Petroglyph Operating Company, Inc. Monthly Report – September 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 August Monthly Report (August 25, 2008) through September 30, 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: The Methane Mitigation Well Aquifer Testing Report was submitted to the COGCC and EPA for review on September 25, 2008. The report submittal was followed by a meeting on September 29th to summarize the report and report findings and discuss the next steps. Although well testing has been completed, water quality results indicate that three wells (Recovery 4 Barrett, Injection 2 Gonzales, and Injection 7 Walden) have different water quality and may be indicative of poor well development. Petroglyph will attempt additional cleanout of Recovery 4 Barrett during the next reporting period.

Petroglyph continues to monitor gas production from the recovery wells. Recovery 1 Kittleson has shown continued gas production which is slowly decreasing. The latest reading available for this report, taken on September 26th, showed 22.9 mcf/day being produced at the well. Both Recovery 4 Barrett and Recovery 3 PEI showed a decrease in gas production to zero and then began producing gas again in late September. Gas production in Recovery 3 PEI dropped to zero around August 12 when Petroglyph attempted to clear the well of murky water by adding Walsenburg city water. The latest reading available for Recovery 3 PEI was 0.7106 mcf/day taken on September 26th. Gas production in Recovery 4 Barrett dropped to zero around September 9 but began producing gas again in late September. The latest reading available for Recovery 4 Barrett was 0.4386 mcf/day on September 26th. POCI 55 is no longer producing gas at the surface. Attachment 1 shows the changes in gas production at POCI 55 and each of the recovery wells.

Recovery and injection well pipelines and surface equipment for the remediation system are close to complete. Petroglyph will plumb the injection wells to the injection lines once turbine meters arrive on site. Electrical power installation at the transfer pump will occur in the next week or so. A flare technician will need to inspect the flare installation and provide flare operator training. In addition, the local state electrical inspector will need to approve the installations prior to use.

<u>Dissolved Methane Sampling</u>: 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 with additional results during the August monthly report. Dissolved methane will be

resampled after the remediation system has been in operation for approximately one month.

2.0 Monitoring

Down-hole Pressure and Fluid Level 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 although in the Barrett well, this downward trend appears to be leveling off. There are no significant changes from previous monthly reports.

Gas Flow Monitoring

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 0.747 mcf/day with a 0 in mid-September. In late May the Bounds well showed a decrease from approximately 2.37 mcf/day to less than 1 mcf/day (0.747 mcf/day), which continues to hold through the most recent measurements.

Figure 1_ shows the monitored gas flows in each well and the timing for drilling and testing of Petroglyph remediation system wells. As shown on this figure, the drop in gas flow in the domestic wells appears to have occurred in direct correlation with the drilling of remediation system wells and venting of gas through these wells. This would indicate that the remediation system has been correctly located to remediate the area of largest gas concentration in the domestic wells.

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. The monitoring occurs in the formation into which the wells are completed, the Vermejo Formation 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, pressure is equalizing within

the Vermejo coals and consequently water levels are rising 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 87 wells in the vicinity of the site, including 4 new wells added during this reporting period. 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 83 wells, 9 are no longer sampled as a result of requests from landowners to cease sampling, lack of access to the well, or other reasons. These wells will be dropped from future lists. One additional well was not sampled during the reporting period due to a problem with access, but will continue to be sampled when access is available. Sampling may vary during any one reporting period due to a variety of reasons. During this reporting period 13 wells were sampled once, 7 wells were sampled twice, 56 wells were sampled three times and 1 well had four sampling results.

As shown on Table 1, the monitoring results for the 73 wells sampled with comparable results from the last reporting period (excluding the four new sample points) showed that 53 wells had no or minimal change from the previous monitoring period measurements. Changes in % LEL, % by volume CH4, and % volume O2 were evaluated to determine if the wells where showing an indication of increasing or decreasing methane gas content. Of the remaining 20 wells, 8 showed increases in methane, with 4 of those only slight increases and 12 showed decreases with 4 of those well showing slight decrease.

Table 2 shows the current monitoring schedule including which wells are monitored biweekly 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 hand held measurements occurred at fourteen properties. Results for this most recent sampling and for past hand held measurements are included in the electronic database with the recent measurements during this reporting period summarized in Table 3.

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. No alarms have ever been triggered by the presence of methane. During this reporting period Petroglyph recalibrated in home gas monitors at six locations (Smith, Bruington, Goodwin, Cordova, Campbell, and White).

Water Supply

Petroglyph is currently providing water to 15 homes. No new names were added to the list during this reporting period. Table 4 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 for this reporting period included recalibration of the in home gas monitors as discussed above.

Public Outreach

Craig Saldin attended a meeting of the River Ridge Ranch Board of Governors on August 30th.

Health and Safety/Emergency Planning

No changes to Petroglyph's health, safety and emergency planning occurred during the reporting period.

4.0 Schedule

The following is the currently anticipated schedule for the implementation of Phase One, pumping of water from the Poison Canyon Formation to begin methane removal and then injection of the pumped water back into the Poison Canyon in approximately the same locations, as well as initiation of Phase Two.

- Commencement of injection of the Poison Canyon water is currently anticipated to begin in mid to late October or once all needed regulatory approvals have been obtained.
- An application for injection under Phase Two is currently anticipated to be submitted to the EPA for review in mid to late October.

- At the same time application will be made through the Colorado Division of Water Resources for a change in the permitted pumping and injection wells to allow for the injection of Vermejo Formation water under Phase Two.
- 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 is outlined in table form below. The schedule in contingent on a number of factors including weather conditions and equipment problems.

Key Activities	Estimated Completion Date
1. Start of Phase One injection activities	Mid to late October (pending a
	decision from the EPA)
2. Submittal of Phase Two UIC and Division of	October 27, 2008
Water Resources permit applications	

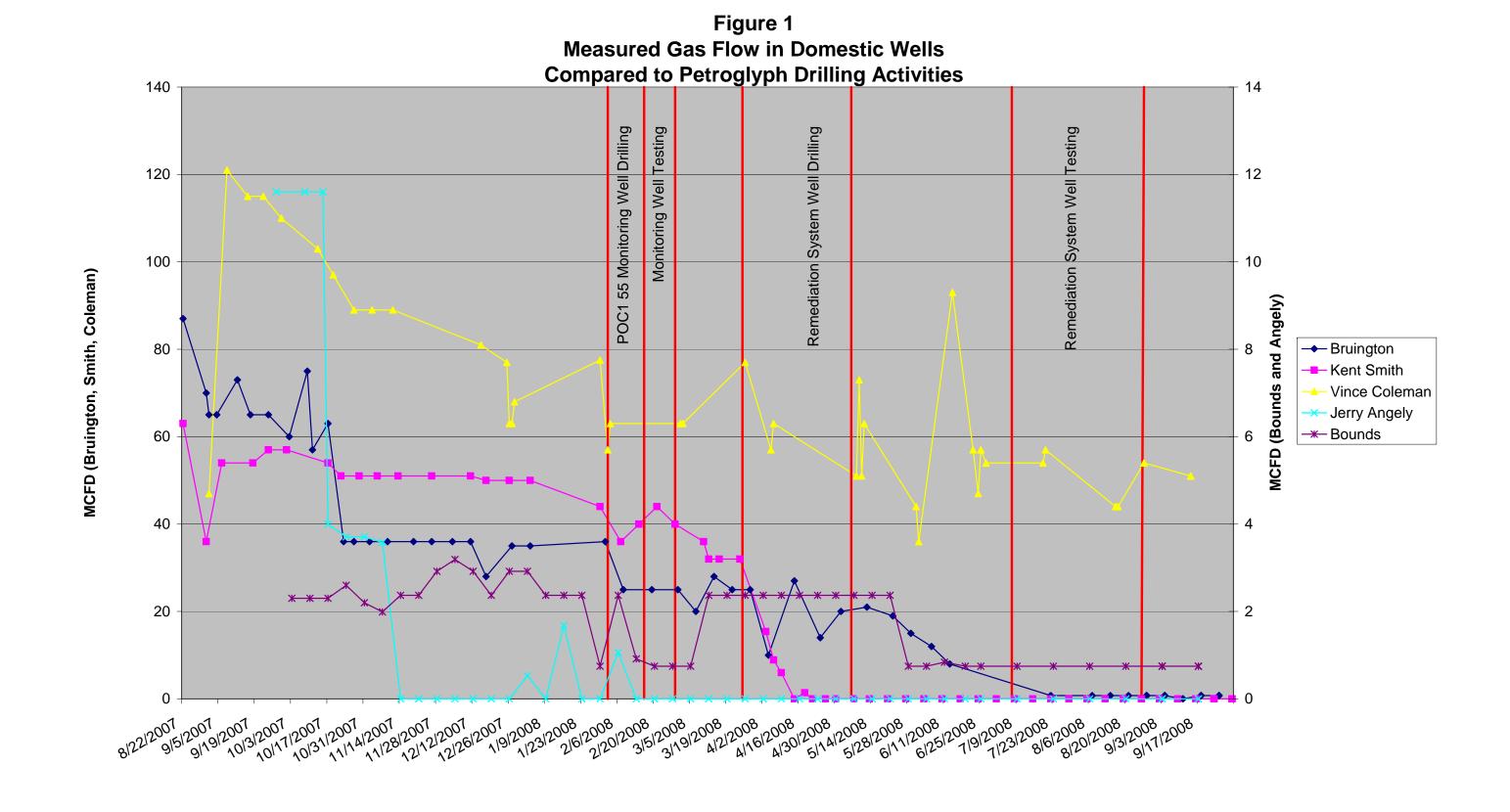


	Table 1 Water Well Measurements for the Period of May 15 to June 15, 2008									
Permit Name Number				Samples Since Last Monthly Report	If sampled, comparison of results from this period to last period					
20783	Goemmer Cattle	9/24/07	9/9/08	9/9/08	No change from previous measurements with no detectable methane and O2% volume at 20.9					
230572	Willis	7/11/07	9/23/08	8/27/08, 9/10/08, and 9/23/08	No change from previous measurements with no detectable methane and O2% volume at 20.9					
84106	Rohr	7/06/07	9/8/08	9/8/08	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	9/9/08	9/9/08	No change from previous measurements with no detectable methane and O2% volume at 20.9					
203536	Hurley	8/2/07	9/22/08	8/26/08, 9/8/08, and 9/22/08	At the well head: No change in LEL H2S decreased from 10.5 ppm to 3 ppm O2 % volume decreased from 15.5 to 13.5 CO remained at 0 CH4 % volume increased from 22 to 31 No change at the cistern					
121013	Schafer	8/15/07	9/7/08	9/7/08	No change from previous measurements with no detectable methane and O2% volume at 20.9					
123144	Searle	7/11/07	9/22/08	8/27/08, 9/9/08, and 9/22/08	No change from previous measurements with no detectable methane and O2% volume at 20.9					
145915	Carsella	7/11/07	9/23/08	8/27/08, 9/10/08, and 9/23/08	No change from previous measurements with no detectable methane and O2% volume at 20.9					
169043	Burge	7/11/07	9/23/08	8/26/08, 9/10/08, and 9/23/08	No change from previous measurements with no detectable methane and O2% volume at 20.9. H2S was 0.5 ppm in 9/23/08 measurement.					
181278	Bounds	7/12/07	9/17/08	9/3/08 and 9/17/08	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	9/8/08	9/8/08	No change from previous measurements with no detectable methane and O2% volume at 20.9.					
192144	Snow	8/2/07	9/10/08	9/10/08	 %LEL remained at >100 CH4 % vol remains unchanged at 5 O2 % vol increased from 1.2 to 4.2 CO remained at 0 H2S increased from 0 to 3 ppm 					

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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				
192203	Rankins	7/12/07	9/8/08	9/8/08	No change from previous measurements with no detectable methane and O2% volume at 20.9				
193520X	McEntee	8/2/07	9/22/08	8/25/08, 9/8/08, and 9/22/088	At wellhead no change in most recent measurements from previous measurements with no detectable methane and O2% volume at 20.9. In 8/25/ reading O2% was 16.5 and H2S was 2 ppm. At east wellhead: • %LEL remained the same at >100 with a low reading of 67 during the period • CH4 % decreased from 61 to 27 with a low reading of 3.35 during the period • O2 % decreased from 16.5 to 16.2 with a high of 19.3 and a low of 10.8 during the period • CO and H2S remain at 0				
193521	Ping	7/11/07	10/19/07	None	No longer sampled, will be removed from future lists.				
196371	Lyon	8/15/07	9/10/08	9/10/08	 %LEL increased from 0 to 23 CH4 % increased from 0 to 1.15 O2 % decreased from 20.9 to 6.7 No change to CO and H2S at 0 ppm 				
197472	Williams/Bartlett	8/15/07	8/15/07	None	No longer sampled, will be removed from future lists				
205195	Johnson	8/15/07	9/22/08	8/25/08, 9/8/08, and 9/22/08	 %LEL increased from 7 to 10 CH4 % increased from 0.35 to 0.50 O2 % increased from 19.8 to 20.3 No change to CO at 0 ppm H2S increased from 0 to 3 ppm Values at the cistern and 2nd wellhead have remained unchanged with no detectable methane and O2% volume at 20.9. 				
210526	Bruington	8/7/07	9/18/08	8/29/08, 9/4/08, 9/11/08, and 9/18/08	 %LEL has not changed at >100 CH4% has increased slightly from 98 to 100 O2 % has increased slightly from 0.1 to 0.4 CO has decreased from 20 ppm to 18 ppm H2S went from 5.5 ppm to 6.5 ppm Values at the cistern were unchanged at 0 for all except O2 which was 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				
215322	Petroglyph	7/6/07	9/24/07	None	Not sampled during this reporting period, will be removed from future lists.				
216732	Petroglyph	7/11/07	9/24/07	None	Not sampled during this reporting period, will be removed from future lists.				
	Petroglyph	2/13/08	2/13/08	None	Not sampled during this reporting period, will be removed from future lists.				
215706	Brice	7/12/07	9/22/08	8/27/08, 9/9/08, and 9/22/08	No change from previous measurements with no detectable methane and O2% volume at 20.9				
219376	White	8/2/07	9/10/08	9/10/08	 %LEL increased from 5 to >100 CH4 % increased from 0.25 to 5.00 O2 % decreased from 18.8 to 3.2 CO remained at 0 H2S increased from 0 to 3 ppm 				
221465	Evenden	8/2/07	9/10/08	9/10/08	No change from previous measurements with no detectable methane and O2% volume at 20.9.				
222294	Cramer	8/3/07	9/10/08	9/10/08	 %LEL increased from 0 to 11 CH4 % increased from 0 to 0.55 O2 % decreased from 20.9 to 11.9 CO and H2S remained at 0 				
222539	Lively	7/6/07	9/22/08	8/27/08, 9/9/08, and 9/22/08	No change from previous measurements with no detectable methane and O2% volume at 20.9				
235292	Kerman/Hanson	7/6/07	9/19/08	8/27/08, 9/9/08, and 9/19/08	 %LEL increased from 0 to 5; CH4 % increased from 0 to 0.25 O2% stayed the same at 20.9 CO and H2S remain at 0 No change at the cistern with all values at 0 except O2% which is 20.9. 				
235516	Colorado Switzer	7/12/07	9/22/08	8/26/08, 9/9/08, and 9/22/08	No change from previous measurements with no detectable methane and O2% volume at 20.9				
236272	Houghtling	7/6/07	9/18/08	8/25/08, 9/8/08, and 9/28/08	 % LEL remains unchanged at >100 CH4 % volume has decreased from 89 to 70 O2% volume increased from 4.9 to 7.2 H2S and CO remain unchanged at 0 ppm No change at cistern 				

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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					
238209	Salazar	8/15/07	8/11/08	None	Well owner has requested that his well no longer be sampled, will be removed from future lists.					
238689	Angely	7/5/07	9/17/08	9/3/08 and 9/17/08	No change from previous measurements with no detectable methane and all measurements at 0 during the reporting period except for 02% which was at 20.9.					
239657	Smith	7/5/07	9/18/08	8/25/08, 9/9/08, and 9/18/08	At Wellhead: No change from last measurements. All values at 0 except O2% which is at 20.9. At Well Vent: • % LEL no change from >100 • CH4 % increased slightly from 44 to 46 with lower values in between • O2% volume decreased slightly from 12.1 to 10.5 • H2S and CO remain at 0 ppm The cistern showed unchanged values with no detectable methane and O2% at 20.9.					
240947	Wolahan	7/12/07	9/22/08	8/25/08, 9/9/08, and 9/22/08	No change from previous measurements. O2 % went from 20.9 to 17.3. No detectable methane.					
244403	Bergman	7/6/07	9/22/08	8/27/08, 9/9/08, and 9/22/08	 % LEL remains unchanged at >100 with a drop to 0 in 9/9/08 reading CH4 % volume has decreased from 44 to 23 with a drop to 0 in 9/9/08 reading O2% volume has increased to 14.9 with a 20.9 reading on 9/9/08 H2S and CO remain unchanged at 0 ppm 					
246775	Sharp	9/9/07	9/22/08	8/27/08, 9/9/08, and 9/22/08	No change from previous measurements with no detectable methane and O2% volume at 20.9					
248680	Campbell	8/14/07	9/17/08	8/26/08, 9/8/08, and 9/17/08	No change from previous measurements with no detectable methane and O2% volume at 20.9					
248862	Meyer	8/14/07	9/22/08	8/27/08, 9/9/08, and 9/22/08	 % LEL no change >100 CH4 % volume has decreased slightly from 86 to 83 O2% volume has decreased slightly from 2.72 to 2.4 H2S and CO remain at 0 with light sulfur odor noted 9/9/08 					

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Permit Name Number				Samples Since Last Monthly Report	If sampled, comparison of results from this period to last period				
248983	Tobyas	8/3/07	9/22/08	8/26/08, 9/8/08, and 9/22/08	 % LEL remains at >100 CH4 % volume has decreased from 26 to 5 O2 has increased from 14.6 to 19.6 No change for CO and H2S at 0 				
249181	Hentschel	9/9/07	9/22/08	8/27/08, 9/9/08, and 9/22/08	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), will be removed from future lists.				
250369	Martin	7/12/07	9/22/08	8/25/08, 9/8/08, and 9/22/08	No change from previous measurements with no detectable methane and O2% volume at 20.9				
252931	Derowitsch	7/6/07	9/18/08	8/26/08, 9/8/08, and 9/18/08	No change from previous measurements at wellhead. At well vent: • %LEL decreased from 11 to 0 • CH4 % decreased from 0.55 to 0 • O2 % remained at 20.9 • CO and H2S remained at 0 At the cistern: • %LEL decreased from 5 to 0 • CH4 % decreased from 0.25 to 0 • O2 % increased from 20.6 to 20.9 • CO remained at 0 • H2S decreased from 10.5 ppm to 6 ppm				
253317	Gonzalez	7/12/07	9/22/08	8/25/08, 9/8/08, and 9/22/08	No change from previous measurements with no detectable methane and O2% volume at 20.9				
254577	Ryerson	9/9/07	9/22/08	8/27/08, 9/9/08, and 9/22/08	No change from previous measurements with no detectable methane and O2% volume at 20.9				
255929	Conley	7/11/07	9/22/08	8/27/08, 9/9/08, and 9/22/08	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				
256504	Hopke	7/5/07	9/18/08	8/26/08, 9/8/08, and 9/28/08	 At wellhead: No change in % LEL at >100 CH4 % volume has decreased from 43 to 33 O2% volume has increased from 12.2 to 15.5 H2S and CO remain at 0 with light H2S odor noted during 8/26/08 reading No change at cistern with no detectable methane and O2% volume at 20.9 				
257113	Masters	7/6/07	9/22/08	8/25/08, 9/8/08, and 9/22/08	No change from previous measurements with no detectable methane and O2% volume at 20.9				
257994	Barrett	7/12/07	9/22/08	8/26/08, 9/8/08, and 9/22/08	 % LEL remains at >100 with a 0 reading on 8/26/08 CH4 % volume remains at 15 with a 0 reading on 8/26/08 O2% volume remains at 17.4 with a 20.9 reading on 8/26/08 CO and H2S remain at 0 				
259122	Higgins	9/26/07	9/23/08	8/26/08, 9/9/08, and 9/23/08	No change from previous measurements with no detectable methane and O2% volume at 20.9				
260097	Dee	7/5/07	9/22/08	8/25/08, 9/8/08, and 9/22/08	No change from previous measurements with no detectable methane and O2% volume at 20.9.				
264581	Ireland	7/12/07	9/19/08	8/26/08, 9/8/08, and 9/19/08	No change from previous measurements with no detectable methane and O2% volume at 20.9				
267694	Coleman	7/5/07	9/18/08	8/26/08, 9/8/08, and 9/18/08	No changes from previous measurements for wellhead with no detectable methane and O2% volume at 20.9. At well vent: • %LEL increased from 17 to >100 • CH4 % increased from 0.85 to 5.00 • O2 % decreased from 20.9 to 19.5 • CO and H2S remained at 0				
267695	Speh	9/4/07	9/22/08	8/27/08, 9/9/08, and 9/22/08	No change from previous measurements with no detectable methane and O2% volume at 20.9				
269435	Goacher	7/11/07	9/22/08	8/27/08, 9/9/08 and 9/22/08	No change from previous measurements with no detectable methane and O2% volume at 20.9				
270552	Chaves	9/9/07	9/22/08	8/27/08, 9/9/08, and 9/22/08	No change from previous measurements with no detectable methane and O2% 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					
271136	May	7/12/07	9/22/08	8/27/08, 9/9/08, and 9/22/08	No change from previous measurements with no detectable methane and O2% volume at 20.9					
274468	Roloff	9/9/07	9/9/08	8/27/08 and 9/9/08	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 9/22/08 but gate locked so no access					
235515	English	8/16/07	9/9/08	8/26/08 and 9/9/08	No change at wellhead and cistern from previous measurements with no detectable methane and O2% volume at 20.9. Reading also attempted 9/22/08 but locked gate prevented access.					
258815	Goodwin	7/12/07 9/19/08 8/9/	 At wellhead: %LEL went from 5 to 0 in first reading and remained at 0 CH4% went from 0.3 to 0 in first reading and remained at 0 O2% remained at 20.9 CO and H2S remained 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	9/22/08	8/26/08, 9/8/08, and 9/22/08	No change from previous measurements with no detectable methane and O2% volume at 20.9					
84108-A	McPherson		9/22/08	8/25/08, 9/8/08, and 9/22/08	No change from previous measurements with no detectable methane and O2% volume at 20.9. H2S measured 1.5 ppm on 8/25 and returned to 0 in subsequent readings.					
16861-F ¹	Unknown	8/13/07	9/22/08	8/25/08, 9/8/08, and 9/22/08	No change from previous measurements with no detectable methane and O2% volume at 20.9					
	Andreatta	8/14/07	9/23/08	8/27/08, 9/10/08, and 9/23/08	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, will be removed from future lists.					
	Dernell	8/15/07	9/8/08	9/8/08	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, will be removed from future lists.					
	Lang	10/29/07	7/28/08	None	Sampling attempted 8/25/08, 9/9/08, and 9/22/08, but gate was locked preventing access.					

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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				
220100	Cordova	10/30/07	9/18/08	8/25/08, 9/8/08, and 9/18/08	 %LEL went from to 31 to 0 to 11 to 5 CH4% went from 1.55 to 0 to 0.55 to 0.25 All other values remained unchanged 				
234836	White, Jim	1/4/08	9/17/08	8/26/08, 9/10/08, and 9/17/08	At wellhead • % LEL decreased from >100 to 35 • CH4 % volume decreased from 5 to 2 • O2% volume increased from 3.4 to 11.2 • CO decreased from 11 to 0 • H2S increased from 0 to 2 ppm No change at cistern or residence with no detectable methane and O2% at 20.9.				
192509	Eddleman, Paul	1/17/08	9/23/08	8/26/08, 9/10/08, and 9/23/08	At the wellhead: • % LEL went from >100 to 0 • CH4 % volume went from 12 to 0 • O2% volume went from 2.7 to 20.9 • H2S remained at 0 with slight odor noted in 9/10/08 sample. CO went from 16 to 0 ppm.				
226536	Eddleman, Todd	1/17/08	9/23/08	8/26/08, 9/10/08, and 9/23/08	 %LEL remained at 0 with a high of 29 on 9/10/08 CH4 % remained at 0 with a high of 1.45 on 9/10/08 O2 % increased from 18.7 to 20.9 with a low of 8.9 on 9/10/08 CO and H2S remained at 0. 				
31935	Garza-Vela	1/30/08	9/23/08	8/26/08, 9/10/08, and 9/23/08	 %LEL went from 0 to 10 to 0 CH4 % went 0 to 0.5 to 0 O2 % went from 20.9 to 8.9 to 20.9 CO and H2S remained at 0 				
271524-A	Modlish	1/30/08	9/23/08	8/26/08, 9/10/08, and 9/23/08	 %LEL went from 0 to 7 to 0 CH4 % went from 0 to 0,35 to 0 O2 % went from 17.3 to 2.3 to 20.9 CO and H2S remained at 0 				

	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				
271748	Sample	3/10/08	9/17/08	8/26/08, 9/10/08, and 9/17/08	 %LEL went from 5 to 1 to 5 CH4 % went from 0.25 to 0.55 to 0.25 CO and H2S remain at 0 O2 % volume went from 16 to 12.9 to 15.9 No change at the cistern with all values at 0 except for O2% at 20.9. 				
197128	Roberts	4/08/08	9/23/08	8/26/08, 9/10/08, and 9/23/08	 %LEL decreased from >100 to 0 CH4 % volume decreased from 5 to 0 O2 % increased from 13.8 to 20.9 CO remains at 0 H2S decreased from 5 to 1.5 				
258651	Gonzalez	5/22/08	9/22/08	8/26/08, 9/8/08, and 9/22/08	At wellhead: • %LEL did not change at >100 • CH4 % volume decreased from 47 to 39 • O2 % increased from 11.4 to 12.4 • 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.				
246350	Gumpert	7/29/08	9/23/08	8/26/08, 9/10/08, and 9/23/08	 %LEL went from 0 to 100 to 0 CH4% went from 0 to 5 to 0 O2% went from 20.9 to 6.8 to 20.9 CO went from 0 to 10 to 0 H2S remained at 0 				
268180	Billstrand	8/12/08	9/23/08	8/26/08, 9/10/08, and 9/23/08	At wellhead no detectable methane with all values at 0 except O2% at 20.9. The 8/26/08 reading showed O2% at 18.3 and CO at 5 ppm. No measurement at the cistern.				
213070	Stephens	8/12/08	9/23/08	8/26/08, 9/10/08, and 9/23/08	No change from previous measurements with no detectable methane with all values at 0 except O2% at 20.9. O2% dropped to 16.8 in 9/10/08 reading and light sulfur odor noted on 8/26/08.				
190327	Palmer	8/12/08	9/23/08	8/26/08, 9/10/08, and 9/23/08	%LEL and CH4% at 0; H2S decreased from 1.5 ppm to 0; CO decreased from 34 ppm to 0; and O2%increased from 19.9 to 20.9.				

	Table 1 Water Well Measurements for the Period of May 15 to June 15, 2008									
Permit Name Sampling			Last Sample	Samples Since Last Monthly Report	If sampled, comparison of results from this period to last period					
196372	Geiselbrecht	8/12/08	9/23/08	8/26/08, 9/10/08, and 9/23/08	No detectable methane with all values at 0 except O2% at 20.9.					
234839	Waltz	8/12/08	9/23/08	9/23/08	No detectable methane with all values at 0 except O2% at 20.9 and H2S went from 0 to 1.5 ppm. Owner previously indicated they did not want to be part of survey, but now requests monthly checking so this well will be sampled monthly.					
193092	Degan	8/25/08	9/22/08	8/25/08, 9/8/08, and 9/22/08	 %LEL went from 0 to >100 back to 0 CH4 % went from 0 to 5 to0 O2 % went from 20.9 to 1.3 to 20.9 CO went from 38 to 14 to 0 H2S went from 3.5 to 5 to 0 					
28093MH	Morine	9/10/08	9/23/08	9/10/08 and 9/23/08	All measurements at 0 except for %O2 which was 2.9 on 9/10 and 20.9 on 9/23/08					
	Bartlett	9/8/08	9/22/08	9/8/08 and 9/22/08	All measurements at 0 except for %O2 at 20.9.					
	Garbs	9/10/08	9/23/08	9/10/08 and 9/23/08	All measurements at 0 except for %O2 at 20.9					

Table 2 Methane Readings Schedule									
Landowner	<u>Subdivision</u>	Water Level	<u>Cistern</u>	<u>Bi-</u> Weekly	<u>Monthly</u>	<u>Quarterly</u>			
Kathy Dee	River Ridge			Х					
Wolahan	River Ridge		Х	Х					
Gonzalez	River Ridge			Х					
Martin	River Ridge			X					
McPherson	River Ridge			Х					
Rohr	River Ridge					Х			
Houghtling	River Ridge		Х	X					
Kent Smith	River Ridge		Х	Х					
Bergman	River Ridge			Х					
Lively	River Ridge			Х					
Kerman	River Ridge		X	Χ					
Speh	River Ridge			Χ					
Lang	River Ridge		Х	Χ					
Conley	River Ridge			Х					
Searle	River Ridge			Χ					
Roloff	River Ridge			Х					
Goacher	River Ridge			Х					
Colorado-Switzer	River Ridge			Х					
Bobby English	River Ridge		Х	Х					
May	River Ridge			Х					
Brice	River Ridge			Х					
Richard Goodwin	River Ridge		Х	Х					
Ireland	River Ridge			Х					
Golden Cycle Land (Goemmer)	River Ridge			Х					

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

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

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 Hand Held Gas Meter Results								
Name	Date	Time	Weather Conditions	N	RMLD R	eadings W	s	Notes	
Kent Smith	9/17/08	13:00	5-10 wind, Sunny	15- 30	15 - 40	15 - 35	15 - 20	Background 15 - 20, driveway 15 - 30, crawl space 15, cistern 25 - 35, well 15 - 20, & well vent 30 - 80. Inside house living rm 15 - 27 &	
Mitch Sample			Sunny, no wind	15 - 25	10 - 15	10 - 15	15 - 25	kitchen 15 - 19. Reading Garry Laursen & Mike Barrett Drive 25 - 30, north easet 15 - 25, & under deck 15 - 25. Inside house kitchen sink 100 - 150, living rm 15 - 25, hallway 15 - 30, &	
WillCit Sample	3/17/00	11.13	Suring, no wind	10 - 20	10 - 13	10 - 13	13 - 23	basement 10 - 15. Reading Garry Laursen & Mike Barrett.	
Terri Kerman	9/19/08	16:15	5-10 Wind, Cloudy	15 - 30		15 - 35		Background 15 - 25, back door 15 - 30, east of back door 25 - 40, flower bed 25 - 30, west side deck 15 - 25, & south deck 25 - 35. Inside house liv rm 25 - 30, sink 15 - 30, kit 15 - 25, & liv ceiling 25 - 35. Well 45 - 69 & Cistern 15 - 20. Reading Garry Laursen & Mike Barrett.	
Bruington	9/18/08	14:00	Sunny 5mph	15 - 30	15 - 30	15 - 30	15 - 30	Inside MBdrm 15 - 30, Kitchen sink 15 - 30, Loft 19 - 30, Upstairs Bdrm 25 - 35, LivRm Clg 35 - 40, background 15 - 30, Well Vent 22,500 Well 500 & cistern 40 - 65 Reading - Garry Laursen & Mike Barrett	
Jim White	9/17/08	9:21	Clear	18 – 25 & 35 - 45 max	9 - 15	22 - 30	25	Background 14 - 20, southwest house 25 - 35, & under deck 35 - 40. Inside house basement 16 - 22, upstairs bdrm 25, living rm 20 - 25, loft 20 - 25, dining rm 8 - 15, mbdrm 20 - 25, basement sorage 35 - 40, south wall 30 - 35. Reading Garry Laursen & Mike Barrett.	
Donald Derowitsch	9/18/08	16:00	Cloudy, Wind 5mph	10 - 15	15 - 20	20 - 40	15 - 20	Background 15 - 20, Well 10 - 15, Vent 40 - 65, & Cistern 25 - 35. Reading - Garry Laursen & Mike Barrett	
Jack Houghtling	9/18/08	10:00	Sunny, 10-15mph		18 - 20		20 - 25	Background 20 - 40, west side garage 15 - 25, north propane tank 40, house 20 - 25, under deck 25 - 30, south deck 15 - 20, southwest 100' from house 50, cistern 25 - 50, & well vent 280 - 800. Reading Garry Laursen & Mike Barrett.	
Vince Coleman	9/18/08	11:15	20 Wind, Sunny		20 - 25	25 - 35	15 - 25	Background 20 - 30, vent from crawl space 35 - 40, vent 25 - 30, north side garage door 20 - 30, propane tank 25 - 30, south side away from house 50' 35 - 60, south east 50' from house 45 - 55. well vent 65 - 130, & well 20 - 25. Reading Garry Laursen & Mike Barrett.	
John Ireland/ Kevin Murphy	9/19/08	15:45		15 - 35	15 - 35	15 - 30	15 - 20	Background 20 - 30, front door 15 25, garage door 15 - 20, propane tank 15 - 20, well 25 - 30, cistern 15 - 25, & West 25 - 35. Reading Garry Laursen & Mike Barrett.	
Janet Campbell	9/17/08	15:00	Sunny, no wind	15 - 25		15 - 30	30	Background 15 - 20, SE corner 15 - 20, NE corner 15 - 20, & horsepen 30 - 35. Inside house basement by washer 15 - 25, sewer line 35, water tanks 15 - 25, above work bench 25 - 30, & above fire wood sw 15 - 25. Reading Garry Laursen & Mike Barrett.	
Petroglyph aka Calvin Haupt	9/19/08	14:20	0-5 Wind, Sunny				40	Background 15 - 20, NE side 25 - 40, south side 30' west of power dedman near wood pile 110.	
Richard Goodwin	9/19/08	14:55	5 Wind, Sunny	10 - 15		15 25		Background east of well 45, normal 15 - 20, southeast 15 - 25, west under deck 15 - 30, northwest 15 - 25, & east garage 15 - 25. Inside house kitchen sink 15 - 20, sink base vent 40 - 60, kitchen ceiling 15 - 20, dining rm 54, tv area 25 - 35, master bath 25 - 30, mbdrm 20 - 30, base mech rm 15 - 20, & bsmt grt rm 15 - 30. Well 15 - 20 & cistern vent 20 - 40. Reading Garry Laursen & Mike Barrett.	
Bruce Hopke	9/18/08	11:00	20 mph, Sunny	10 - 15	15 - 25	15 - 45	40 – 67 40' from house	Background 10 - 20, NW snow fence 35 - 45, detached garage 15 - 30, Propane tank 25 - 35, west side deck 15 - 45, & west side vent 20 - 25. Reading Garry Laursen & Mike Barrett.	
Bill Cordova	9/18/08	14:45	Cloudy, 5-10mph	25	25	15 - 25	15 - 20	East side, West side & South side reading taken under deck. Background 25 - 30, Crawlspace 15 - 20, Well 10 - 20, & Cistern Vent 10 - 25. Reading - Garry Laursen & Mike Barrett.	

Table 4 Residences Receiving Water

New to list as of 8/8/08

New to list as of 8/18/08

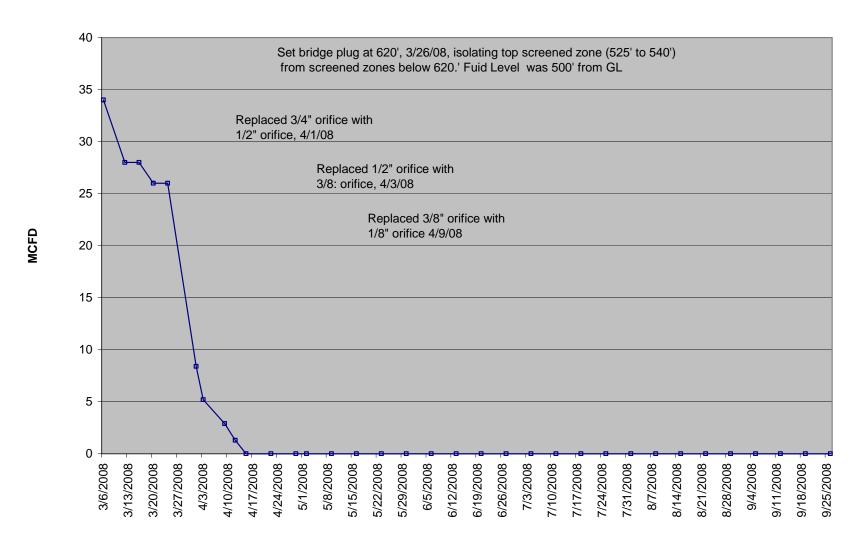
Jerry Angely Has received water provided by PEI Kent Smith Has received water provided by PEI Alan Cramer Has received water provided by PEI Tom Gonzales Has received water provided by PEI Spencer/Carol Snow Has received water provided by PEI Bruington Has received water provided by PEI Todd Eddleman 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

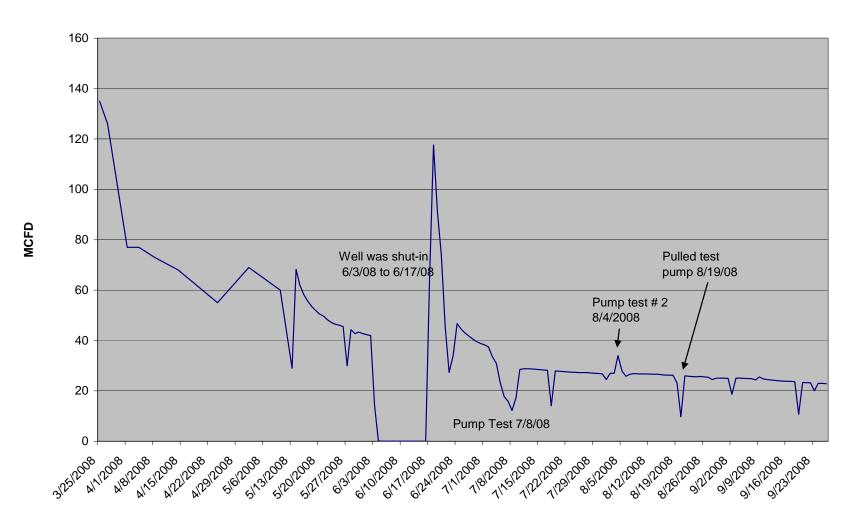
Ireland-Murphy

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

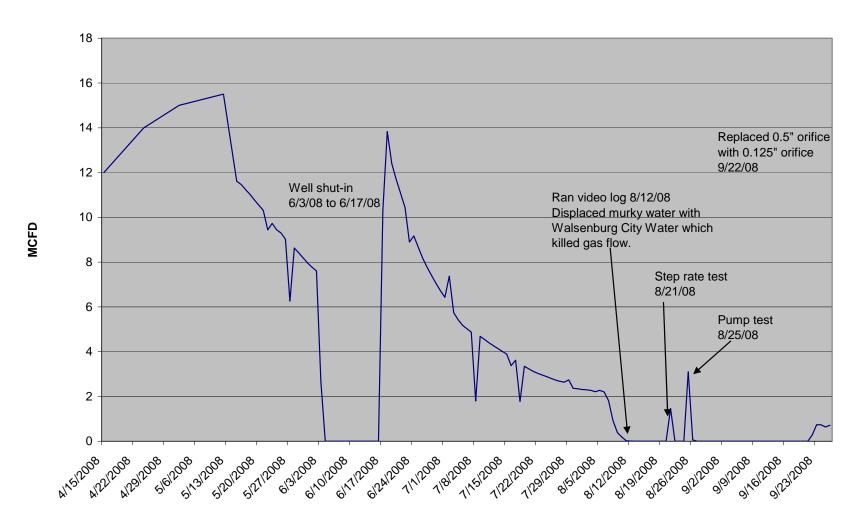
POCI 55 MW Gas Flow from 3/6/08 to 9/26/08



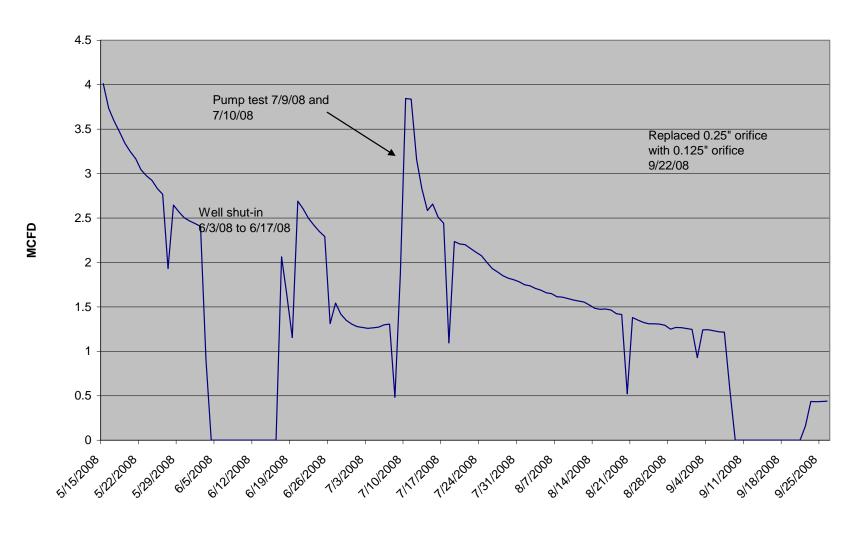
Recovery 1 Kittleson Gas Flow from 3/25/08 to 9/26/08



Recovery 3 PEI Gas Flow from 4/15/08 to 9/26/08

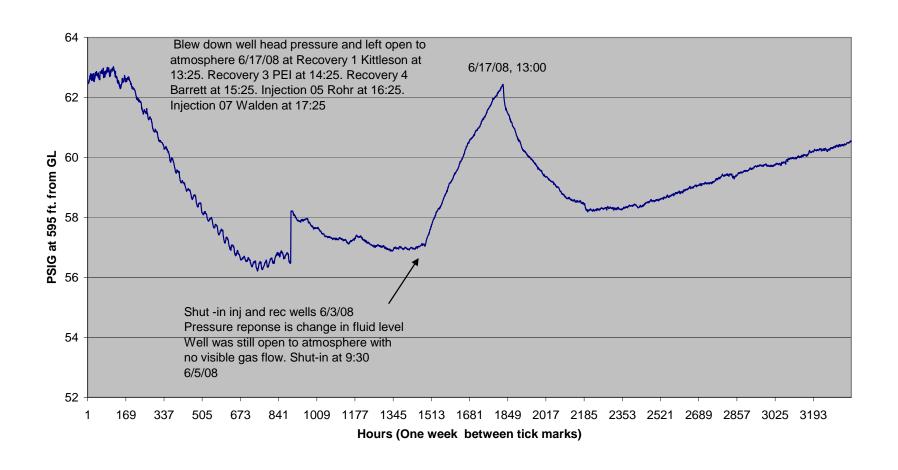


Recovery 4 Barrett Gas Flow from 5/15/08 to 9/26/08

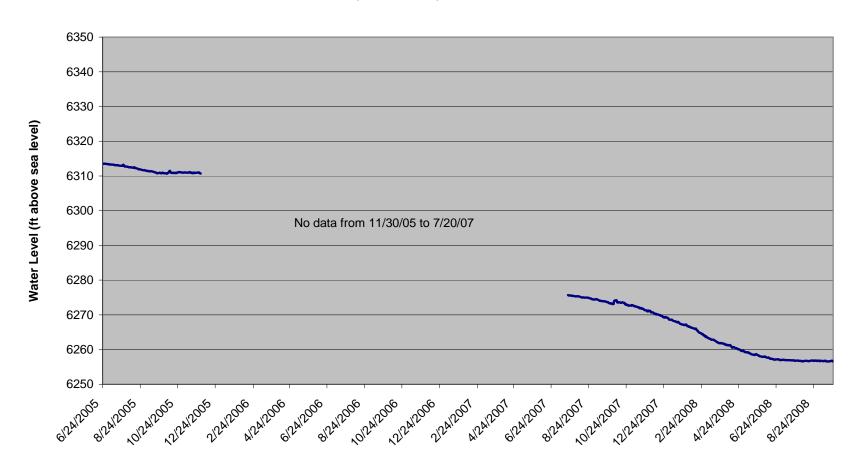


Attachment 2 Graphs of Pressure and Fluid Level Data From POCI 55, Barrett, Bergman, Coleman, and Meyer

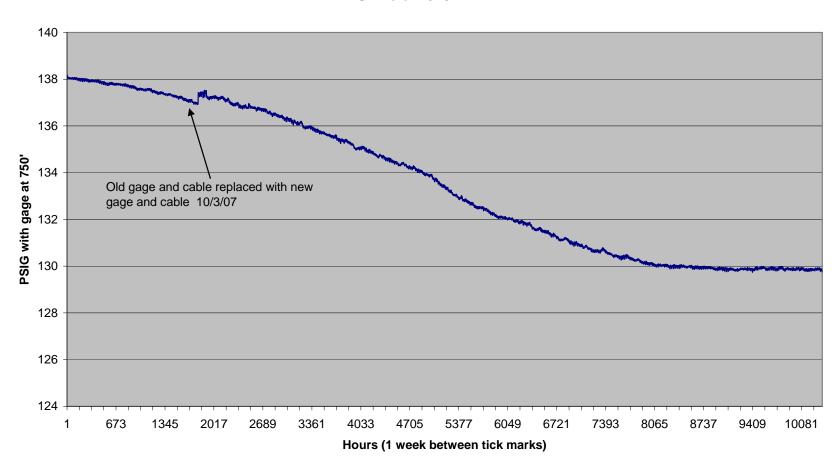
POCI 55 Monitor Well from 4/2/08 to 8/20/08 Permit # 275819 Lot 55 RRR SE SW Sec 3 29S 67W GL elev. 6690'



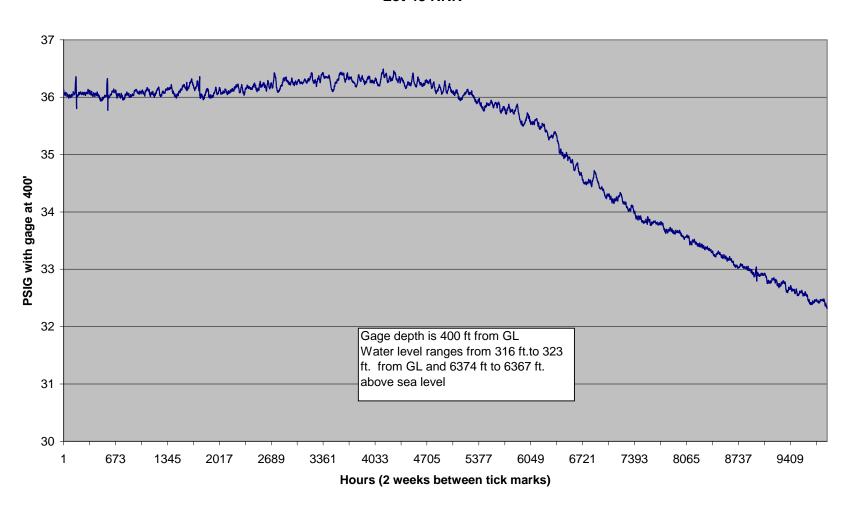
Barrett WW
Water Level from 6/24/05 to 9/24/08
Permit # 257994
Lot 57 RRR
NW, SE Sec 3, T29S R67W



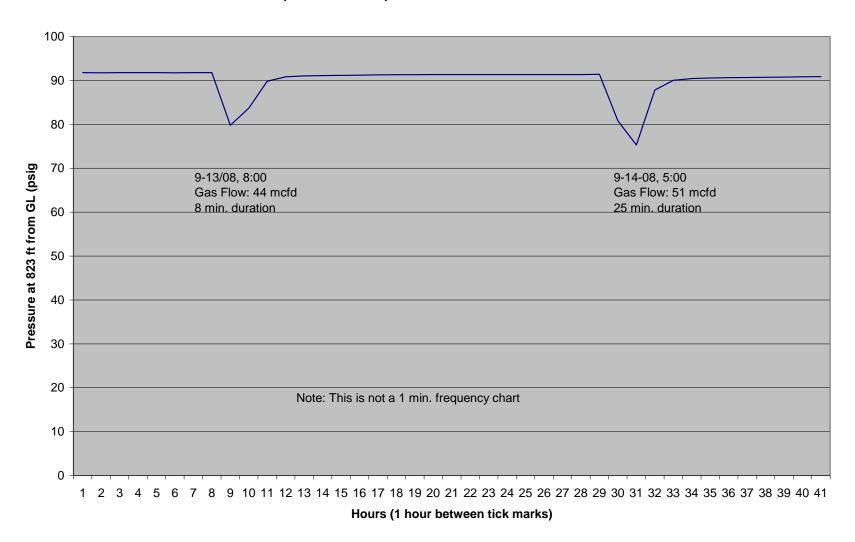
Barrett WW from 7/20/07 to 9/24/08 Permit # 257994 Lot 57 RRR NW, SE Sec 3, T29S R67W G.L. elev. 6707'



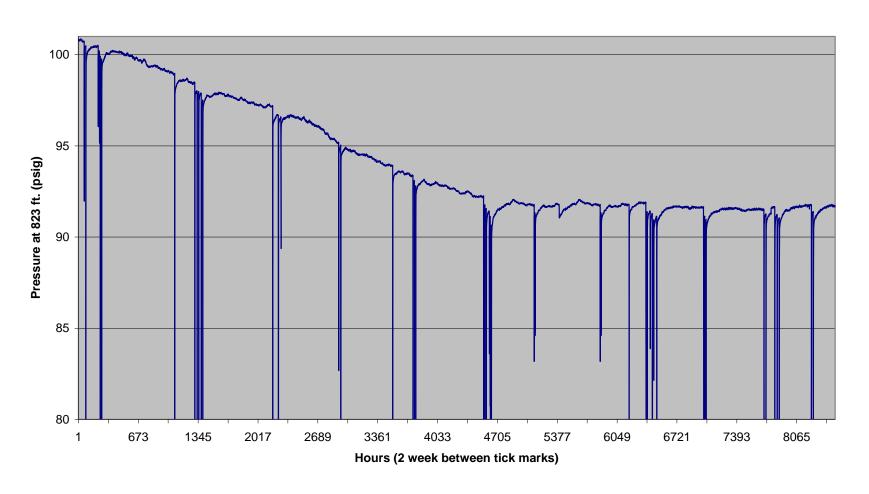
Bergman WW pressure data from 8/9/07 to 9/24/08 Permit # 24403, SW NW Sec 3 29S 67W Lot 48 RRR



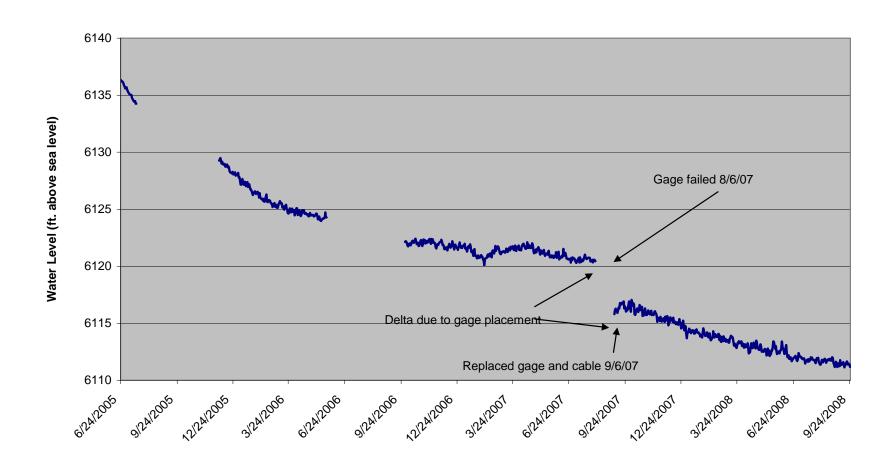
Coleman WW (GL elev. 6848') Pressure Data from 9/13/08 and 9/14/08



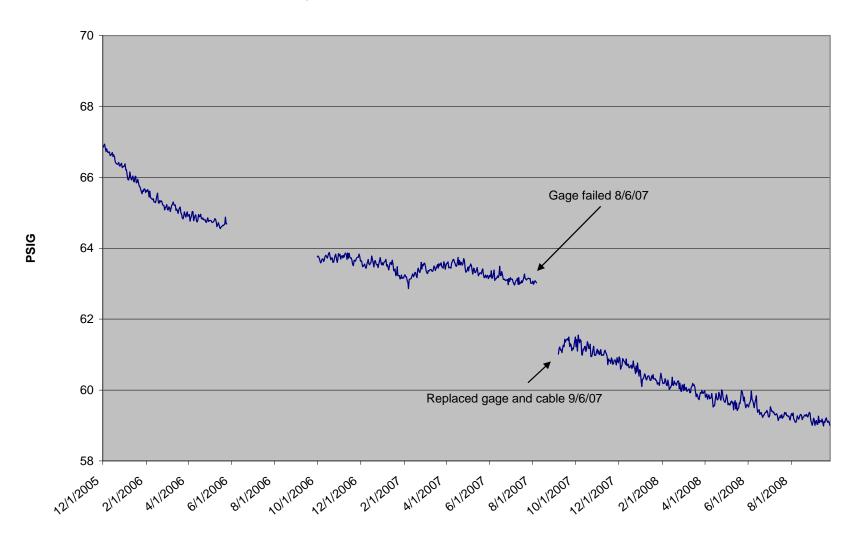
Coleman WW Pressure Data from 10/31/07 to 9/24/08 Permit # 267964 NE SW Sec 10 29S 67W Lot 70 RRR G.L. elev. 6848'



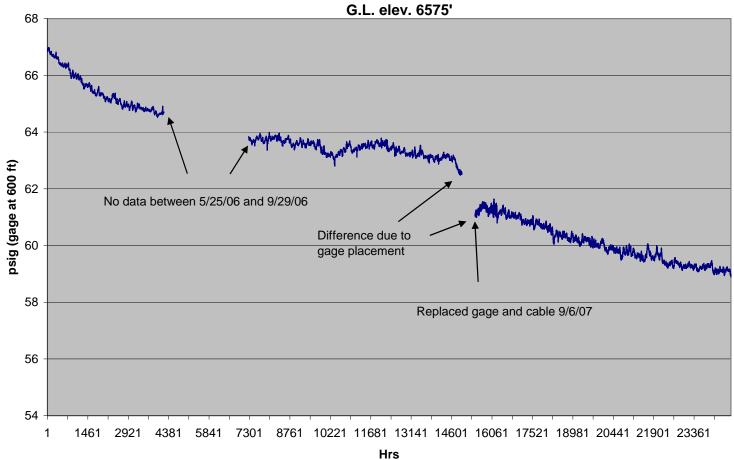
Meyer WW Water Level from 6/24/05 to 9/24/08 Permit # 248862 Lot 120 RRR SW, NE Sec 30 T28S R66W



Meyers WW BHP from 12/1/05 to 9/24/08

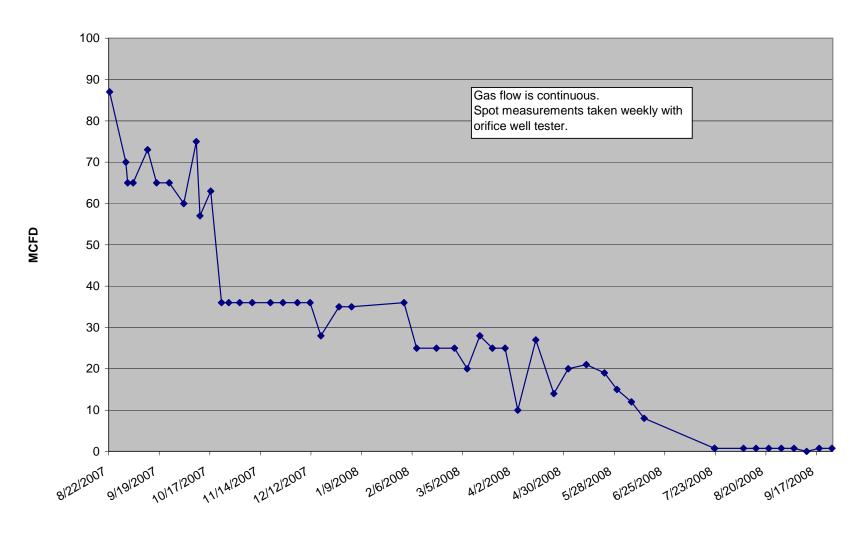


Meyers WW 11/30/05 to 9/24/08 Permit # 248862 Lot 120 RRR SW, NE Sec 30 T28S R66W

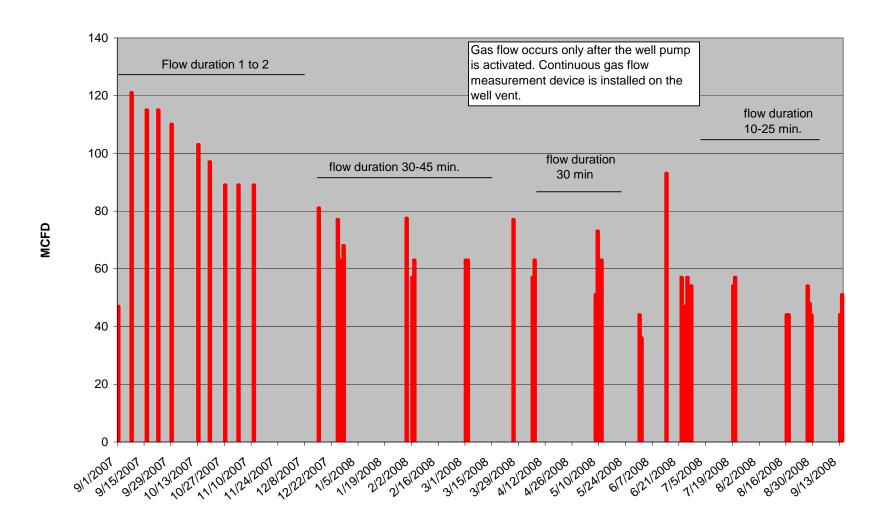


Attachment 3 Gas Flow Measurements at Bruington, Coleman, Angely, Bounds, and Smith					

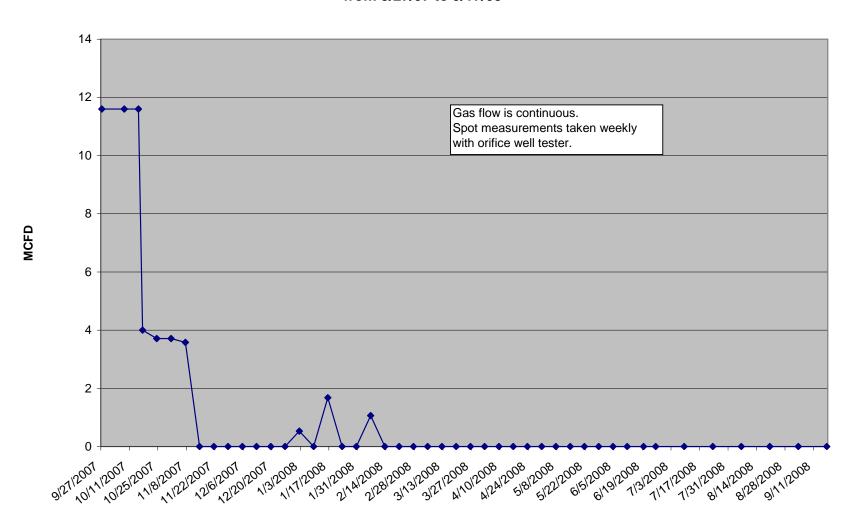
Bruington WW # 210526 Measured Gas Flow from 8/22/07 to 9/25/08



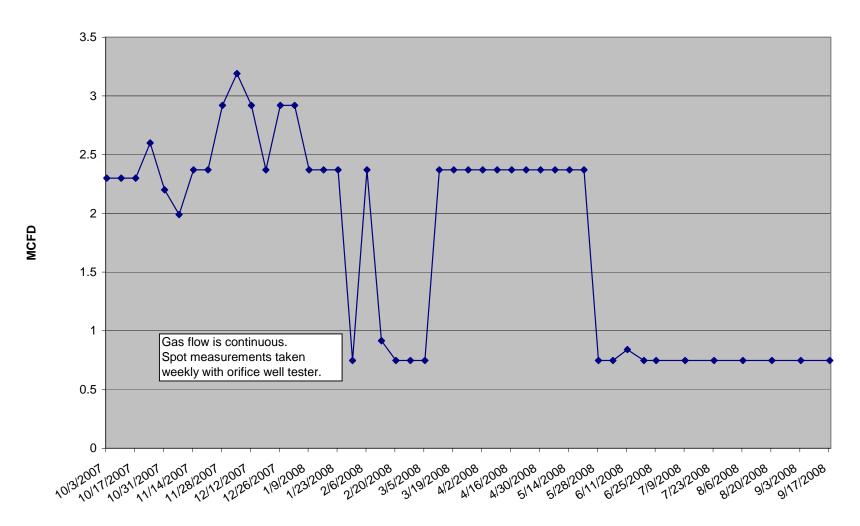
Coleman WW #267294 Measured Gas Flow from 9/1/07 to 9/14/08



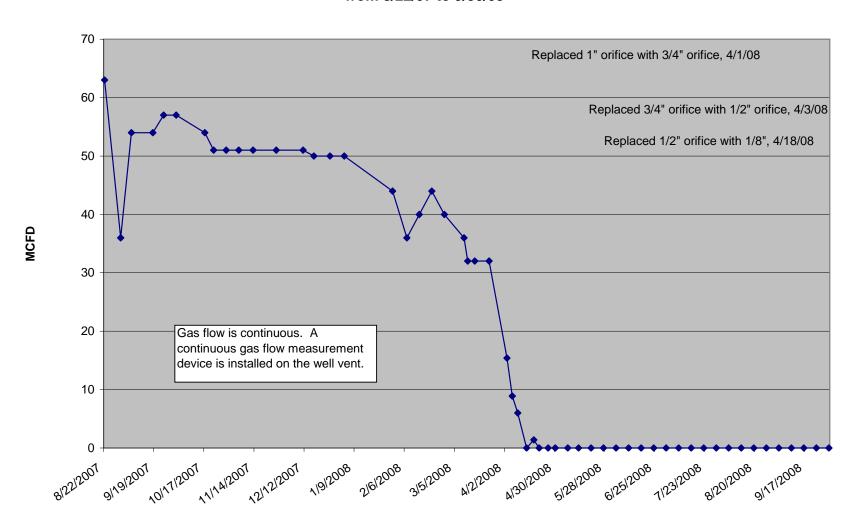
Angely WW # 238689 Measured Gas Flow from 9/27/07 to 9/17/08



Bounds WW #181278 Measured Gas Flow from 10/3/07 to 9/17/08

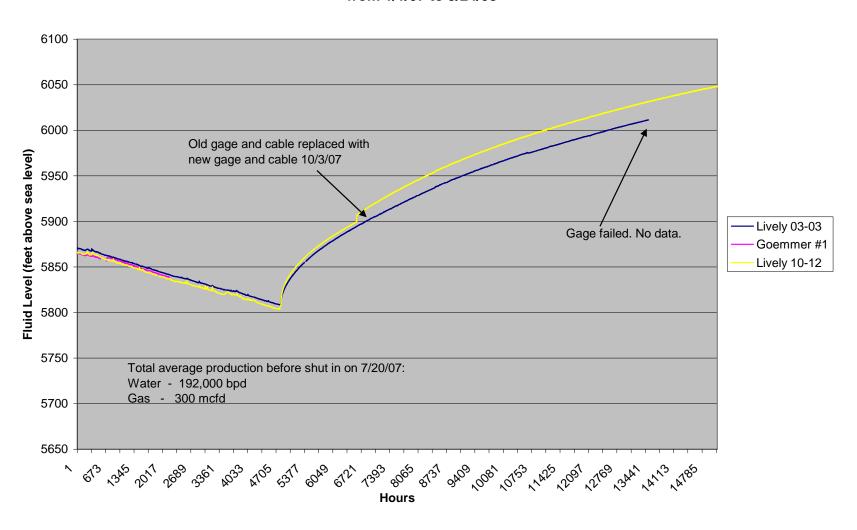


Smith WW # 239657 Measured Gas Flow from 8/22/07 to 9/30/08

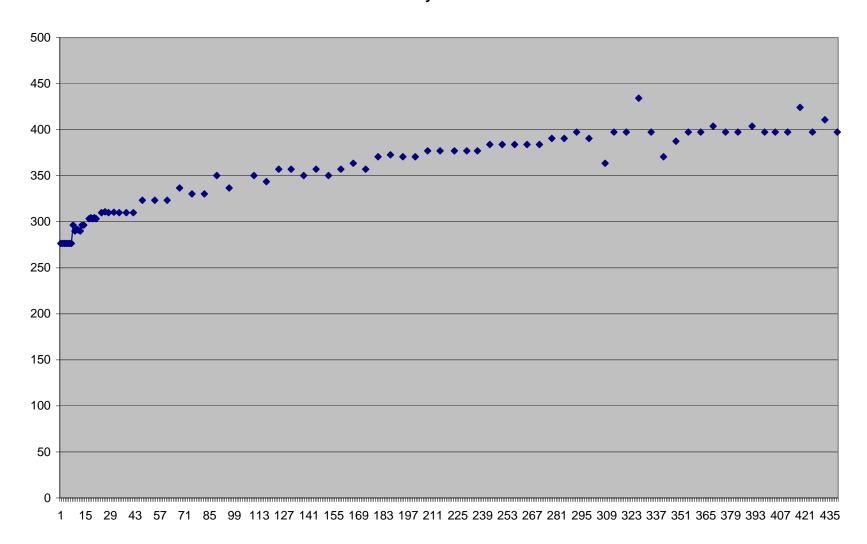


Attachment 4 Fluid Levels in Petroglyph Production Wells

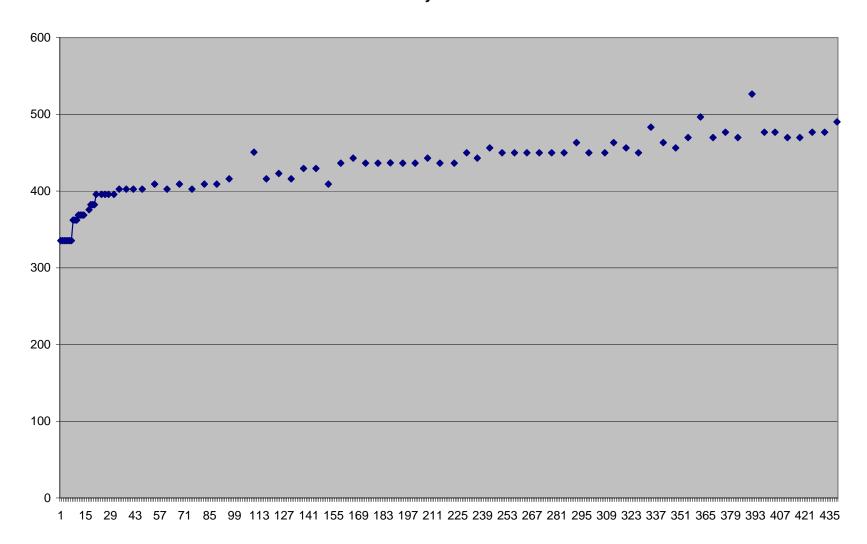
Monitor Well Fluid Levels PBU from 1/1/07 to 9/24/08



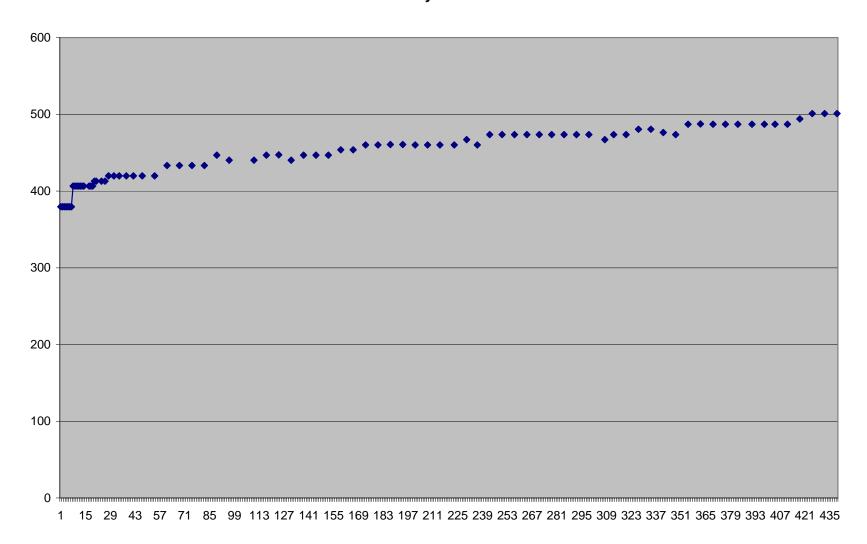
Lively 02-02



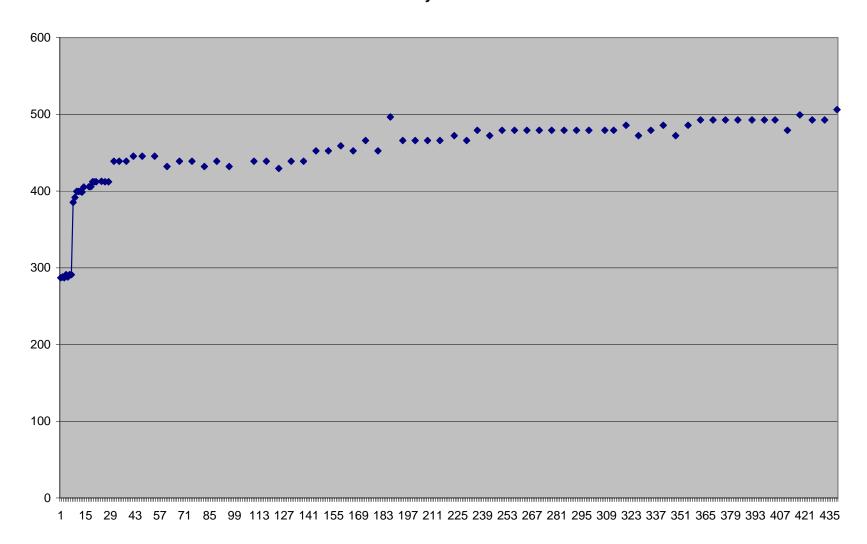
Lively 02-12



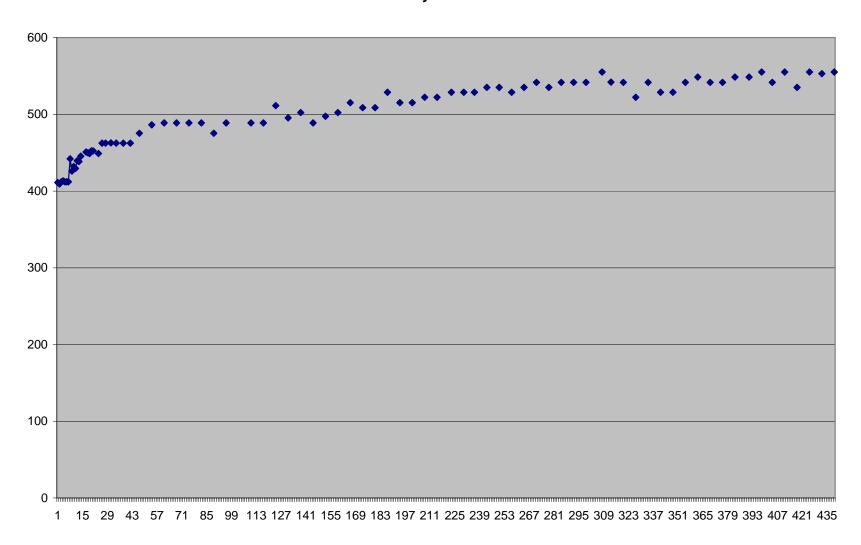
Lively 03-01



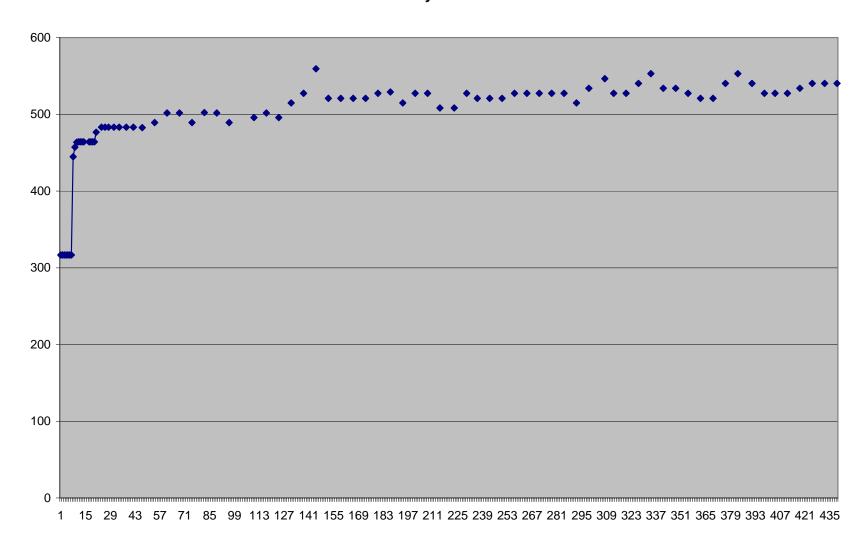
Lively 03-10



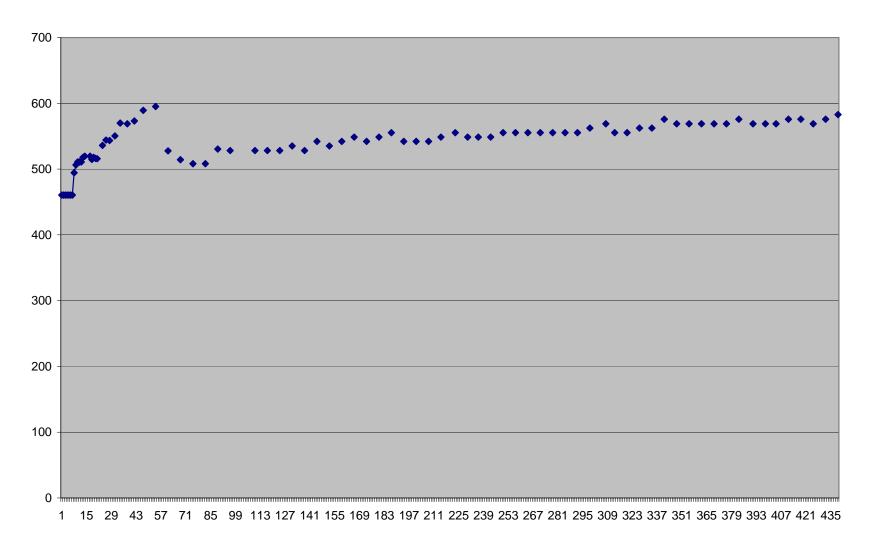
Lively 03-12



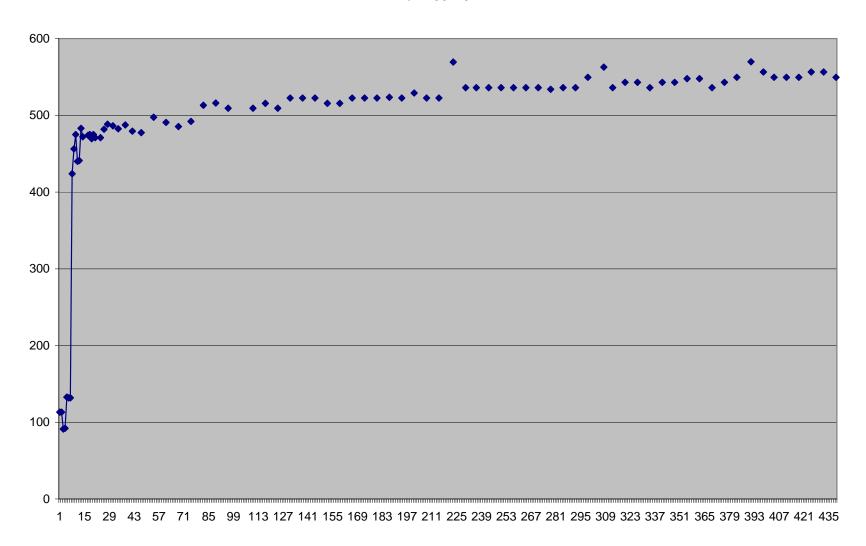
Lively 10-04



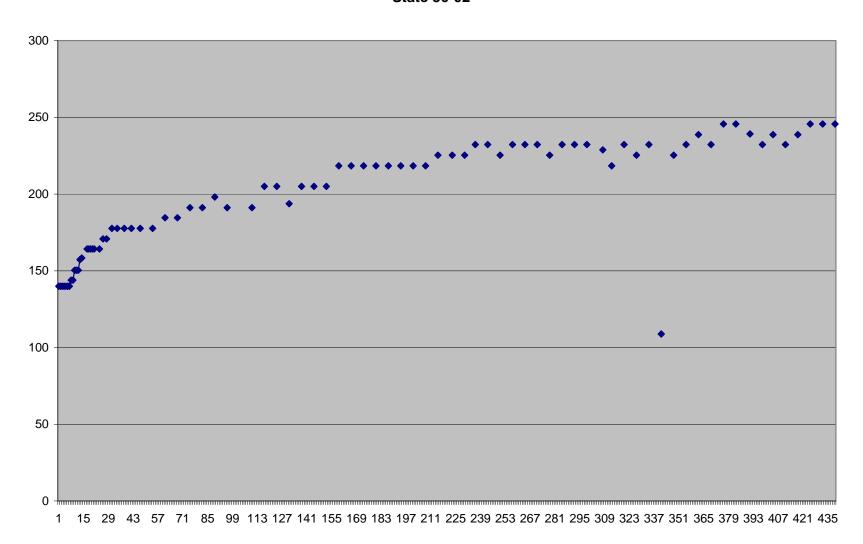
Rohr 04-10



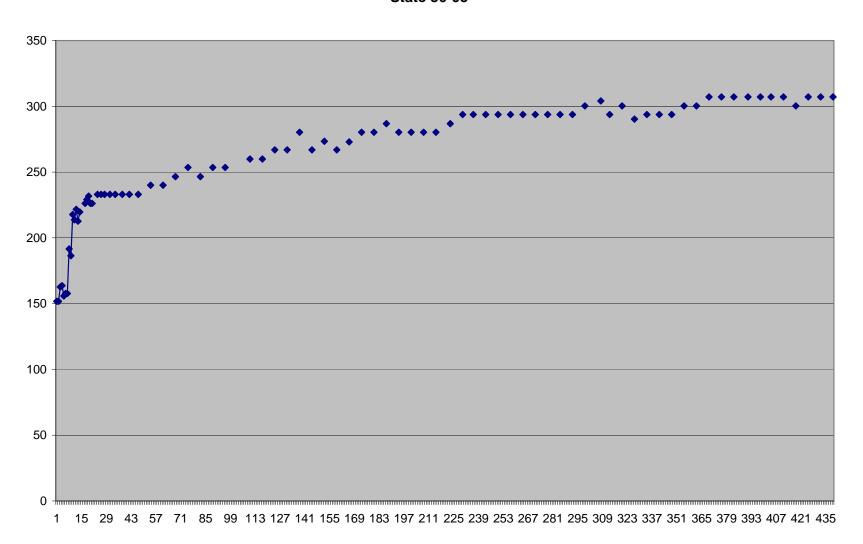
Rohr 09-10



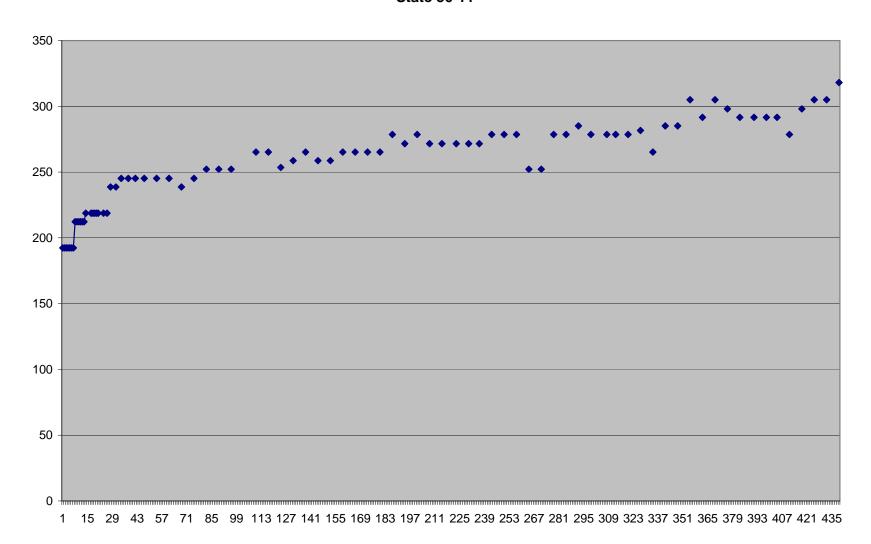
State 36-02



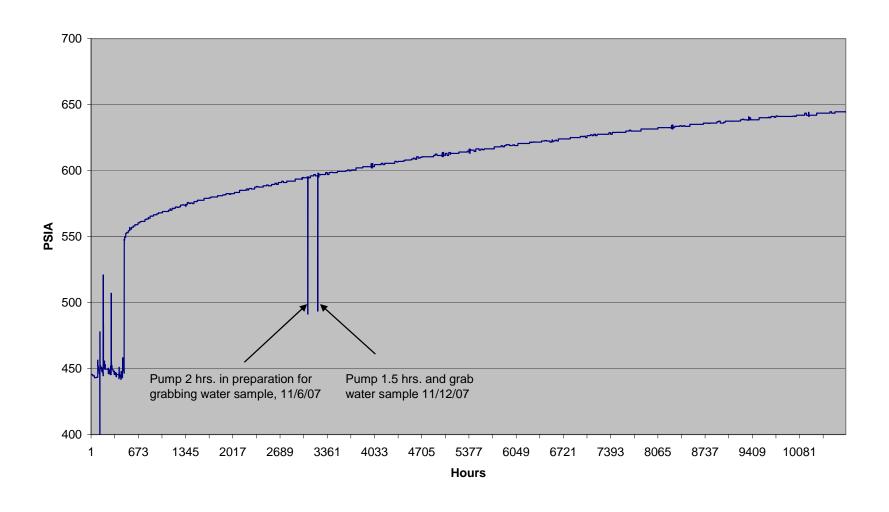
State 36-05



State 36-11



Rohr 04-14 PBU from 7/1/07 to 9/27/08



Rohr 09-04 PBU data (psia) 7/1/07 to 9/27/08

