

June 24, 2004 Update – West Divide Creek Seep Investigation

COGCC and EnCana's investigations of the gas seep in West Divide Creek continue. Since remedial cementing of the Schwartz 2-15B well on April 7, 2004, water sampling of the West Divide Creek seep has shown a dramatic decrease in benzene concentrations from the maximum concentration of 99 micrograms per liter ($\mu\text{g/l}$), which was detected on April 2, 2004, to non-detect on April 26, 2004. BTEX has not been detected in any of the creek samples since late April, 2004.

Previous observations by COGCC staff of the diminished aerial extent, volume, and activity of the seep continues to be confirmed by ongoing inspections of the seep area by representatives of the COGCC, Garfield County, and EnCana.

BTEX has not been detected in any of the water samples collected by either EnCana or by the COGCC from approximately 50 water wells, springs, and ponds that are used for drinking or stock watering. Methane gas has been detected in many of these, but this is not unusual or unexpected because the water wells are completed in and the springs issue from the Wasatch Formation, which is known to contain gas bearing rocks. Samples have been collected from the water wells with greater than 2 mg/l methane for isotopic and compositional analysis of the gas. The results of the isotopic analyses indicated that the gas is not from the Williams Fork Formation and its presence appears to be unrelated to the gas that was released from the Schwartz 2-15B well. Water sampling is now conducted monthly except for three domestic water wells where high concentrations of methane have been observed. These three wells are being sampled on a weekly basis. EnCana continues to supply water to area residences, as requested.

On May 19, 2004, the COGCC staff sampled a small spring discharge located in the eastern bank of West Divide Creek adjacent to the main gas seep. Laboratory analyses showed a concentration of benzene at 199 $\mu\text{g/l}$, and minor amounts of toluene, ethylbenzene, and xylenes. EnCana immediately reinstated weekly creek water sampling (sample frequency had been reduced from weekly to a monthly sample frequency).

From June 7 through June 14, 2004 EnCana conducted a soil-gas resurvey of the main seep area. EnCana is evaluating the results and preparing maps, which will be submitted to the COGCC soon.

During the weeks of June 28, 2004 through July 9, 2004 EnCana will be undertaking a ground water investigation at the main seep area with the installation of monitoring wells and the use of an "on-site" laboratory. The on-site laboratory will provide rapid analytical testing of ground water samples and help focus monitoring well placement.

EnCana has contracted with Colorado Mountain College's (CMC) natural resources staff to conduct a biological study to monitor aquatic life in the West Divide Creek and to measure impacts, if any, to aquatic life from the gas seep. Data collection began on May 10, 2004 and will continue monthly through August 2004. A second round of aquatic study samples were collected on May 31 and June 1, 2004. Several residents in the vicinity of the seep are providing input to the CMC study.

The COGCC has noticed a Hearing on the Alleged Violations of COGCC rules by EnCana with regards to the West Divide Creek Gas Seep and the Schwartz 2-15B well. The Hearing will be held at the Ramada Inn in Glenwood Springs, Colorado on Monday August 16, 2004. The hearing notice has been provided to the interested parties.

The COGCC staff continues to provide updates regarding the West Divide Creek seep investigation to the Water Quality Control Division (WQCD) of the Colorado Department of Public Health and Environment (CDPHE) pursuant to our existing MOA.

EnCana continues the moratorium on drilling and fracing activities within a 2-mile radius of the seep until COGCC approves resumption of these activities.