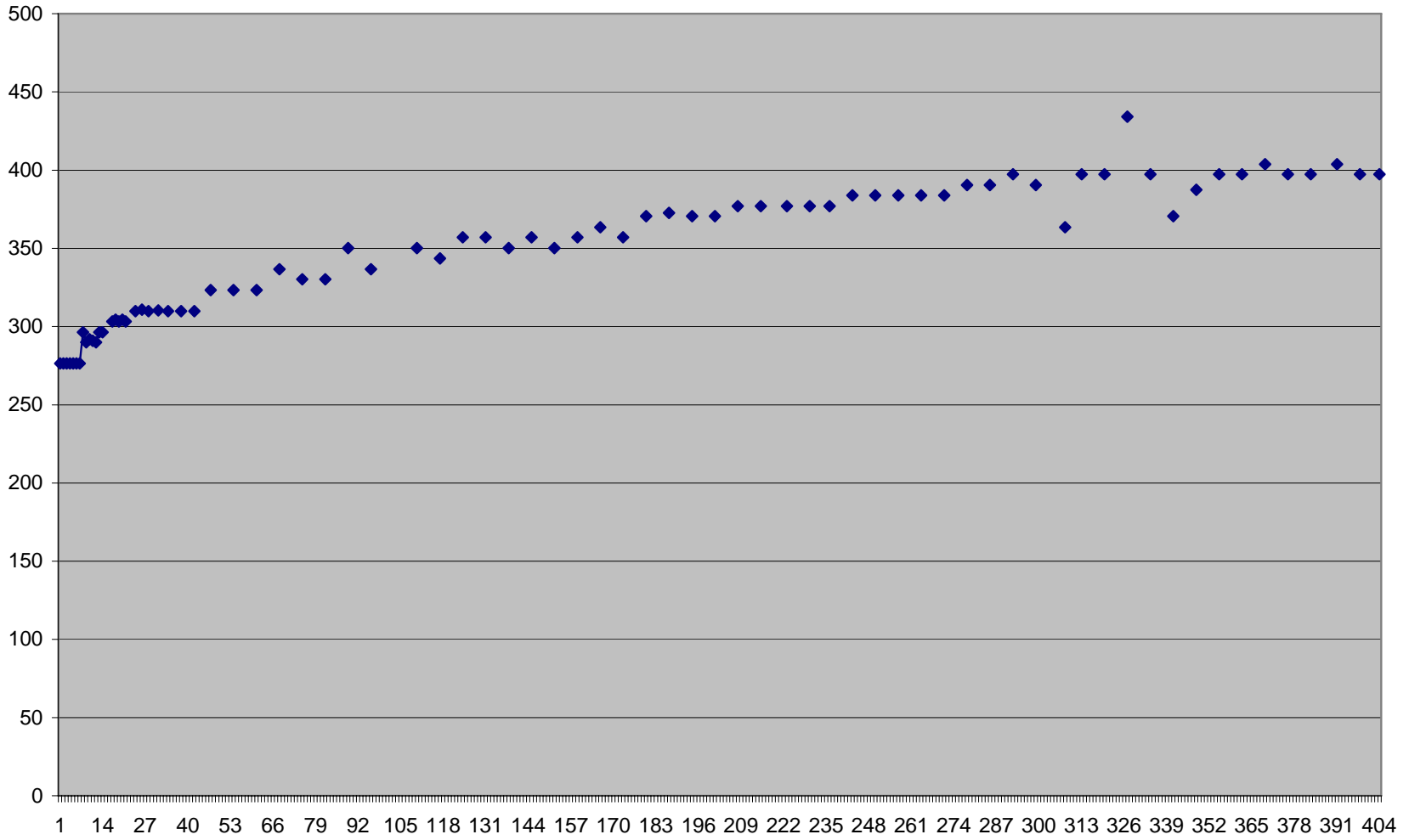


Attachment 4
Fluid Levels in Petroglyph Production Wells

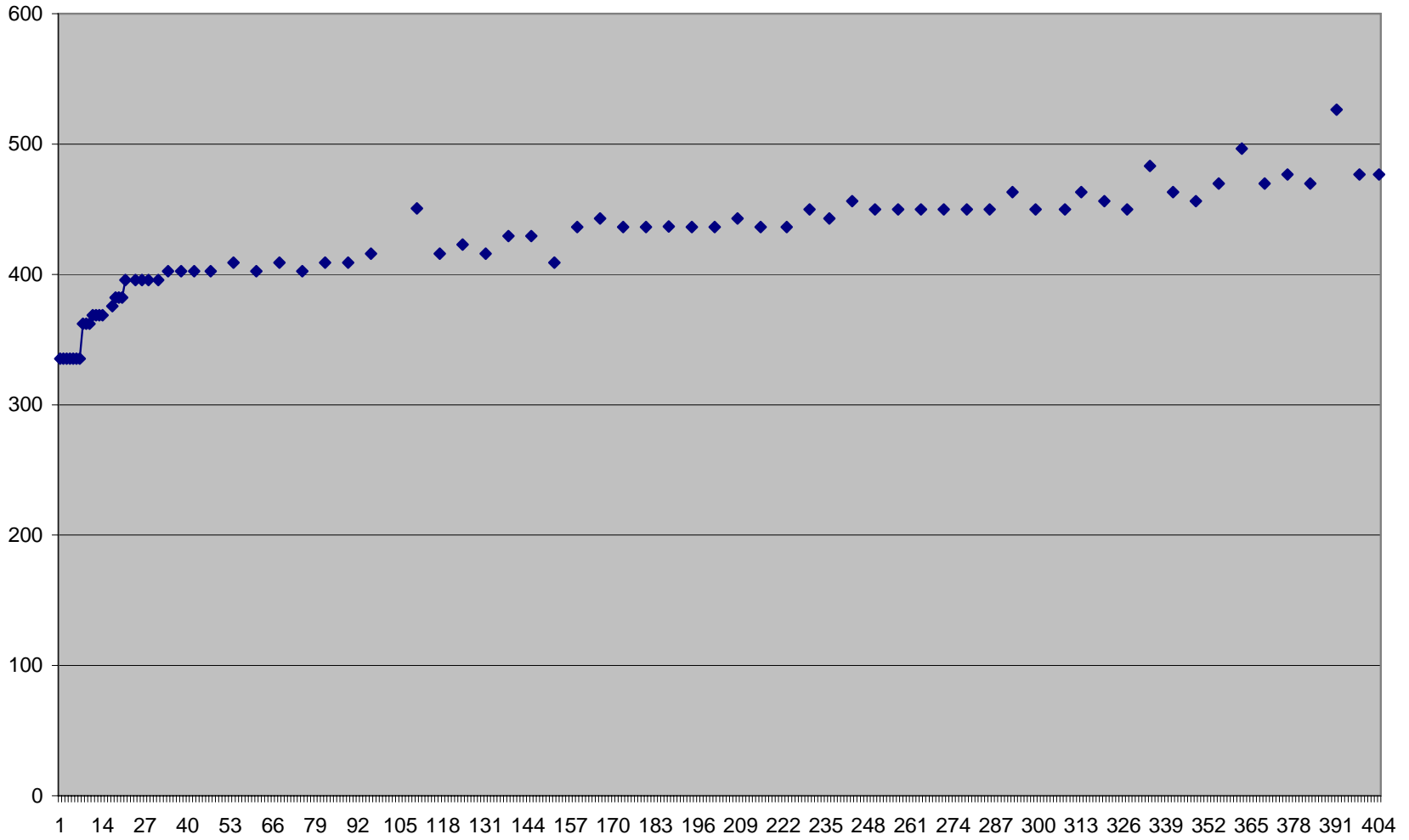
Monitor Well Fluid Levels PBU
from 1/1/07 to 8/20/08



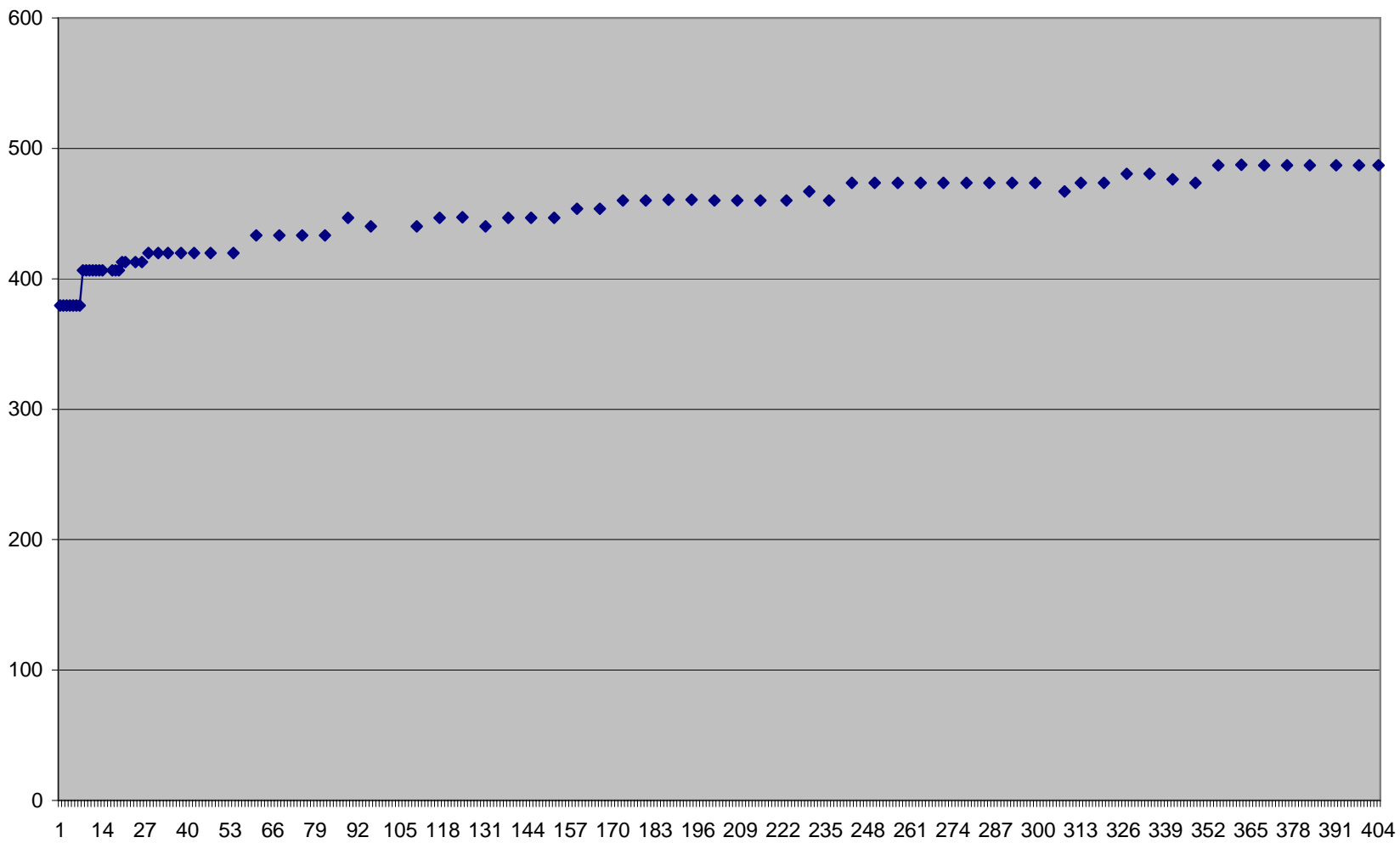
Lively 02-02



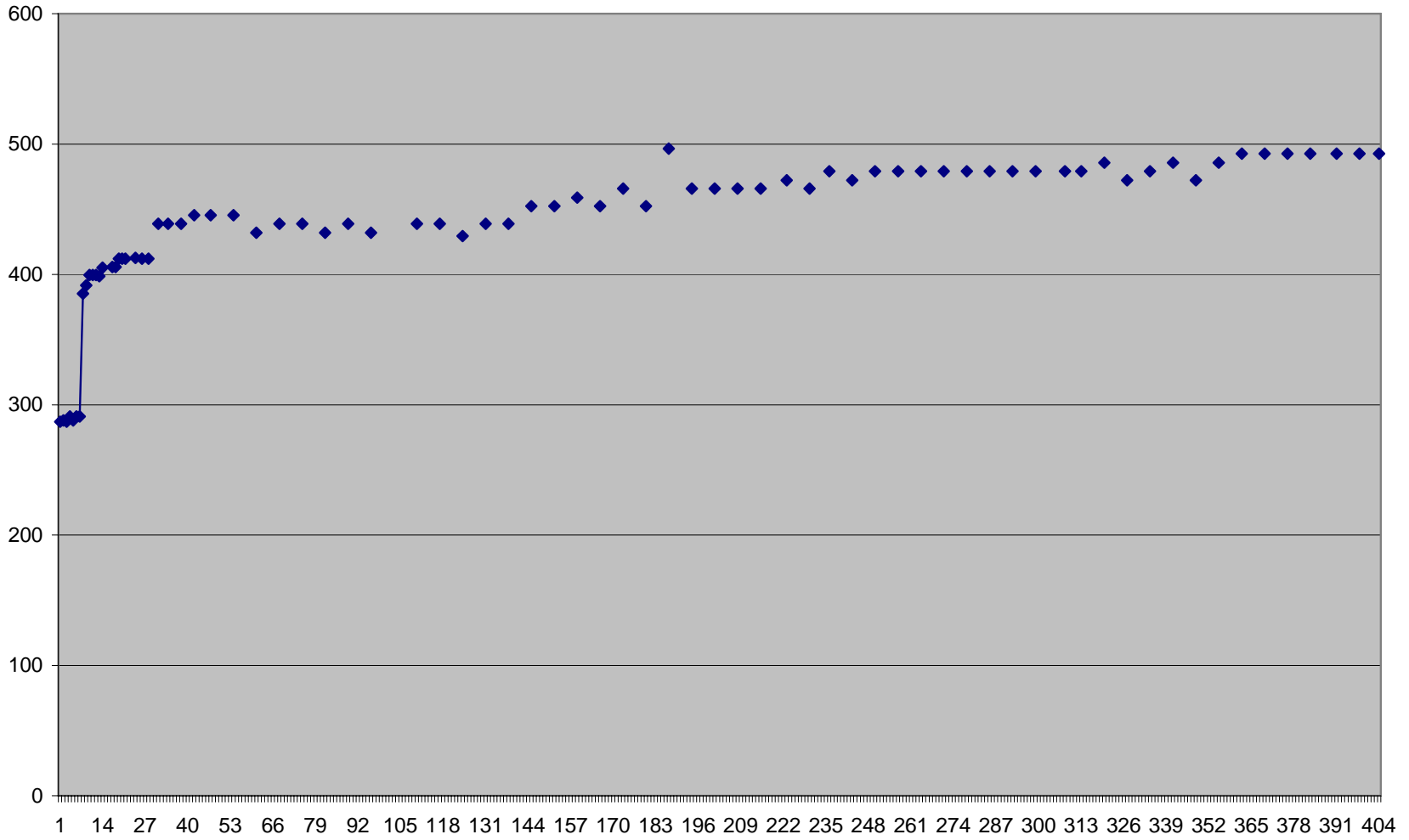
Lively 02-12



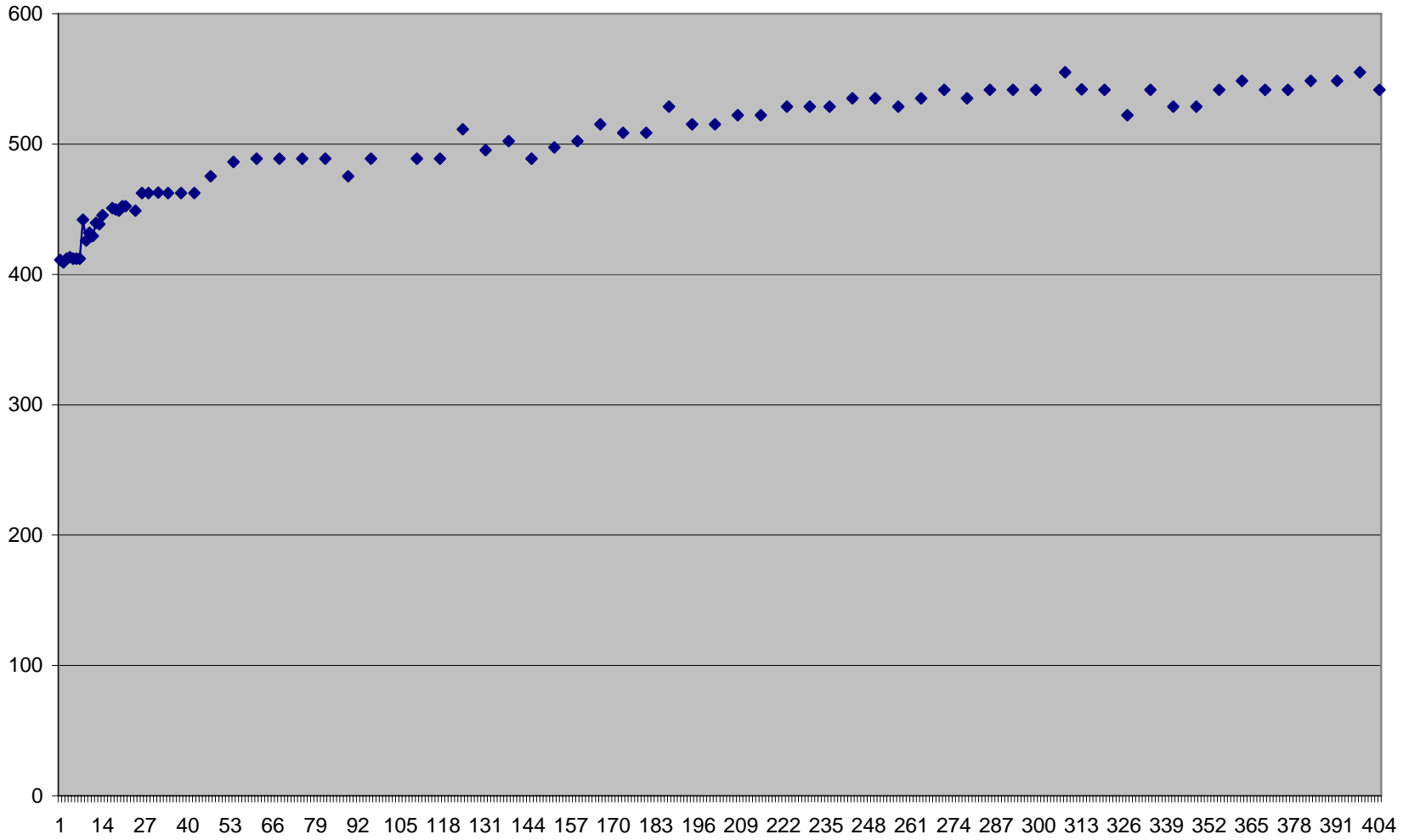
Lively 03-01



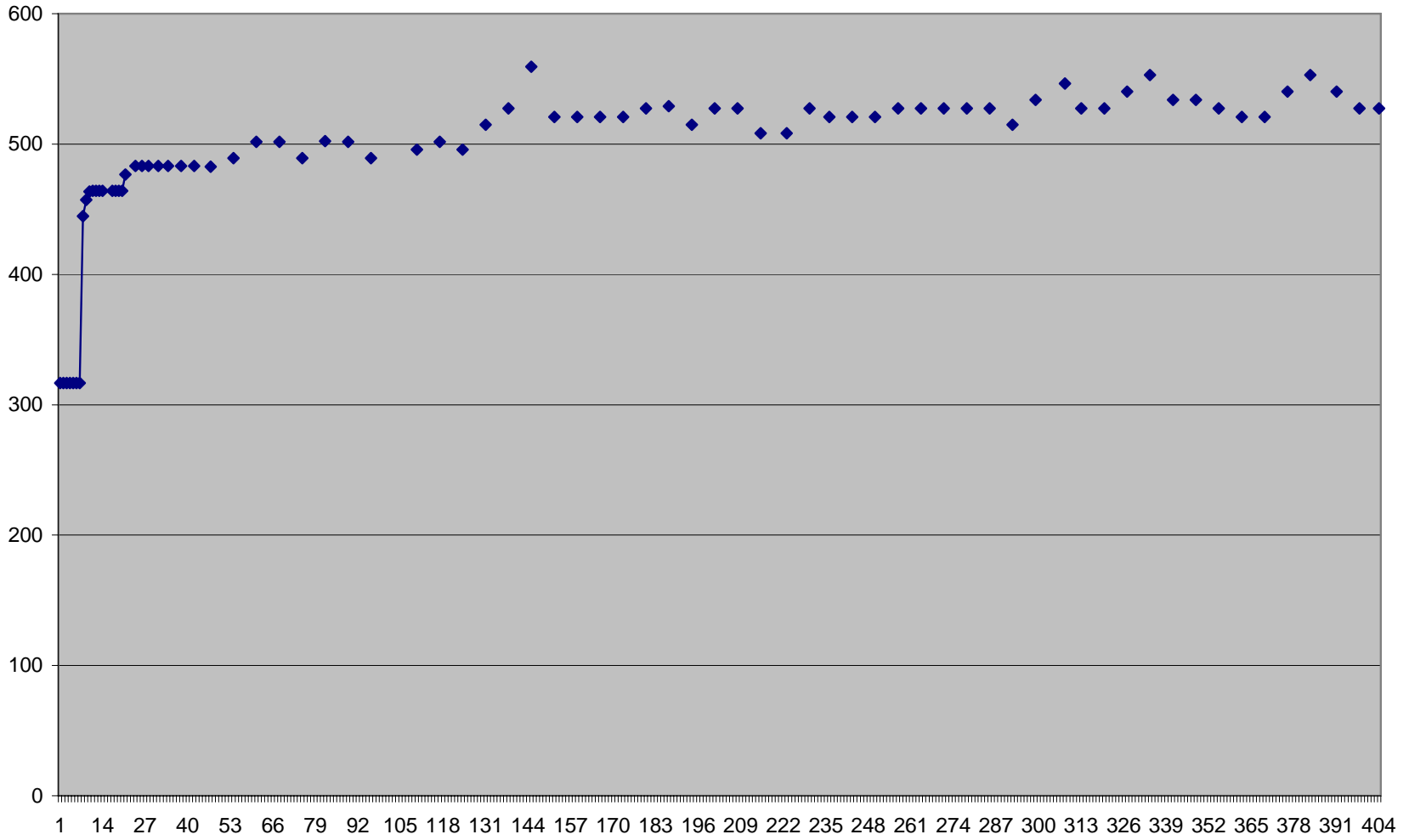
Lively 03-10



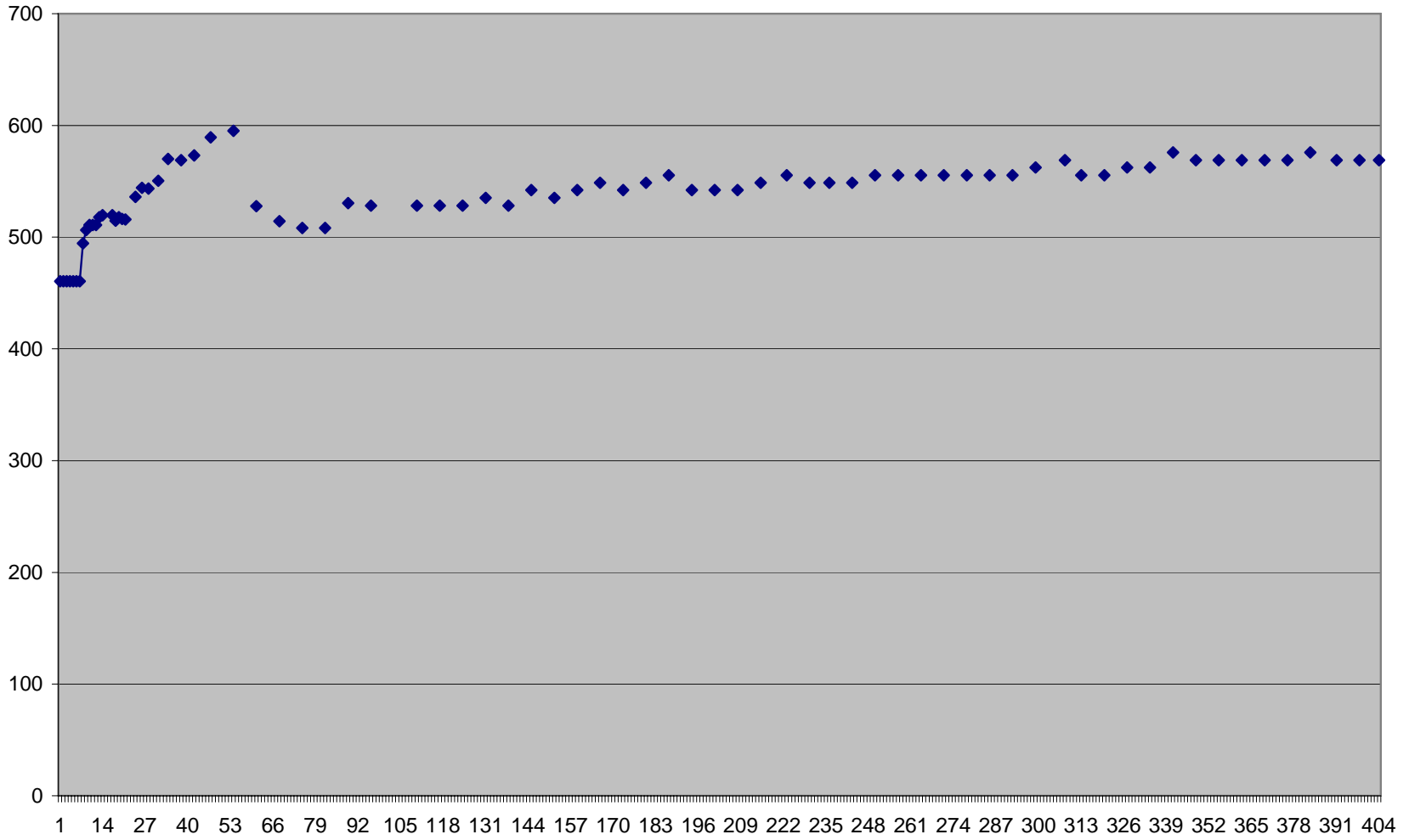
Lively 03-12



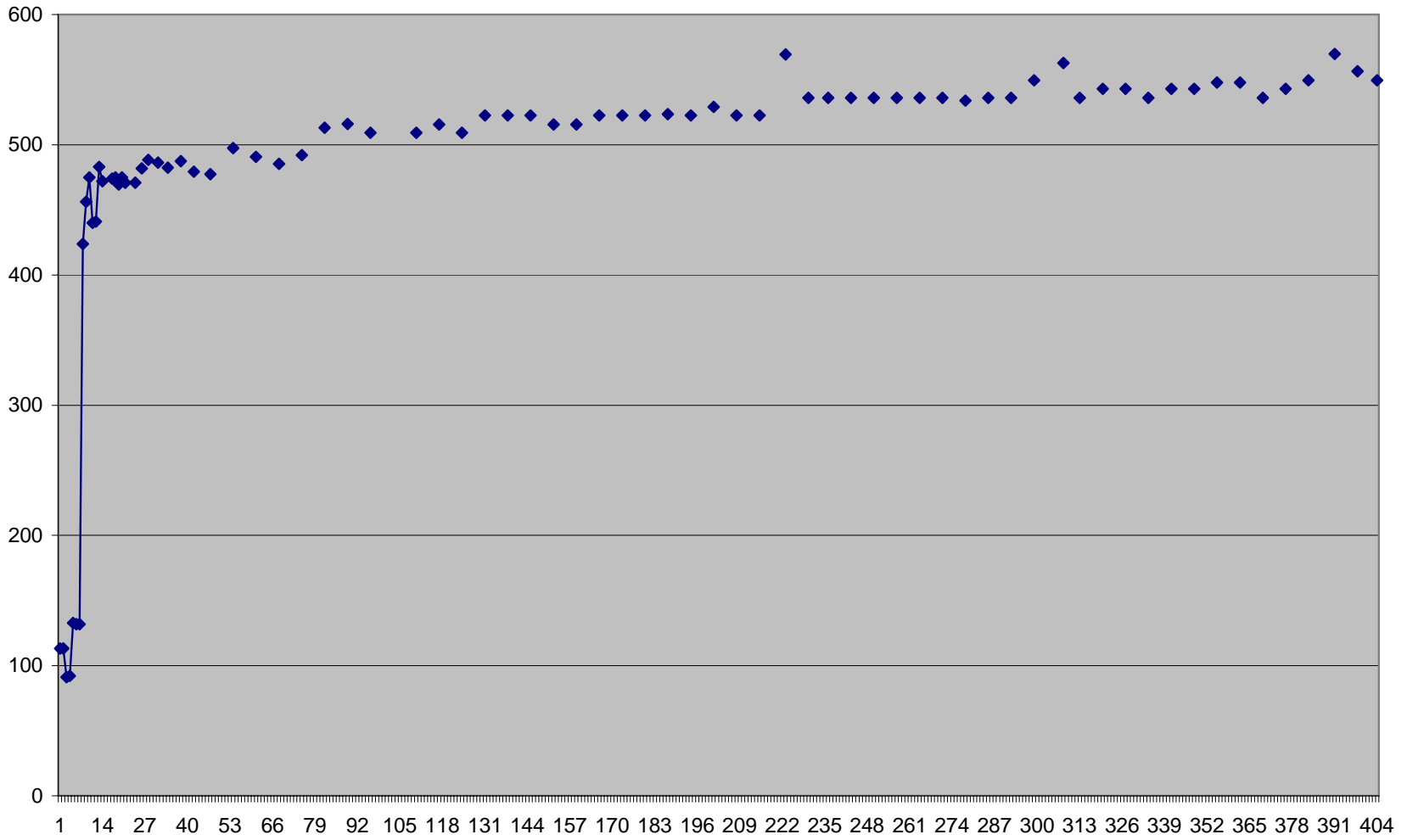
Lively 10-04



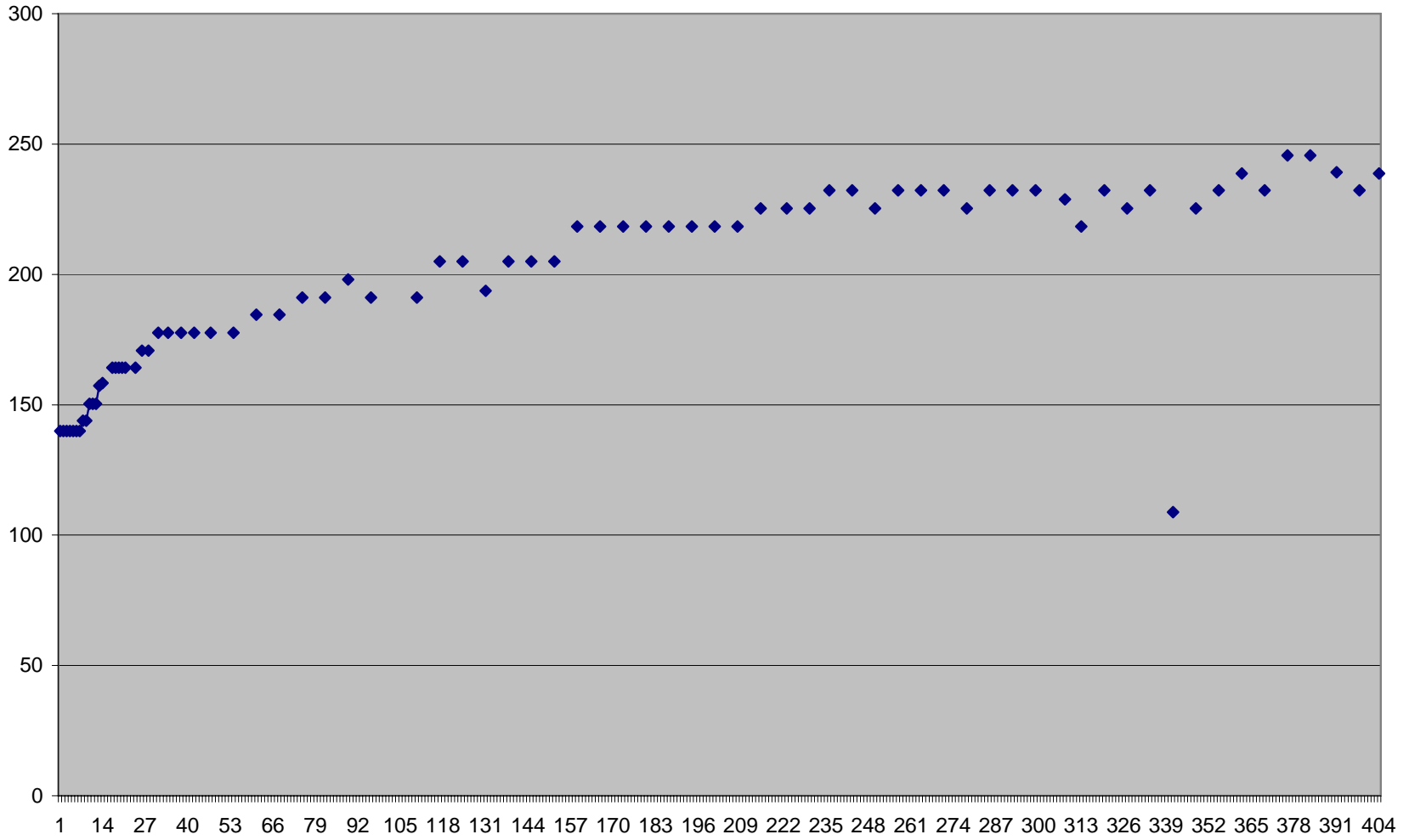
Rohr 04-10



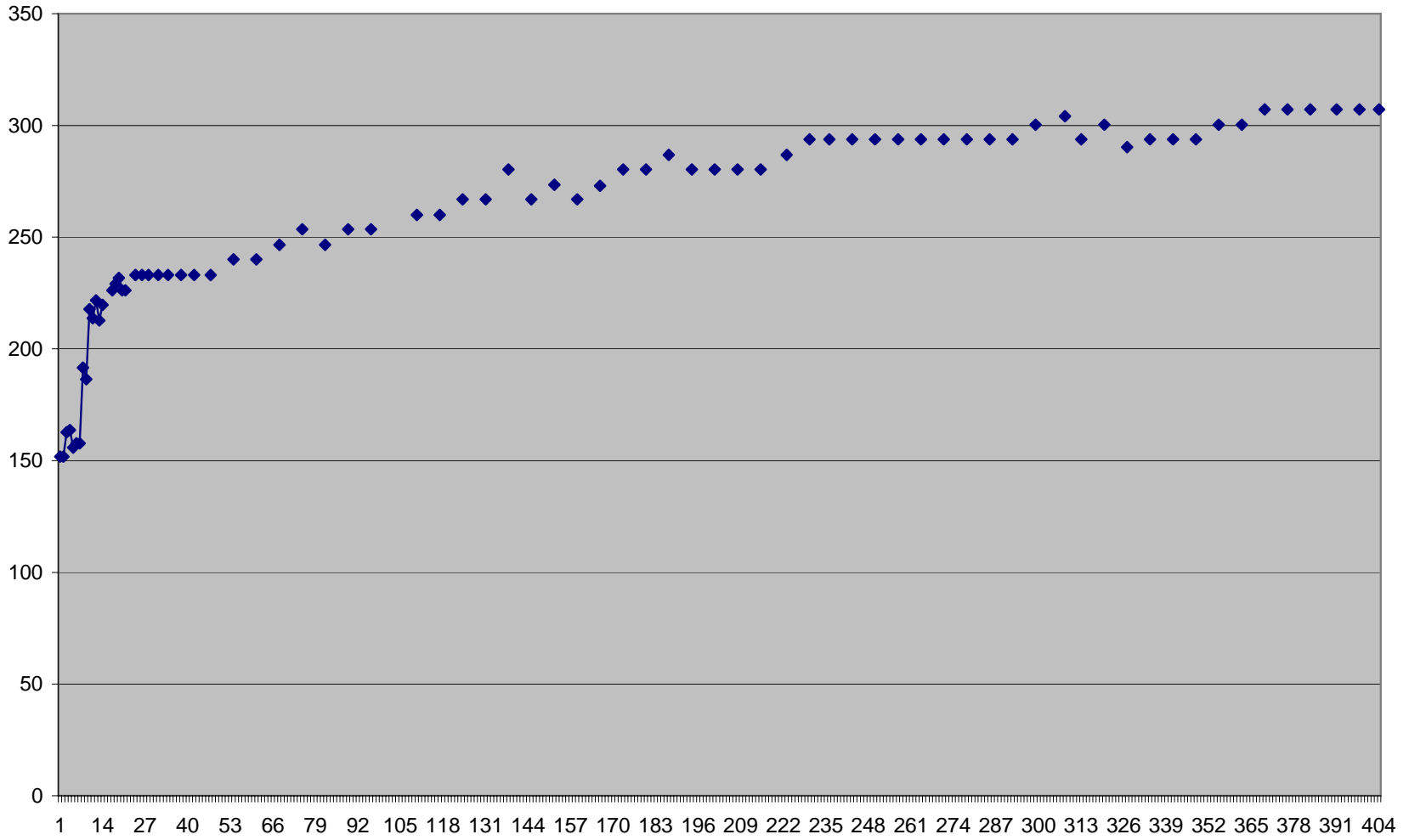
Rohr 09-10



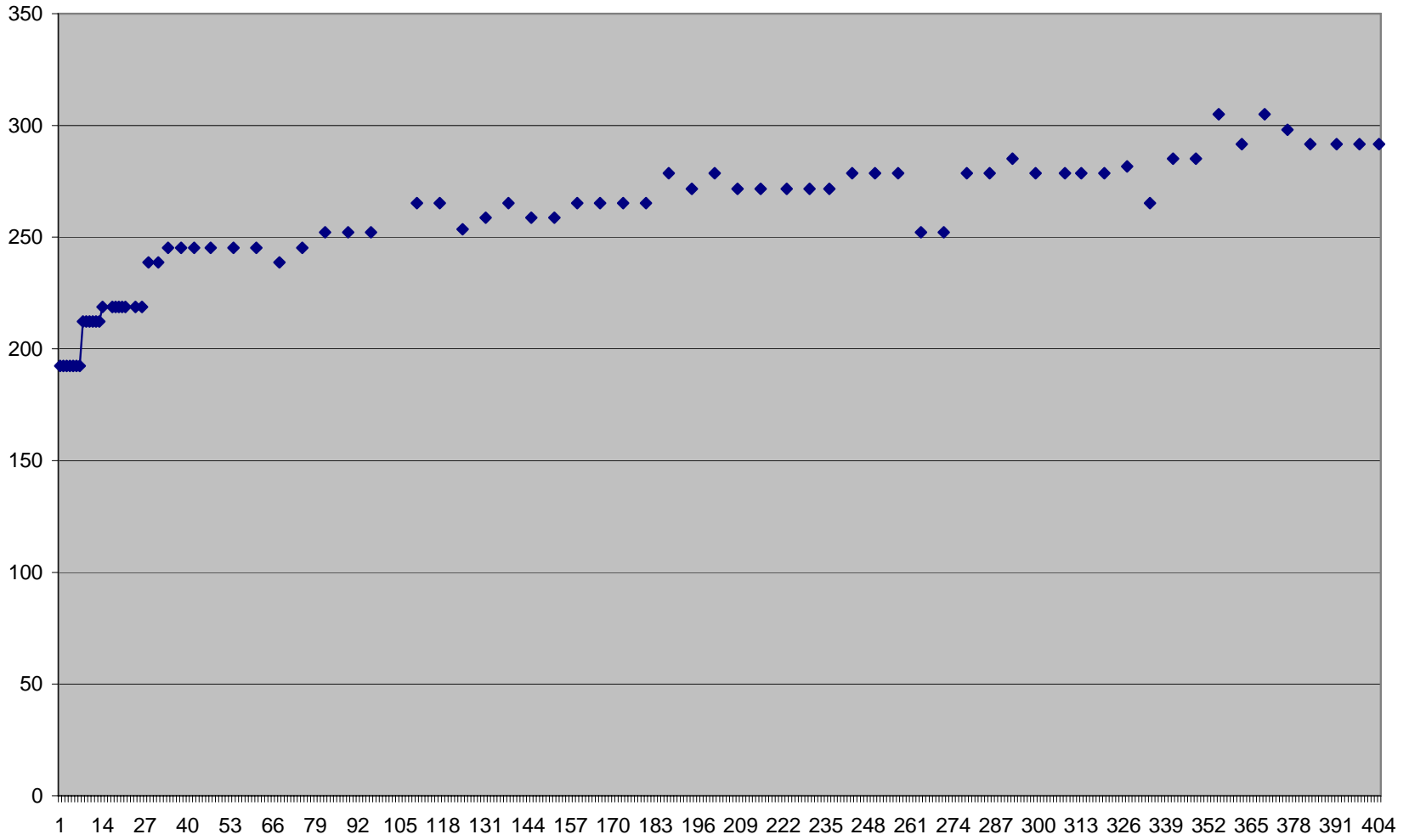
State 36-02



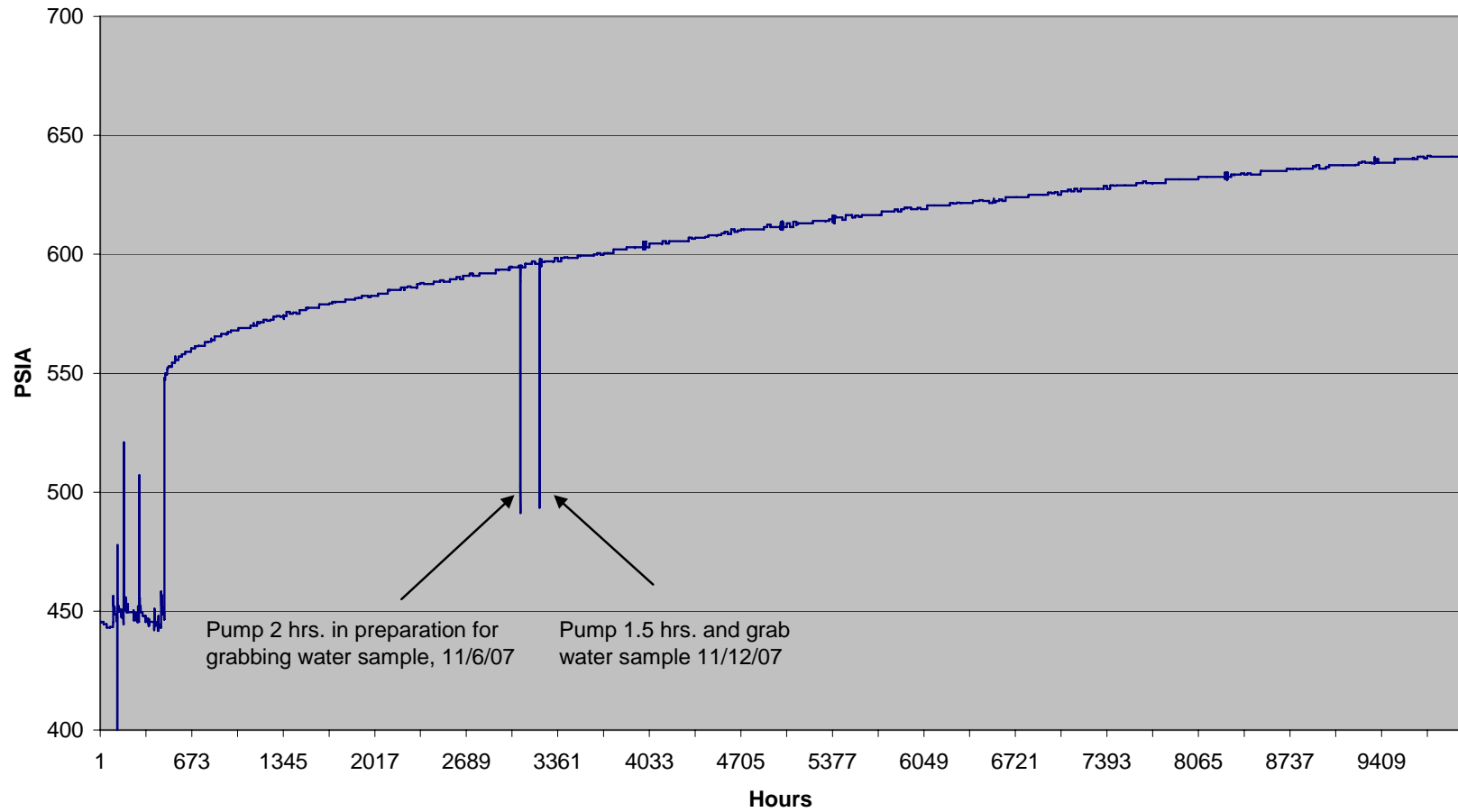
State 36-05



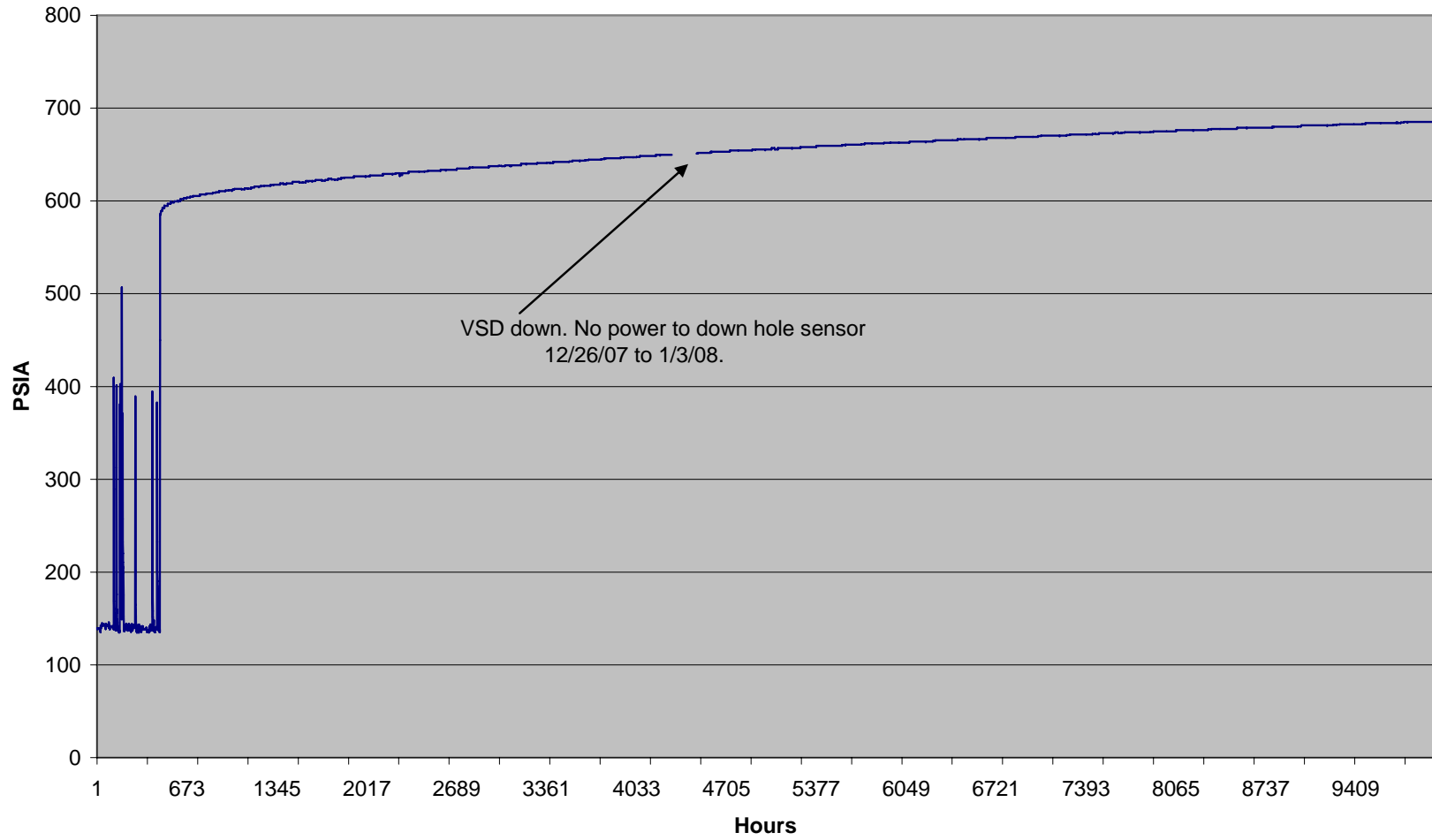
State 36-11



Rohr 04-14 PBU
from 7/1/07 to 8/20/08



Rohr 08-01 PBU
from 7/1/07 to 8/20/08



Rohr 09-04 PBU data (psia) 7/1/07 to 8/20/08

