



Staff Report

January 13, 2011

I. STATISTICS

Our monthly statistics and permit activity report are on pages 17-25. These statistics include the permit and location assessment information that were previously included on the first page of the staff report.

II. NORTHWEST COLORADO

◆ Northwest Colorado Oil and Gas Forum

The Northwest Colorado Oil and Gas Forum (Forum) is an informal gathering of local, state, and federal government officials, oil and gas industry representatives, and citizens that have met regularly since 1989. The purpose of the Forum is to share information about oil and gas development in northwest Colorado and to make government officials and oil and gas industry representatives easily accessible to the public. Currently the meetings are conducted once per quarter and are co-chaired by the COGCC's Director, Dave Neslin, and Garfield County Commissioner, Mike Samson.

The next meeting is scheduled for March 3, 2011, at 10:00 am. The venue will once again be the Colorado Mountain College – West Garfield Campus, 3695 Airport Road in Rifle, CO.

All parties wishing to be placed on the meeting agenda should contact Chris Canfield at: 970-625-2497 or via email at: chris.canfield@state.co.us.

◆ Project Rulison

The First Quarter 2010 Operational and Environmental Monitoring Report, prepared for Noble Energy, Inc., EnCana Oil & Gas (USA), Inc., and Williams Production RMT, Inc. and the Rulison Current Sampling and Analysis Plan Revision 3 has been posted on the COGCC website (www.colorado.gov/cogcc), Library, Piceance

Basin. A generic email address has been set up to convey Project Rulison related information. That address is:
Rulison.submittal@state.co.us.

◆ Project Rio Blanco

The Rio Blanco Current Sampling and Analysis Plan (SAP) Revision 1, July 2010, was finalized and has been posted on the COGCC website (www.colorado.gov/cogcc), Library, Piceance Basin. A generic email address has been set up to convey Project Rio Blanco related information. That address is:
Rio Blanco.submittal@state.co.us.

◆ East Mamm Creek Area Investigation

COGCC staff are continuing work on a project to evaluate existing data and review past and present drilling and completion practices in the East Mamm Creek area of Garfield County (Sections 1-3 & 10-12, Township 7 South, Range 92 West, Sections 35-36, Township 6 South, Range 92 West, Sections 31-32, Township 6 South, Range 91 West, and Sections 5-7, Township 7 South, Range 91 West). Staff and consultants are: reviewing current COGCC policies and procedures, and timelines; analyzing compositional and isotopic gas data; evaluating gas well construction and mechanical integrity testing; reviewing water well sample data; and reviewing published geologic data. At the conclusion of the project review, recommendations will be developed to improve future drilling and completion practices to add additional protections for groundwater and surface water resources from natural gas exploration and production activities as necessary.

◆ Silt-Mesa and Peach Valley Area Activities

Staff have received numerous requests from Silt Mesa and Peach Valley residents to have



domestic water wells, and streams serving livestock, sampled in advance of drilling activity nearby. These requests have been generated by activities such as survey staking for access roads and well pads, or drill rigs working in the vicinity. Staff responded as quickly as possible to accommodate the requests before drilling commenced in the area of concern. A third-party contractor was used to assist in sample collection due to the volume of requests. Reporting of results to landowners has been taking approximately 3 to 4 months, due to the number of requests and other workload obligations. This is longer than originally anticipated. The analytical results from this current round of water well sampling will add to the information the COGCC already has from a baseline study that was conducted in 2006. The 2006 Rifle-New Castle Baseline Groundwater Monitoring Study is discussed in more detail below.

Staff are also providing copies of the Rifle, Silt, New Castle (RSNC) Community Development Plan to residents who are not familiar with it, as well as information regarding Garfield County's Energy Advisory Board (EAB) meetings. The Garfield County Energy Liason website (<http://www.garfield-county.com/Index.aspx?page=570>) contains a downloadable copy of the RSNC Community Development Plan and the schedule for Garfield County EAB meetings. The EAB Mission Statement (by resolution of the Garfield Board Of County Commissioners) is as follows: "The EAB shall provide a forum for the oil and gas industry, the public, impacted landowners and local government to prevent or minimize conflict associated with oil and gas development through positive and proactive communication and actions that encourage responsible and balanced development of these resources within Garfield County." A number of other useful documents and presentations are available on this website, including Garfield County's Socio-Economic Impact and Air Quality Monitoring Studies.

◆ 2006 Rifle-New Castle Baseline Groundwater Monitoring Study

In 2006, Staff recognized that the area between Rifle and New Castle had over 1,000 domestic water wells. This made the area ideal

for a baseline groundwater quality study because it had not experienced any natural gas drilling activity. A study covering approximately 31 square miles was initiated. Landowners were contacted, and sampling of domestic water wells was conducted in the summer of 2006. A total of 70 domestic water wells were sampled for inorganic and organic parameters. In addition, water from 29 wells with effervescent water was sampled for gas composition and stable isotopes to characterize the naturally occurring gases in the water. Nitrogen, oxygen, carbon dioxide, argon and carbon monoxide were the gas components identified. Only trace quantities of naturally occurring methane (a maximum of 0.04 %) were detected in any of the groundwater samples in this study. The full report for this study is available on the COGCC website (<http://cogcc.state.co.us>) under "Library," "Piceance Basin Reports/Data" header. Currently the document is the last document listed, titled "Piceance Basin Phase IV Baseline Water Quality Study Garfield County, February 9, 2007."

III. SOUTHWEST COLORADO

◆ Gas and Oil Regulatory Team (GORT) Meeting

The next GORT/Southwest Colorado Oil and Gas Stakeholders meeting is scheduled for January 20, 2011, at 8:30 am at the La Plata County Fairgrounds in Durango, Colorado.

All parties wishing to be placed on the next meeting agenda should contact Karen Spray at: 970-259-1619 or karen.spray@state.co.us.

◆ Fruitland Formation Outcrop Mitigation and Monitoring Projects (4M Projects)

Fruitland Formation Outcrop - 4M Pilot Scale Mitigation Projects La Plata County. Power production at the South Fork Texas Creek (SFTC) Mitigation system remains at about 18.5kW, and power generation was 7,920 KWH for the month of September. COGCC's contractor, LT Environmental (LTE), successfully installed additional sound insulation to the equipment building. BP has offered to donate several sound panels to the project if needed. Gas continues to be collected and vented at the Pine River Ranches location.



4M Monitoring Wells La Plata and Archuleta Counties. There are currently 17 wells at 11 locations in the COGCC 4M monitoring program. Well pressures are monitored remotely via satellite telemetry with one or two maintenance visits per year, depending upon data received. While on a year-end maintenance visit, COGCC staff discovered that all 4 data cables for the Fosset Gulch monitoring wells had been cut by a pipeline contractor. Data indicated that the transducers stopped transmitting on November 11, 2010. Repairs cannot be made until spring 2011 due to winter closure of the area and the need for heavy equipment to access the buried cables. It is not possible to splice the cables and retain data integrity, so the entire length of all 4 cables will need to be replaced. Costs to repair the wells are being estimated and repairs will be scheduled as soon as site access is granted. All other wells appear to be operating normally.

◆ Ongoing Investigation, Reclamation, and Mitigation of Residual Methane in the Vicinity of the Bryce 1-X Well Area, Bondad, Colorado

COGCC staff continue to monitor groundwater from 4 domestic water wells in the vicinity of the plugged & abandoned Bryce 1-X in Bondad, Colorado. The next full-scale sampling event is scheduled for sometime this month. Methane has not been detected in the shallow soils since July 2007, as confirmed by a September 2010 soil gas survey. The report of this work is available on the COGCC website under "Library," "San Juan Basin, Bondad, Colorado Reports, September 23, 2010 Methane Seep Survey Report."

◆ Baseline Water Quality Sampling - Montezuma & Dolores Counties

COGCC staff has initiated baseline water quality sampling of surface and groundwater in areas where additional development of the Gothic Shale play in Montezuma and Dolores Counties may occur. Raven Mesa Geoscience, COGCC's contractor, has compiled data regarding locations and ownership of permitted domestic water wells and springs in the area to assist in scoping the project.

◆ Baseline Water Quality Sampling - Rio Grande County

Dan A. Hughes Oil Company has initiated a baseline water quality sampling program in advance of their proposed drilling activities in the Del Norte area of the San Luis Valley. Early results have been provided to the COGCC for inclusion in the water quality database.

IV. NORTHEAST COLORADO

◆ Beneficial Use of Drill Cuttings

Recently there have been several violations in Weld County regarding improper disposal of drill cuttings. Currently COGCC rules allow the following methods for treatment and disposal of drill cuttings:

- Burial on site in accordance with Rule 1003.d.
- Disposal at a commercial solid waste disposal facility.
- Disposal or treatment at a centralized Exploration and Production (E&P) waste management facility permitted in accordance with Rule 908.
- Reuse and recycling in accordance with COGCC Rule 907.a.(3).

COGCC Rule 907.a.(3) encourages and promotes waste minimization, and provides that operators may propose plans for managing E&P waste through beneficial use, reuse and recycling by submitting a written management plan to the Director for approval on a Sundry Notice, Form 4. Methods of beneficial use of drill cuttings that could be considered if the cuttings meet Table 910-1 standards include, but would not be limited to, production facility construction and maintenance, lease road maintenance, pad construction and land application. Operators should develop waste management plans prior to generating the waste.

Waste management plans also can be developed for other types of E&P waste. At a minimum, the written plans should include the source(s) of the waste, type of waste, volume of waste, treatment methods, product quality assurance, certification or authorization that



may be required by other laws and regulations, written land owner permission, and the final disposition of the waste. The operator is required to comply with waste generator requirements as outlined in COGCC Rule 907.b.(2). In addition, the operator must be able to verify that cuttings or other types of waste meet Table 910-1 levels after beneficial use. It should also be noted that operators with control and authority over the wells from which the wastes are generated retain responsibility for those wastes.

◆ Baseline Water Quality Sampling - Elbert, Jackson, Park and Weld Counties

COGCC has initiated discussions with a number of operators regarding a surface and ground water sampling program in Elbert, Jackson, Park and Weld Counties. In particular this proposal would apply to un-spaced areas where the Director has approved drilling permits for horizontal wells in the Niobrara Formation and where the Commission has issued recent spacing orders for horizontal wells in the Niobrara Formation. These sampling efforts would supplement previous work by COGCC staff to establish baseline water quality in advance of further development of oil and gas resources in that area. Sampling would continue during the long term development of the resource and the results would be used to help determine whether impacts from oil and gas operations have occurred. A document with a draft of the proposed water sampling requirements was distributed to operators for comments on November 1, 2010. Comments have been received and are being compiled and evaluated by COGCC staff.

In addition, COGCC environmental staff has responded to several requests for baseline water quality sampling in Weld and Elbert Counties and has provided concerned landowners with information about the COGCC permitting and regulatory process

V. SOUTHEAST COLORADO

◆ Corsetino Dairy Farms Site Investigation and Remediation Workplan

The owners of Corsetino Dairy Farms, Petroglyph Energy Inc. (PEI), and COGCC staff have reached agreement on a voluntary site investigation and remediation workplan intended to address impacts to soils at the dairy farm from Colorado Department of Public Health and Environment-permitted discharge of coalbed methane (CBM) produced water by PEI into the Cucharas River upstream of the dairy's irrigation water intake. A meeting to discuss and evaluate crop yield and effectiveness of the remediation to date is scheduled for sometime this month. Documents related to this remediation can be viewed on the COGCC website under Images, Project 4625.

◆ Methane Investigation Monitoring, and Mitigation Plan (MIMMP) - Huerfano County

Phase 2 Operations

Three monitoring wells, 4 recovery wells, and 8 injection wells have been drilled, completed and tested by Petroglyph Energy Inc. (PEI) as part of Phase 1 of the MIMMP. Operation of the Phase 1 pump, treatment, and injection system started on December 8, 2008. More than 26 million gallons of Poison Canyon Formation water had been pumped to the surface and treated as of December 10, 2010. Phase 2 operations started on August 6, 2010. As part of Phase 2, approximately 3.9 million gallons of Vermejo Formation water have been pumped from the Rohr 04-10 coalbed methane well. The Vermejo Formation water is mixed with Poison Canyon Formation water, sent through a vertical separator and then treated in a reverse osmosis system to ensure compliance with U.S. Environmental Protection Agency and COGCC conditions of approval for Phase 2 operations. Approximately 10.0% of the water treated in the reverse osmosis system is brine that has been transported off-site for disposal at a commercial facility.



Gas flows are monitored at 4 domestic wells by PEI or its consultant and at 2 domestic wells by COGCC and its consultant. Overall gas flow has decreased in all monitored domestic wells.

Mitigation

PEI is currently supplying water to 16 homes at the request of impacted well owners. Methane alarms have been installed in 15 homes. Petroglyph believes that all alarms so far have been false alarms, based on their on-site investigations after alarm reports.

VI. ORGANIZATION

The Financial Assurance Supervisor position that has been vacant since June, 2010 has been filled. Sharon Schoepflin, who was a Records Technician at the COGCC, applied for and was selected as the best candidate for the position. She brings more than 10 years of experience in the lending industry with experience in management, accounting and auditing.

An organizational chart can be found on pages 12-14. For contact information, please go to our website and click on "Contacts" on our homepage, and then "Staff Contact Information."

VII. PLANNING/ADMINISTRATION/OTHER

◆ Form 22 - Accident Reports

Operators should submit the Form 22—Accident Report (Rule 602.b) to the Field Inspection Supervisor or the Field Inspection Manager. Previously, accidents were reported to the engineering department. The Field Inspection Supervisors are Ed Binkley (Northeast), Mike Leonard (Southwest and Southeast) and Shaun Kellerby (Northwest) and the Field Inspection Manager is Margaret Ash. For contact information and/or for a detailed map that describes the areas covered by each supervisor please refer to the COGCC's webpage under Contacts.

◆ Public Outreach Opportunities

Dave Andrews, Western Colorado Engineering Supervisor, made a presentation to the Garfield County Energy Advisory Board (EAB) at its October 7, 2010, meeting in Rifle. EAB meetings are open to the public. The October presentation summarized well construction methods and COGCC rules and regulations related to Underground Injection Control wells. Dave Andrews also made a presentation to the EAB at their December 2, 2010, meeting in Battlement Mesa. The December presentation summarized the frequency and nature of gas kicks and blowouts in Garfield County, functions of Blowout Prevention Equipment (BOPE), well control procedures, and COGCC rules and regulations related to BOPE.

Linda Spry-O'Rourke, COGCC's NW Environmental Protection Specialist, attended the Gunnison County Planning Commission (Commission) meeting on December 3, 2010, in Gunnison. Michael Freeman, representing EarthJustice, gave a presentation to the Commission, followed by an interactive discussion of various aspects of current and proposed oil and gas operations.

Karen Spray, COGCC's SW Environmental Protection Specialist, attended the Rio Grande County Planning Commission meeting on November 16, 2010, in Del Norte. The Commission was discussing revisions to their oil and gas code to require mandatory analytical sampling of all water sources within 3 miles of a proposed oil and gas well with annual sampling thereafter. The Commission voted to support this requirement after lengthy comment by the public. COGCC staff answered questions regarding State rules, baseline water quality testing and oil and gas operations in general.

Dave Neslin and Debbie Baldwin presented the COGCC's annual report to the CDPHE-Water Quality Control Commission on January 10, 2011. The written report is posted on the COGCC website Library, *Water Related Reports and Papers, Annual Reports to the WQCC/WQCD*. Copies of the report have been provided to the COGCC Commissioners.



◆ Onsite Inspection Policy

The COGCC has received a total of 143 requests for onsite inspections to date under the Policy For Onsite Inspections On Lands Where The Surface Owner Is Not A Party To A Surface Use Agreement Policy, effective for Applications for Permits-to-Drill (APDs) submitted after February 15, 2005.

Thirty-two onsite inspections have been conducted, while 97 requests for inspections have been withdrawn. Fourteen onsite inspections are pending and will be scheduled, if necessary, after the Application for Permit-to-Drill (APD) is received, or after issues related to local governmental designee consultation, location change, or surface use agreements are resolved.

Of the 143 requests for onsite inspection, 78 were for locations in Weld County, 25 in Las Animas County, 9 in Adams County, 7 in La Plata County, 5 in Garfield County, 3 each in Archuleta, Boulder, Logan, and Yuma Counties, 2 in Morgan County, and 1 each in Baca, Cheyenne, Kiowa, Larimer, and Washington Counties.

COGCC staff have attended on-site meetings to facilitate communication between the parties and to minimize impacts to the surface owner through voluntary measures implemented by the operator in instances where surface owners have requested Onsite Inspections beyond the 10 business-day window provided for in the Policy, and where there is a dispute between parties regarding the date of the Rule 306 consultation.

In addition to the Onsite Inspection Policy, onsite inspections are being conducted in the San Juan Basin under Cause 112, Order Nos. 156 and 157. These are cases where an Onsite Inspection was required because an APD was submitted without a surface use agreement.

◆ Plugging and Abandonment and Well Reclamation (PAWR) Fund Status

Page 15 contains a spreadsheet listing PAWR projects for Fiscal Year 2010-2011 that are: 1)

planned (work has not yet commenced); 2) in progress (bids have been solicited and some field work may have been performed); or 3) completed (the final invoice has been received).

Work on the access road to the Debeque wells is complete. Two wells have been plugged. Two more will be plugged when weather becomes favorable.

◆ February 2011 Hearing Docket

A docket for the February 2011 hearing will be available shortly after the January hearing. Hearing dockets are available on our website by clicking on "Hearings." Links to the notices and hearing applications are available from the Docket Number and Applicant, respectively. To sign up for e-mail notification of hearing notices and applications, please see the announcement and instructions on the homepage of the COGCC website at: www.colorado.gov/cogcc.

◆ Colorado Oil and Gas Information System ("COGIS")

COGIS is made up of many different components that are used by the COGCC, staff, industry, government agencies and many others.

➤ Internet

The COGCC determined it was most cost effective to develop applications and information in an Internet-available format. This allows for the same tools to be utilized in different environments, thus eliminating the re-creation of applications. The Internet connection was moved to a new network structure which provides a much more secure environment. The following are tabs on the Internet menu bar:

* General

This page has links to basic information concerning the COGCC, its function, and oil and gas development in Colorado.

* Contacts

This page has links to people and agencies that are involved with oil and gas regulation and related issues in the state. The page also contains phone lists and geographic areas of responsibility for COGCC staff.



- * **Library**
This page contains links to documents resulting from COGCC studies, activity reports, and statistical downloads. The annual statistics and the weekly/monthly statistics are available here.
- * **Hearings**
This page has links to the current and previous hearing schedules, which allow for review of the dockets, agendas, applications and their outcome. It also has information that is useful when considering filing an application for hearing or finding information about Commissioners.
- * **Rules**
This page contains links to the COGCC statute, Rules and Regulations, and policies.
- * **Policies**
This page contains links to COGCC policies.
- * **Orders**
This application provides searchable capability of the COGCC's orders. The search by location is still under construction as we create the map layers for all spacing orders.
- * **Forms**
All forms are available as Adobe Acrobat documents that can be downloaded, completed, printed and mailed; some are available as Excel and Word documents. Some example and instruction documents are viewable. The forms used by operators to submit information on location of wells and completion reports have been modified to accept latitude and longitude data. Eventually, online forms will be available here, but the exact time frame is unknown.
- * **Staff Report**
Current and previous staff reports are viewable here.
- * **Permits**
This application shows the last 12 months of approved permits and current pending permits; it may be filtered by county.
- * **News/Media**
This category provides general information to the media. It contains statistics, charts, graphs, and other items of interest.
- * **Database**
This application enables users to query well,

production, and operator information. These queried databases contain the most current set of data and are updated throughout the day.

- * **Local Gov**
This application provides database searches for local government contact information and oil and gas activity within a selected area.
- * **Images**
This application is an interface to the COGCC's historical paper files. All well files, logs, and hearing files have been scanned. This application is not user friendly and the preferred method is to use the database queries and click on the "docs" icon for wells and other facilities, or to use the Orders application.
- * **Maps**
This interactive map application allows the user to zoom, pan, and select types of information to display.

The wells layer displays all wells in the state. The user can double-click on a well to get additional information. A well status layer can be turned on to see various symbols for well status. There are also approved and pending permit layers that are live to the COGCC database.

Three map layers were added to the COGCC Geographic Information Systems (GIS) Online main map in support of the Final Amended Rules approved in December 2008:

1. Wildlife Restricted Surface Occupancy (RSO) Areas
2. Sensitive Wildlife Habitats (SWH)
3. Rule 317B Surface Water Supply Area Buffers

These map layers will be used to determine if a proposed drilling location is subject to the provisions of the new rules. In addition, a second map was added, entitled "Wildlife Map." The Wildlife map displays the wildlife species-specific RSO and SWH areas. The Wildlife map data were provided by Colorado Division of Wildlife (CDOW). Surface Water Supply area data were provided by Colorado Department of Public Health and Environment (CDPHE). The CDOW and CDPHE GIS staffs were very helpful regarding data requests.



A statewide water wells map layer was added to the Internet on August 5, 2005. Many thanks to the Division of Water Resources for allowing us to display its data.

The National Resource Conservation Service Soil Data Mart is included on our maps. Through these links the public can get reports on the soil surveys for any area of the state.

Statewide aerial photographs taken during the summer of 2009, under the National Agriculture Imagery Program, have been added to the COGCC GIS Online map. The resolution is such that well pads and related features can be easily seen.

The COGCC, in cooperation with the BLM, added map layers containing the lease stipulations from the BLM to the COGCC GIS Online site. Among the layers available include Federal Oil and Gas leases, Federal Oil and Gas Subsurface Rights, and Exploratory Units.

A new directional survey bottomhole map layer was added to the COGCC GIS Online map in March 2010.

* Help

In December 2008, two search tools were added to the Help menu to be used in conjunction with the map layers that were added for the Final Amended Rules.

The Oil & Gas Activity Notification Tool allows a user to enter a section-township-range of interest which returns a table identifying which quarter-quarter sections are subject to Rule 317B, RSO areas, or SWH requirements. The user can then click on a link, which opens the map, and zoom to the section of interest for further inspection.

The Map Temporary Coordinated Tool allows the user to enter a latitude and longitude to view on the map. The user can then turn on the relevant map layers to see which layers intersect the entered coordinates.

A tutorial document for the COGCC Interim Policy for APDs is posted in the Help area and the homepage of the website. This document helps explain the interim process that the COGCC used for processing APDs until the Final Amended Rules took effect. Included in the document are explanations

on how to use the new tools and map layers that have been developed for the Final Amended Rules.

The COGCC, with assistance from the Ground Water Quality Protection Council, has produced two Macromedia Flash movies to help users understand the many features available within the COGCC GIS Online system. The movies are located by clicking on the HELP link from the main menu or by using the following link: http://colorado.gov/cogcc/COGIS_Help/Help.asp.

Two applications on the COGCC website are available to help operators with the entering of data relating to locations. The first, a Footage calculator, will take a new latitude and longitude and calculate new footage calls based on the location supplied at the time of permitting. The tool should only be used to compare locations where latitude and longitude were supplied on the permit as required by the December 1, 2005, rule change. The second application converts latitude and longitude as measured in degrees, minutes, and seconds into decimal degrees. The decimal degree format is what COGIS is expecting on all forms requiring lat/long coordinates.

The eForm Training Manual has been updated to include all of the forms available within the system. It can be found at http://cogcc.state.co.us/COGIS_Help/eFormtraining/eFormTraining.htm. A document explaining the Local Government Designee process in eForm is now available in the Help section.

➤ Local Area Network

COGCC staff are connected to services by a Local Area Network ("LAN") connection which provides email and data-sharing capabilities. The LAN is connected to the Centennial Building at 1313 Sherman Street by a wireless interface; this connection provides access to the Internet and other state services. COGCC staff utilize the same applications in their work as Internet users, in addition to others outlined below.

* Database

The COGCC maintain a comprehensive database of regulated facilities (wells, pits, injection sites), incidents (inspections, com-



plaints, spills), and affiliations (companies and contacts).

* **Imaging**

This application provides the capability to convert the paper documents received by the COGCC to electronically available documents.

* **Form Processors**

This set of applications allows users to input, route, edit, and update regulatory reports submitted by oil and gas operators.

* **eForm**

This application utilizing the same code base that industry uses to submit Applications for Permits-to-Drill (Form 2) and Oil and Gas Location Assessment Form (Form 2A), is being used by staff to input, route, edit, and update these forms internally.

* **Geographic Information Systems (GIS)**

These applications provide the capability to create custom maps, convert survey calls to geographic coordinates, and convert and utilize geographic positioning system (GPS) data.

The GIS Administrator creates daily updates for the Internet map data downloads.

* **COGIS Tools**

This set of applications allows COGCC staff to correct data in the database in addition to performing specialized workflow administration.

➤ **Remote Users**

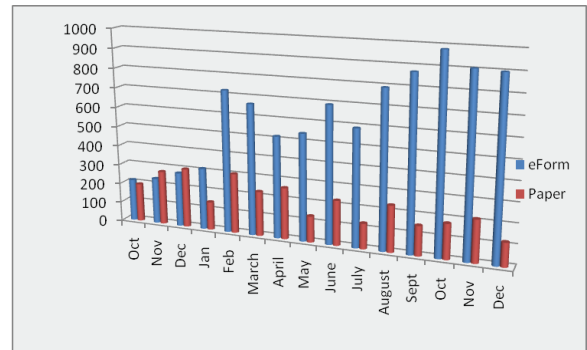
This is the final component of the COGIS system. This laptop system consists of Internet applications and other report tools necessary for COGCC field staff to facilitate data collection and provide information.

* **Electronic Business**

There are approximately 200 operators reporting production electronically.

◆ **COGIS Projects, Updates and Changes to Electronic Form Submissions (eForm)**

The usage of eForm continues to grow, with December reaching 88% utilization. The number of operators using eForm has reached 215.



Design and development of the Form 10, Certification of Clearance and/or Change of Operator is now underway. The IT development group and staff are also working on the early phases of the project to bring the Form 4, Sundry Notice to eForm. The Form 4 project is completing the first round of requirements gathering. The next phase will be the first set of design documents.

As forms are released on eForm, updates to the PDF forms on our web site have not occurred. COGCC staff are currently looking into a process to begin updating the PDF forms that are available for paper submissions. We are looking at a midyear date at having all PDF forms current with the electronic forms.

Along with the eForm system, a page is available where the operators can review all known bugs within the system and report any new ones they discover.

The public can make comments on all submitted Oil and Gas Location Assessment (OGLA) forms (Forms 2A) through the eForm system. This is accomplished by going to the COGCC website (<http://www.colorado.gov/cogcc>) and clicking on the menu option, "Permits", (or <http://cogcc.state.co.us/COGIS/DrillingPermits.asp>).

On the COGIS-Permits page, two search options are available for OGLA forms, "All Pending Location Assessments for" and "All Approved Location Assessments for." When the results are displayed for forms in process, the public can click on the document number, which logs the user onto the new eForm application. Once



the page is displayed with the selected document, the user can select the Comment button to make a comment on that particular form. The public can use this same method to make comments on APDs (Form 2s).

For any operator not currently enrolled in eForm, instructions for starting the process can be found at <http://cogcc.state.co.us/Announcements/COUAINformation.pdf>

Field Inspection Form

Work continues on the project to create a new Field Inspection form for staff to utilize as they perform field inspections. The goal of the project is to enable a single form to be used by the different groups within the division who perform inspections in the field. One exciting aspect to the project will be the ability of the staff to complete their forms in the field and have them uploaded to the COGIS database the next time they connect to the network.

Rulemaking Activity Page

The Final Amended Rules (December 2008) have been published and posted to the COGCC's website homepage at: <http://www.colorado.gov/cogcc>. The pages associated with rulemaking activity, including numerous documents filed, public comments, and audio recordings of the proceedings are still available.

LAS File Upload

All digital well logs submitted to the COGCC over the Internet are to be in LAS (log ASCII) format. In addition to the LAS file, a paper log file is still required. Additionally an operator can submit the same log file in a PDS format, but the PDS format cannot replace the LAS requirement. To submit digital well logs over the Internet, an application must be completed. The application is available from the "Forms" page on the COGCC website <http://www.colorado.gov/cogcc>. To utilize the system, the operator will need to submit a Designation of Agent Form, Form 1A. COGCC staff are working with operators and logging companies to gain compliance with the digital log submission requirement. The rule still requires the operator to submit a paper copy of each well log (Rule 308A). All operators are required

to be in compliance with this Rule for all wells completed since July 2004.

Spacing Orders Project

The spacing orders project has been completed for the first pass through the state. As new orders are issued, the map layers will be updated.

Historic Wells Mapping Project

COGCC's GIS staff obtained historic maps of the Florence Oil Field and had well locations converted to GIS formats. The GIS layer was added to the Field Inspectors' laptops so that they can look for these old wells on the ground. Any old wells located will be added to the COGCC database and evaluated for further actions, if necessary. A similar mapping project is underway for the Boulder Oil Field.

VIII. VARIANCES

1. Three permits were issued without notice or consultation per rule 303.l.(2) for Black Raven Energy Inc. Permits for the Olsen 943-31-24, Fulscher 943-15-14, Oltjenbruns Farms 844-2-44 were approved on December 16, 2010. The exigent circumstances for the subject wells are expiring leases. The Fulscher well is located in Section 15, Township 9 North, Range 43 West. The Olsen well is located in Section 31, Township 9 North, Range 43 West. The Oltjenbruns well is located in Section 2, Township 8 North, Range 44 West. The operator provided the request and waivers from the local government designee, operator, and the surface owner.
2. EnCana Oil & Gas (USA) Inc. ("EnCana") submitted a Form 4 (Sundry Notice) dated November 9, 2010 to recomplete the Keinath Federal 9-11 (K9OU) well in the Mancos Formation at depths ranging from 6,280 feet to 7,362 feet. The well is located in the NE $\frac{1}{4}$ of the SW $\frac{1}{4}$ of Section 9, Township 8 South, Range 96 West, 6th P.M. EnCana has fee surface and federal minerals. The Keinath Federal 9-11 (K9OU) well had previously been completed in the Mancos Formation at depths ranging from 7,009 feet to 8,242 feet in April 2009 and May 2009, and other, deeper formations had been completed in 2007.



During review of the request to recomplete, COGCC Staff expressed its concern with production casing cement coverage on the Keinath Federal 9-11 (K9OU) well and compliance with Rule 317.i., which requires cement behind the production casing 200 feet above the top of the shallowest known producing horizon. The current top of cement in the Keinath Federal 9-11 (K9OU) well is at a depth of 4,572 feet, which is below the Williams Fork top of gas at a depth of 3,678 feet. The Williams Fork Formation is being produced from four other wells on the K9OU pad at depths of less than 4,000 feet.

COGCC Staff approved EnCana's request for a variance of Rule 317.i. on December 21, 2010. In the variance request, EnCana contended that: 1) the current wellbore configuration adequately protects groundwater by preventing the migration of oil, gas or water into shallow water-bearing horizons, and 2) the requested variance will not violate the basic intent of the Oil and Gas Conservation Act. In support of the variance request, EnCana indicated that historically, there has been negligible bradenhead pressure on the Keinath Federal 9-11 (K9OU) well, and EnCana seeks to defer cement remediation across the Williams Fork Formation until a Williams Fork completion is attempted. Based on EnCana's observations in the vicinity of the K9OU pad, the Williams Fork Formation does not generally produce significant quantities of natural gas until it is hydraulically fractured.

As conditions of the variance request approval, EnCana will notify COGCC staff as soon as practicable if bradenhead pressure is observed above 150 psig on the Keinath Federal 9-11 (K9OU) well, and EnCana will submit annual Form 17's (Bradenhead Test Reports) by January 31 of each calendar year until: 1) remedial cement is placed across the Williams Fork Formation to comply with Rule 317.i., or 2) the well is plugged and abandoned with a cement plug to be required above the Williams Fork Formation top.

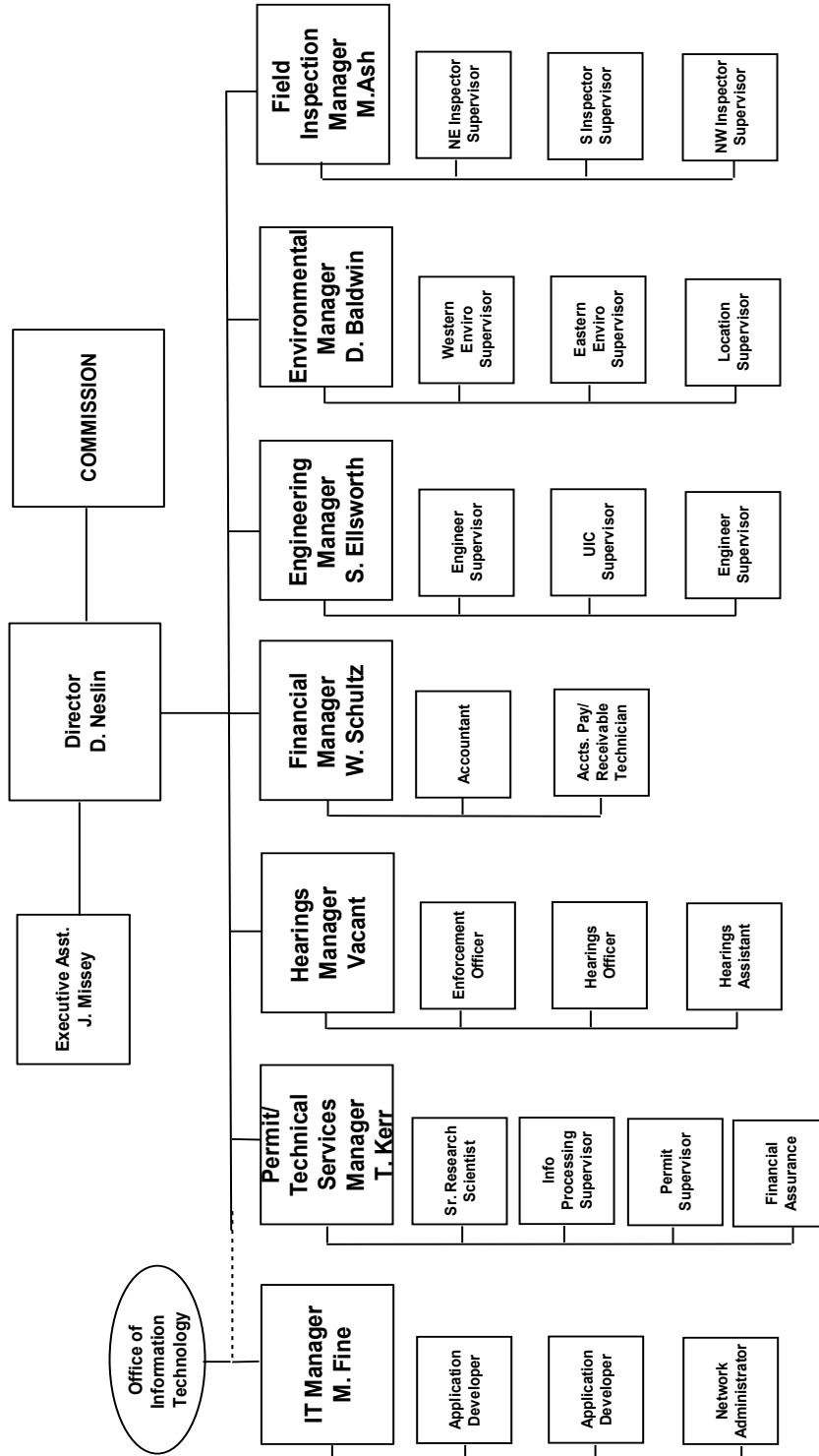
3. ExxonMobil Oil Corporation ("ExxonMobil") submitted a Sundry Notice requesting a variance to the production casing compressive strength requirements of Rule 317.i. for 30 wells, which are located on 2 different pads located in their Piceance Creek Unit. All of these wells have federal jurisdiction for surface and minerals. See Exhibit A on page 16 for a complete list of wells and locations.

As a result of the use of high-temperature-capable cement retarders in the cement slurry, ExxonMobil's production casing cement design for these wells does not meet the temperature requirement of Rule 317.i., which specifies that production casing cement "shall be of adequate quality to achieve a minimum compressive strength of at least three hundred (300) psi after twenty-four (24) hours and eight hundred (800) psi after seventy-two (72) hours measured at ninety-five degrees fahrenheit (95°F) and at eight hundred (800) psi." ExxonMobil's production casing cement design will meet the required compressive strengths within the required timeframes at the expected downhole temperatures.

ExxonMobil contends that the requested variances do not violate the basic intent of the Oil & Gas Conservation Act. In December 2010, COGCC staff approved ExxonMobil's Rule 317.i variance requests. ExxonMobil submitted similar requests to the Bureau of Land Management.



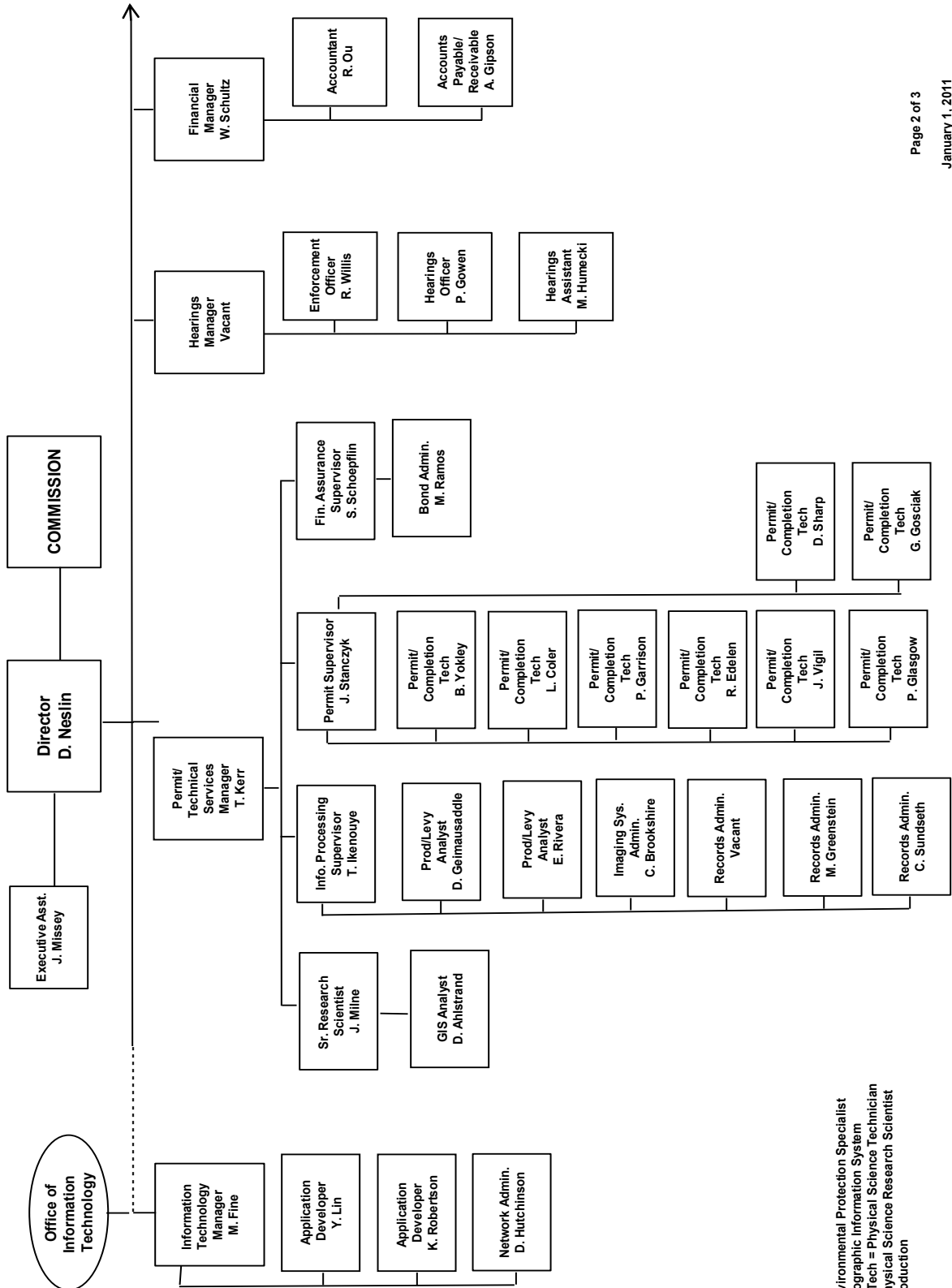
COLORADO OIL & GAS CONSERVATION COMMISSION



See the next two pages for details



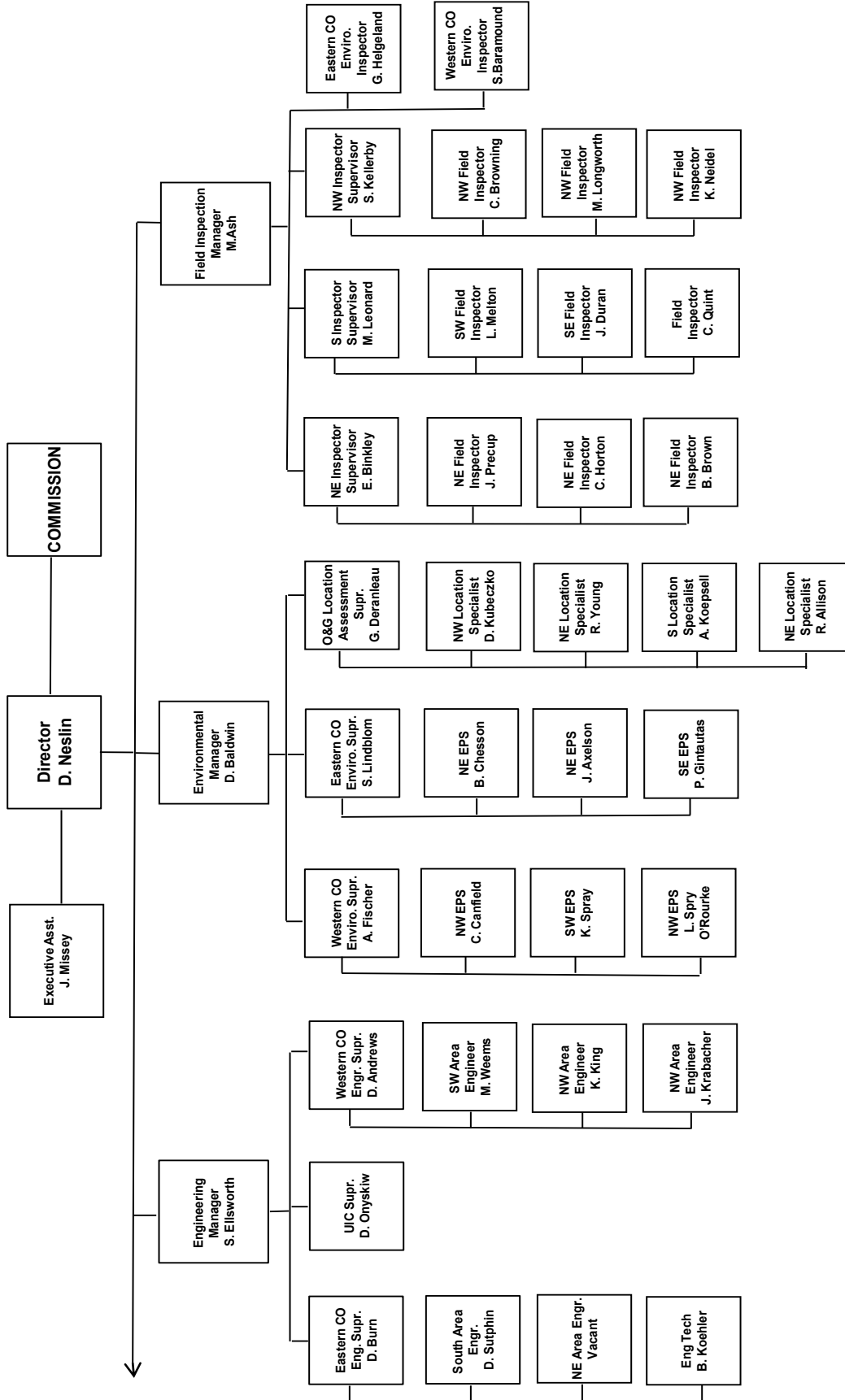
COLORADO OIL & GAS CONSERVATION COMMISSION ORGANIZATION



EPS = Environmental Protection Specialist
 GIS = Geographic Information System
 Phys/Sci Tech = Physical Science Technician
 PSRS = Physical Science Research Scientist
 Prod = Production



COLORADO OIL & GAS CONSERVATION COMMISSION ORGANIZATION



EIT = Engineer in Training
 EPS = Environmental Protection Specialist
 OGLA = Oil & Gas Location Assessment
 Phys Sci Tech = Physical Science Technician
 UIC = Underground Injection Control



**OIL AND GAS CONSERVATION AND ENVIRONMENTAL RESPONSE FUND, BOND CLAIM, AND SPECIAL APPROPRIATIONS
PLUGGING, ABANDONMENT AND WELL RECLAMATION (PAWR) PROJECTS FOR ORPHANED LOCATIONS**

FISCAL YEAR 2010-2011

<u>PLANNED</u>		ESTIMATED FYE2010 COSTS				ACTUAL FYE2010 EXPENDITURES				DESCRIPTION	
COUNTY	TYPE	PROJECT NAME	BOND	PAWR	SPECIAL	TOTALS	BOND	PAWR	SPECIAL	TOTALS	
CHEYENNE	PLUG	GOLDEN HAMMER	\$30,000	\$20,000	\$0	\$50,000	\$0	\$0	\$0	\$0	Injection well to be plugged. Project has been postponed until next fiscal year.
RIO GRANDE	PLUG	JYNNIFER #1 ABANDONMENT (BOND CLAIM)	\$5,000	\$95,000	\$0	\$100,000	\$0	\$0	\$0	\$0	Plug and abandon well. Project has been postponed until next fiscal year.
		TOTALS =>	\$35,000	\$115,000	\$0	\$150,000	\$0	\$0	\$0	\$0	
<u>IN PROGRESS</u>											
COUNTY	TYPE	PROJECT NAME	BOND	PAWR	SPECIAL	TOTALS	BOND	PAWR	SPECIAL	TOTALS	DESCRIPTION
MESA	PLUG	DEBEQUE ORPHANS ABANDONMENT - PLUGGING AND ABANDONMENT	\$0	\$95,880	\$180,000	\$275,880	\$0	\$114,890	\$488	\$115,378	Complaint. Plug and abandon leaking wells. Work is in progress.
		TOTALS =>	\$0	\$95,880	\$180,000	\$275,880	\$0	\$114,890	\$488	\$115,378	
<u>COMPLETED</u>											
COUNTY	TYPE	PROJECT NAME	BOND	PAWR	SPECIAL	TOTALS	BOND	PAWR	SPECIAL	TOTALS	DESCRIPTION
FREMONT	REC	UNITED OIL #346	\$0	\$5,000	\$0	\$5,000	\$0	\$995	\$0	\$995	Complaint. Piles of soil to be removed.
MESA	PLUG	DEBEQUE ORPHANS ABANDONMENT - EARTHWORK CONST. AND RECL.	\$0	\$90,403	\$0	\$90,403	\$0	\$104,115	\$0	\$104,115	Project is completed. Final invoice to be paid.
		TOTALS =>	\$0	\$95,403	\$0	\$95,403	\$0	\$105,110	\$0	\$105,110	
<u>ACTUAL</u>											
			ESTIMATED				ACTUAL				
		GRAND TOTALS =>	\$35,000	\$306,283	\$180,000	\$521,283	\$0	\$220,000	\$488	\$220,488	

Project Types: "PLUG." indicates plugging and abandonment, "REC." indicates reclamation, and "ENV." indicates environmental.



Exhibit A		
Well	Location	Pad
Piceance Creek Unit 297-1A1	NESW, 1, 2S, 97W	Piceance Creek Unit 297-1A Pad
Piceance Creek Unit 297-1A2	NESW, 1, 2S, 97W	
Piceance Creek Unit 297-1A3	NESW, 1, 2S, 97W	
Piceance Creek Unit 297-1A4	NESW, 1, 2S, 97W	
Piceance Creek Unit 297-1A5	NESW, 1, 2S, 97W	
Piceance Creek Unit 297-1A6	NESW, 1, 2S, 97W	
Piceance Creek Unit 297-1A7	NESW, 1, 2S, 97W	
Piceance Creek Unit 297-1A8	NESW, 1, 2S, 97W	
Piceance Creek Unit 297-1A9	NESW, 1, 2S, 97W	
Piceance Creek Unit 297-1A11	NESW, 1, 2S, 97W	
Piceance Creek Unit 297-1A12	NESW, 1, 2S, 97W	
Piceance Creek Unit 297-1A13	NESW, 1, 2S, 97W	
Piceance Creek Unit 297-1A14	NESW, 1, 2S, 97W	
Piceance Creek Unit 297-1A15	NESW, 1, 2S, 97W	
Piceance Creek Unit 297-1A16	NESW, 1, 2S, 97W	
Piceance Creek Unit 297-1A17	NESW, 1, 2S, 97W	
Piceance Creek Unit 297-1A18	NESW, 1, 2S, 97W	
Piceance Creek Unit 297-1A19	NESW, 1, 2S, 97W	
Piceance Creek Unit 297-1A20	NESW, 1, 2S, 97W	
Piceance Creek Unit 297-2C1	SESE, 2, 2S, 97W	
Piceance Creek Unit 297-2C2	SESE, 2, 2S, 97W	
Piceance Creek Unit 297-2C3	SESE, 2, 2S, 97W	
Piceance Creek Unit 297-2C4	SESE, 2, 2S, 97W	
Piceance Creek Unit 297-2C5	SESE, 2, 2S, 97W	
Piceance Creek Unit 297-2C6	SESE, 2, 2S, 97W	
Piceance Creek Unit 297-2C7	SESE, 2, 2S, 97W	
Piceance Creek Unit 297-2C8	SESE, 2, 2S, 97W	
Piceance Creek Unit 297-2C9	SESE, 2, 2S, 97W	
Piceance Creek Unit 297-2C10	SESE, 2, 2S, 97W	

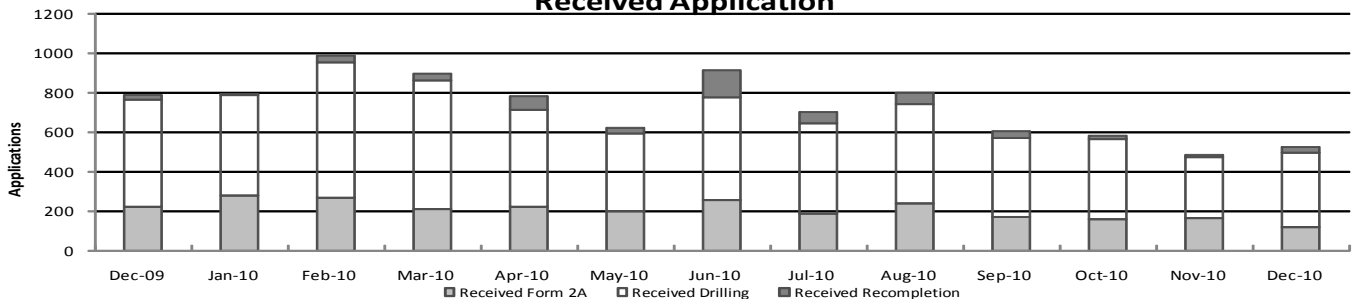


Colorado Oil & Gas Conservation Commission Monthly Permit Activity

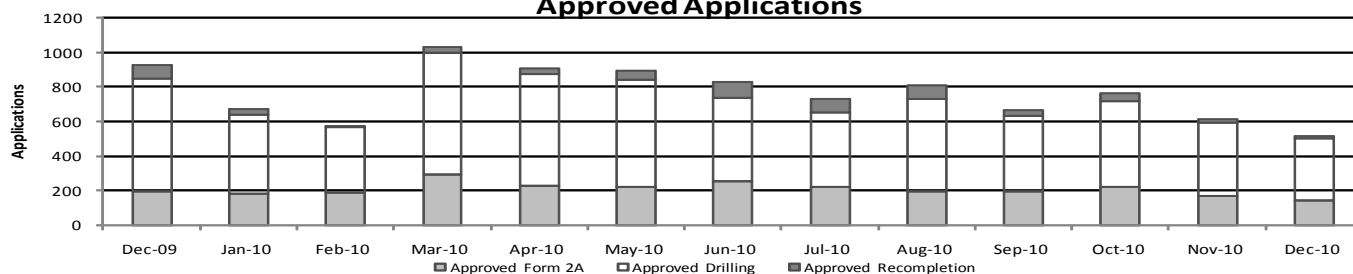
	Backlog	Received	Approved	Withdrawn	Rejected	Incomplete	In-Process	Remaining
Form2A								
Dec-09	229	221	195	2	0	16	237	253
Jan-10	253	277	180	6	0	18	326	344
Feb-10	344	265	189	23	0	15	382	397
Mar-10	397	206	290	8	0	19	286	305
Apr-10	305	220	228	6	0	22	269	291
May-10	291	200	218	6	0	31	236	267
Jun-10	267	253	251	7	0	34	228	262
Jul-10	262	185	222	2	0	23	200	223
Aug-10	223	239	198	9	0	21	234	255
Sep-10	255	166	196	1	0	52	172	224
Oct-10	224	160	221	2	0	28	133	161
Nov-10	161	162	171	13	0	16	123	139
Dec-10	139	117	144	2	0	25	85	110
Drilling								
Dec-09	922	543	653	11	0	37	764	801
Jan-10	801	506	462	13	0	53	779	832
Feb-10	832	687	377	24	0	46	1072	1118
Mar-10	1118	653	713	28	0	63	967	1030
Apr-10	1030	493	649	28	0	79	767	846
May-10	846	389	622	9	0	59	545	604
Jun-10	604	521	490	4	0	90	541	631
Jul-10	631	460	432	15	0	76	568	644
Aug-10	644	503	532	11	0	57	547	604
Sep-10	604	403	437	3	0	123	444	567
Oct-10	567	401	500	3	0	79	386	465
Nov-10	465	307	421	18	0	39	294	333
Dec-10	333	378	361	4	0	68	278	346
Recompletion								
Dec-09	88	24	78	0	0	2	32	34
Jan-10	34	11	31	0	0	1	13	14
Feb-10	14	35	9	0	0	1	39	40
Mar-10	40	33	31	0	0	1	41	42
Apr-10	42	67	33	0	0	0	76	76
May-10	76	29	57	1	0	2	45	47
Jun-10	47	139	89	3	0	3	91	94
Jul-10	94	54	81	1	0	4	62	66
Aug-10	66	57	81	0	0	8	34	42
Sep-10	42	33	31	3	0	7	34	41
Oct-10	41	20	41	4	0	7	9	16
Nov-10	16	14	19	4	0	2	5	7
Dec-10	7	26	12	0	0	4	17	21

Incomplete are permits that have missing or inaccurate data and cannot be approved.

Received Application



Approved Applications



Backlog = Incomplete + In-process = Remaining permits from previous month



Colorado Oil and Gas Conservation Commission
Status of Permit Applications Filed By Month
January 5, 2010

Form 2A Location Assessment

Year	Month	Received	Approved	Withdrawn	In Process	Percent In Process	Average Days to Process	Less Than 30 Days	30 to 49 Days	Greater Than 50 Days
2009	4	0								
2009	5	28	26	2	0	0%	98		0	26
2009	6	39	38	1	0	0%	87	3	1	34
2009	7	72	71	1	0	0%	68	3	17	51
2009	8	60	58	2	0	0%	72		4	54
2009	9	76	75	1	0	0%	56	1	22	52
2009	10	126	125	1	0	0%	38	35	64	26
2009	11	146	144	2	0	0%	31	106	26	12
2009	12	218	214	3	1	0%	29	166	28	20
Total		765	751	13	1	0%				
2010	1	225	206	17	0	0%	31	153	27	26
2010	2	236	222	14	0	0%	29	169	39	14
2010	3	283	272	11	0	0%	31	197	58	17
2010	4	279	273	6	0	0%	32	176	76	21
2010	5	195	189	5	1	1%	34	76	93	20
2010	6	258	253	4	1	0%	29	177	58	18
2010	7	187	178	6	3	2%	35	64	98	16
2010	8	218	210	5	3	1%	34	113	64	33
2010	9	185	184	1	0	0%	28	123	54	7
2010	10	165	154	7	4	2%	27	112	35	7
2010	11	163	150	3	10	6%	26	118	32	0
2010	12	126	42	1	83	66%	23	38	4	0
2010	Total	2066	1987	69	8					

Form 2 Application For Permit to Drill (APDs)

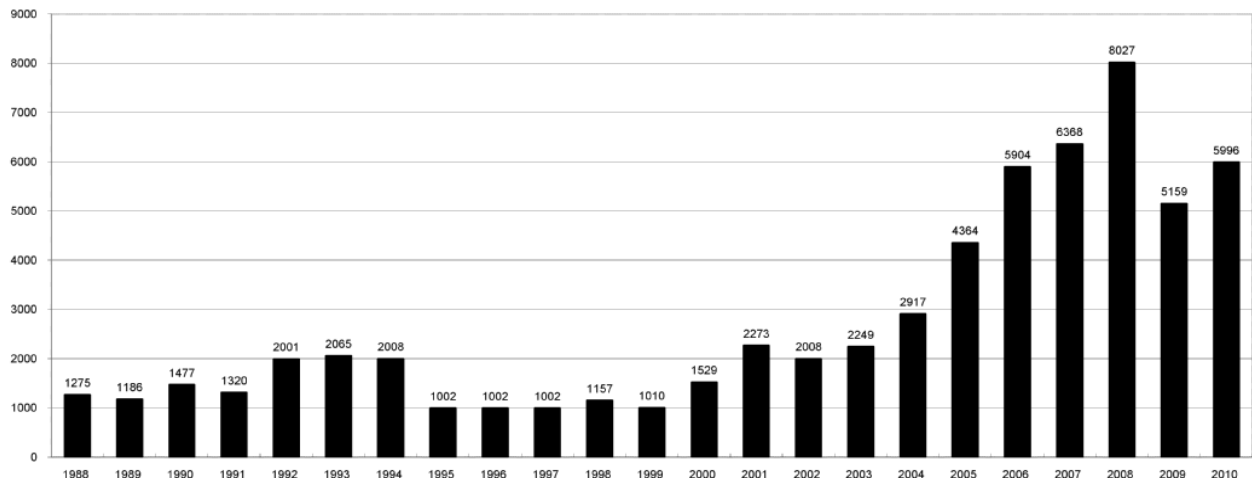
Year	Month	Received	Approved	Withdrawn	In Process	Percent In Process	Average Days to Process	Less Than 30 Days	30 to 49 Days	Greater Than 50 Days
2009	1	519	512	7	0	0%	83		132	380
2009	2	411	403	8	0	0%	61		229	174
2009	3	1476	1451	24	0	0%	94		369	1083
2009	4	40	38	2	0	0%	96		6	32
2009	5	54	43	11	0	0%	75		19	24
2009	6	219	218	1	0	0%	80		35	183
2009	7	122	121	1	0	0%	62	4	36	81
2009	8	157	148	9	0	0%	62	2	51	95
2009	9	231	219	12	0	0%	58	26	46	147
2009	10	371	367	4	0	0%	40	160	57	150
2009	11	427	426	1	0	0%	43	73	276	77
2009	12	539	534	5	0	0%	40	94	307	133
Total		4566	4480	85	0	0%				
2010	1	460	424	36	0	0%	38	161	177	86
2010	2	438	426	11	0	0%	33	223	166	33
2010	3	943	923	20	0	0%	37	346	455	122
2010	4	659	642	17	0	0%	35	260	320	62
2010	5	354	335	15	4	1%	39	89	174	72
2010	6	555	540	6	9	2%	35	244	203	93
2010	7	468	459	8	1	0%	42	97	267	95
2010	8	493	480	6	7	1%	39	184	174	122
2010	9	420	416	1	3	1%	34	180	203	33
2010	10	395	360	15	20	5%	29	223	135	2
2010	11	323	288	3	32	10%	26	222	65	1
2010	12	384	113	2	269	70%	21	109	4	0
2010	Total	4790	4645	120	24					



COLORADO OIL AND GAS CONSERVATION COMMISSION ANNUAL PERMITS BY COUNTY

COUNTY	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	
ADAMS	46	34	44	53	92	58	137	34	9	33	24	19	38	28	9	26	39	34	37	89	51	35	21	
ARAPAHOE	5	5	15	14	11	4	20	12	2	9	1	2	0	2	1	2	5	7	11	10	10	10	8	
ARCHULETA	8	5	18	5	2	1		3		3		1	7	9	6	10	8	13	14	26	47	11	18	
BACA	6	4	15	10	23	9	12	24	10	7	13	15	22	6	2	3	7	8	2	11	13	3	4	
BENT				1		2	2	4	2	5	3	5	2				5	3	8	1	1		5	
BOULDER	1		1	13	38	159	38	5	8	2	5		1	5	6	7	17	13	21	37	32	35	24	
BROOMFIELD																2	7		1		2	33	28	
CHEYENNE	203	149	102	93	71	58	48	55	43	31	41	7	3	3	3	3	10	21	15	33	12	13		
COSTILLA												1												
CROWLEY	1		1	1																				
DELTA	1	1	2												7	4	5	10	9	2			4	
DENVER										5	3	3		3					19	25	24			
DOLORES	2		4	1	2	1											1	1	1	6	10	12	21	8
ELBERT	9	12	8	5	3		2	13	16	11	1		2						4			1		
EL PASO																						2	3	
FREMONT	9	5	6	7	1	2	2	1	2	1							1	3	2	4	14	13	22	
GARFIELD	19	66	111	36	18	56	143	78	109	141	95	130	213	353	362	567	796	1509	1845	2550	2888	1981	2037	
GRAND						1																		
GUNNISON			2	2		1									5	10	1	9	19	7	10	12	4	
HUERFANO	3	5	4	4	17	3	3	2	1	3	40	26	41	27	27		8	2			7		2	
JACKSON	3	1	4	6	2	2	3	2	2	6	3		34	18	21	9	14	6	8	5	27	19	9	
JEFFERSON	1		4	2		1		1	1	1	1	2	1						1	3	2			
KIOWA	15	39	40	46	28	28	21	26	13	17	10	2	11	18	2	4	2	1	11	9	26	7	16	
KIT CARSON	9	5	7	8	8	15	26	11	7	6	9	5				1	3	5	4	4	13	7	3	
LA PLATA	302	218	388	128	120	40	40	20	71	40	82	107	127	156	104	162	102	115	235	251	328	298	191	
LARIMER	4	4	3	6	13	7	3		1	3	1		2											
LAS ANIMAS	10	30	36		9	32	95	134	136	195	195	268	400	259	180	332	413	500	362	303	88	92		
LINCOLN	8	6	4	7	7	11	8	9	3	2		2	2	1	6	3	4	1	2	58	44	48		
LOGAN	18	21	23	13	14	30	15	13	6	12	7		4	7	3	3	6	13	17	14	5	9	17	
MESA	1	12	29	20	22	2	22	6	11	10	2	6	13	27	30	27	54	136	265	293	501	427	306	
MOFFAT	13	25	27	19	40	52	43	40	41	28	21	15	35	52	62	63	63	60	120	68	57	51	53	
MONTEZUMA	6	7	10	8	7	11	15	9	13	5	4	1	4		5	8	8	11	5	12	22	39	19	
MONTRORSE				1						1		1	3	2	4	2	1	1	3	3	3	1		
MORGAN	34	27	36	13	10	11	19	12	10	11	10	12	9	9	2	7	9	7	3	6	2	1	6	
OTERO				2																				
PARK				1								1										3	4	
PHILLIPS			3		1	1							1	2		7	13	17	12	69	82	45	64	
PITKIN		1			2												1			1				
PROWERS	19	9	5	10	14	7	3	5	5	3	9	3	2	5	4				7	5	8	1	3	
RIO BLANCO	34	83	77	33	81	83	126	81	33	40	51	95	89	187	105	179	154	161	360	321	477	348	441	
RIO GRANDE	2	3	4	1		1							1	1		1					1	1		
ROUTT	4	3	12	4	2	3	1	2	1	1	1	4	20	13	1		4	6	9	8	4	2	3	
SAGUACHE	1							2					2		2									
SAN MIGUEL			2	2					1	1	4	2	11	13	27	18	42	45	35	23	20	13	10	
SEDGWICK				1				3		2						1	5	2	7	2	1	19	11	
WASHINGTON	40	29	23	28	24	26	25	12	19	26	18	3	23	17	27	34	128	50	69	45	11	1	6	
WELD	424	357	366	656	1224	1319	1030	254	305	285	392	288	509	702	760	757	832	901	1418	1527	2340	1448	2152	
YUMA	14	20	45	60	104	53	167	169	123	116	111	60	31	205	160	138	237	782	797	541	545	105	299	
Total	1275	1186	1477	1320	2001	2065	2008	1002	1002	1002	1157	1010	1529	2273	2008	2249	2917	4364	5904	6368	8027	5159	5996	

ALL COUNTIES





Colorado Oil and Gas Conservation Commission
Form 2A Breakdown By County By Year
January 5, 2011

Yr	County	Form2As	Completed	In Process	Informational	Approval	New Location	CDP	SWH	RSO	CDPHE
2009	ADAMS	10	10	0	10	0	4	0	0	0	0
2009	ARAPAHOE	9	9	0	9	0	8	0	0	0	0
2009	ARCHULETA	4	4	0	3	1	4	0	1	0	0
2009	BACA	2	2	0	1	1	2	0	0	1	0
2009	BOULDER	6	6	0	6	0	2	0	0	0	0
2009	BROOMFIELD	14	14	0	14	0	4	0	0	0	0
2009	CHEYENNE	5	5	0	6	0	6	0	0	0	0
2009	ELBERT	1	1	0	1	0	1	0	0	0	0
2009	GARFIELD	49	49	0	0	50	28	0	42	3	1
2009	GUNNISON	2	2	0	0	2	1	2	2	0	0
2009	KIOWA	7	7	0	7	0	6	0	0	0	0
2009	LA PLATA	11	11	0	4	8	7	0	7	0	0
2009	LAS ANIMAS	47	47	0	47	2	16	0	0	0	1
2009	LINCOLN	24	24	0	22	3	18	0	0	0	0
2009	LOGAN	7	7	0	7	0	2	0	0	0	0
2009	MESA	5	5	0	0	6	4	0	4	0	0
2009	MOFFAT	6	6	0	1	5	5	0	5	1	0
2009	MONTEZUMA	1	1	0	0	1	0	0	1	0	0
2009	MONTROSE	1	1	0	0	1	0	0	1	0	0
2009	PHILLIPS	48	48	0	48	0	13	0	0	0	0
2009	RIO BLANCO	12	11	1	0	11	7	0	9	0	0
2009	SAN MIGUEL	1	1	0	1	0	0	0	1	0	0
2009	WASHINGTON	1	1	0	1	0	1	0	0	0	0
2009	WELD	487	486	1	480	15	235	0	7	0	2
2009	YUMA	59	59	0	59	1	34	0	0	0	1
2009	Total State	819	817	2	727	107	408	2	80	5	5
2010	ADAMS	7	6	1	8	1	7	0	0	0	0
2010	ARAPAHOE	8	8	0	8	0	4	0	0	0	0
2010	ARCHULETA	6	6	0	3	4	6	0	6	0	0
2010	BACA	3	3	0	3	0	2	0	0	0	0
2010	BENT	6	6	0	5	1	6	0	0	0	0
2010	BOULDER	7	7	0	6	1	0	0	1	0	2
2010	BROOMFIELD	11	11	0	11	0	0	0	0	0	0
2010	CHEYENNE	11	11	0	11	0	8	0	0	0	0
2010	DELTA	3	3	0	3	0	2	0	0	0	0
2010	DOLORES	4	4	0	3	1	2	0	1	0	0
2010	EL PASO	3	3	0	3	0	3	0	0	0	0
2010	FREMONT	19	19	0	19	0	15	0	0	0	0
2010	GARFIELD	171	155	16	2	170	83	0	140	11	4
2010	GUNNISON	8	4	4	0	8	8	0	4	1	0
2010	HUERFANO	1	1	0	1	0	1	0	0	0	0
2010	JACKSON	10	8	2	3	7	3	0	8	1	0
2010	KIOWA	12	12	0	12	0	10	0	0	0	0
2010	KIT CARSON	3	3	0	3	0	2	0	0	0	0
2010	LA PLATA	48	43	5	26	25	15	0	35	0	3
2010	LARIMER	20	20	0	20	1	9	0	0	0	1
2010	LAS ANIMAS	62	59	3	69	1	39	0	0	0	2
2010	LINCOLN	46	46	0	47	0	40	0	0	0	1
2010	LOGAN	4	4	0	15	0	12	0	0	0	0
2010	MESA	46	44	2	0	49	22	0	21	1	0
2010	MOFFAT	44	40	4	19	25	20	0	25	3	0
2010	MONTEZUMA	9	9	0	6	4	7	0	5	0	0
2010	MORGAN	10	10	0	6	4	10	0	0	0	0
2010	PARK	3	3	0	3	0	2	0	0	0	0
2010	PHILLIPS	47	46	1	47	0	32	0	0	0	2
2010	PROWERS	3	3	0	3	0	3	0	0	0	0
2010	RIO BLANCO	60	57	3	0	60	34	0	42	1	1
2010	ROUTT	4	3	1	0	4	3	0	4	1	0
2010	SAN MIGUEL	9	9	0	5	4	0	0	9	0	1
2010	SEDGWICK	11	11	0	11	0	1	0	0	0	0
2010	WASHINGTON	6	6	0	6	0	5	0	0	0	0
2010	WELD	1396	1327	68	1173	264	984	0	25	3	36
2010	YUMA	257	256	0	260	1	202	0	0	0	2
2010	Total State	2378	2266	110	1820	635	1602	0	326	22	55



Building Setback Review

Colorado Oil and Gas Conservation Commission
January 5, 2011

Count of well locations by proximity groupings from well spot to closest building for all locations reviewed under the December 17, 2008 amended rules.

Location Proximity to Buildings	Number of Locations	Percent of Total Locations Reviewed
less 150	5	0%
150 to 350	96	3%
350 to 500	161	6%
500 to 1000	501	18%
greater than 1000	2066	73%
Total Locations	2829	

Listing of Locations Closest to Buildings

County	High Density	New Location	Distance	Proximity	Building Description
WELD	No	No	58	less 150	Vehicle Garage
WELD	No	Yes	69	less 150	Abandoned Hog Shed
WELD	No	Yes	103	less 150	Building to be razed
LAS ANIMAS	No	Yes	127	less 150	Operator is owner
PHILLIPS	No	No	132	less 150	Grain Storage
WELD	No	No	154	150 to 350	Livestock Enclosure
WELD	No	No	159	150 to 350	Equipment Barn
WELD	No	Yes	162	150 to 350	Goat Barn
WELD	No	Yes	168	150 to 350	Storage Shed
WELD	No	No	187	150 to 350	Livestock Shed
WELD	No	No	193	150 to 350	Storage Shed
WELD	No	No	199	150 to 350	Less than 1.5X rig height
PHILLIPS	Yes	No	203	150 to 350	
WELD	No	No	205	150 to 350	
WELD	No	Yes	206	150 to 350	
WELD	No	No	208	150 to 350	
WELD	No	No	209	150 to 350	
WELD	No	No	214	150 to 350	
LA PLATA	No	No	221	150 to 350	
WELD	No	No	224	150 to 350	
WELD	No	Yes	226	150 to 350	
WELD	No	No	227	150 to 350	
LARIMER	No	Yes	229	150 to 350	
WELD	No	Yes	230	150 to 350	
GARFIELD	No	Yes	230	150 to 350	
WELD	No	Yes	232	150 to 350	
WELD	No	Yes	233	150 to 350	
WELD	No	No	235	150 to 350	
WELD	No	No	237	150 to 350	
WELD	No	Yes	239	150 to 350	
WELD	No	No	240	150 to 350	
WELD	No	Yes	244	150 to 350	
LA PLATA	No	No	245	150 to 350	
PHILLIPS	No	No	250	150 to 350	
WELD	Yes	No	255	150 to 350	
WELD	No	No	260	150 to 350	
ADAMS	No	No	261	150 to 350	
WELD	Yes	No	262	150 to 350	
WELD	No	No	264	150 to 350	
WELD	No	No	265	150 to 350	
LARIMER	No	Yes	266	150 to 350	
FREMONT	Yes	Yes	266	150 to 350	
WELD	No	Yes	267	150 to 350	
WELD	No	No	272	150 to 350	
WELD	No	Yes	275	150 to 350	
WELD	No	Yes	277	150 to 350	
WELD	No	Yes	277	150 to 350	
WELD	No	Yes	280	150 to 350	
WELD	No	Yes	280	150 to 350	
WELD	No	No	280	150 to 350	
WELD	No	No	281	150 to 350	
WELD	No	No	282	150 to 350	
PHILLIPS	No	Yes	284	150 to 350	
WELD	No	Yes	285	150 to 350	
YUMA	No	Yes	288	150 to 350	
ADAMS	No	No	292	150 to 350	
WELD	No	No	292	150 to 350	
WELD	No	Yes	298	150 to 350	
LAS ANIMAS	No	Yes	298	150 to 350	



Well to Building Setback Review

Colorado Oil and Gas Conservation Commission

January 5, 2011

Count of well locations by proximity groupings from well spot to buildings within 500 feet for all locations reviewed under the December 17, 2008 amended rules.

County	Total	Less 150	150 to 350	350 to 500
ADAMS	15	0	2	2
ARAPAHOE	17	0	0	1
ARCHULETA	10	0	0	1
BACA	5	0	0	0
BENT	5	0	0	0
BOULDER	13	0	1	1
BROOMFIELD	25	0	0	4
CHEYENNE	16	0	0	0
DELTA	3	0	0	1
DOLORES	4	0	0	0
EL PASO	3	0	0	0
ELBERT	1	0	0	0
FREMONT	19	0	1	3
GARFIELD	196	0	3	1
GUNNISON	6	0	0	0
HUERFANO	1	0	0	0
JACKSON	8	0	0	0
KIOWA	19	0	0	0
KIT CARSON	3	0	0	0
LA PLATA	51	0	2	5
LARIMER	19	0	3	3
LAS ANIMAS	106	1	3	3
LINCOLN	70	0	0	0
LOGAN	11	0	1	0
MESA	47	0	0	2
MOFFAT	46	0	0	2
MONTEZUMA	10	0	1	1
MONTROSE	1	0	0	0
MORGAN	6	0	0	1
PARK	3	0	0	0
PHILLIPS	94	1	3	2
PROWERS	3	0	0	0
RIO BLANCO	68	0	0	0
ROUTT	3	0	0	0
SAN MIGUEL	10	0	0	0
SEDGWICK	11	0	0	1
WASHINGTON	7	0	0	0
WELD	1579	3	73	118
YUMA	315	0	3	9
TOTAL	2829	5	96	161



Piceance Basin Well to Building Setback Review

Colorado Oil and Gas Conservation Commission

January 5, 2011

County	Total	Less 150	150 to 350	350 to 500
DELTA	1	0	0	1
GARFIELD	4	0	3	1
GUNNISON	0	0	0	0
MESA	2	0	0	2
MOFFAT	2	0	0	2
RIO BLANCO	0	0	0	0
PICEANCE TOTAL	9	0	3	6

Locations Authorized within 500 feet of Building

County	High Density	New Location	Distance	Proximity	Building Description
GARFIELD	No	Yes	230	150 to 350	Ranch House
GARFIELD	No	Yes	329	150 to 350	Barn
GARFIELD	No	Yes	335	150 to 350	Ranch House
MESA	No	No	359	350 to 500	Ranch House
MOFFAT	No	No	360	350 to 500	Meter Shed
MOFFAT	No	Yes	450	350 to 500	
GARFIELD	No	Yes	454	350 to 500	Ranch House
DELTA	No	No	462	350 to 500	Re-Entry - Home
MESA	No	Yes	480	350 to 500	Operator Owned Cabin



Colorado Oil Gas Conservation Commission Monthly Statistics

YEAR	MO	Baker - Hughes Rig Count	Drilling				Permits				Pits				Locations				Well Spud Notice	Active Permits	Active Wells	Public Visits	
			Apvd	Rcvd	Apvd	Rcvd	Apvd	Rcvd	Apvd	Rcvd	Apvd	Rcvd	Apvd	Rcvd	Apvd	Rcvd	Data	Office				Internet	
2007	Total		6375	7047	214	253	42	38	154	428									382	969	1275131		
	JAN	100	608	675	17	20	0	4	5	13									3451	34173	16	99	87783
	FEB	115	514	591	18	14	5	8	4	22									3462	34341	27	106	80083
	MAR	118	601	734	16	13	3	7	11	3									3535	34695	21	91	132081
	APR	123	607	784	33	4	12	12	16	12									3584	35058	18	84	141191
	MAY	119	587	688	20	47	6	11	2	3									3657	35390	16	98	123537
	JUN	108	803	730	27	20	6	2	8	52									3952	35686	12	102	79732
	JUL	109	774	759	12	28	4	6	4	13									4152	35978	12	82	75564
	AUG	116	639	693	37	54	2	2	96	46									4169	36271	23	122	70750
	SEP	115	709	682	55	21	4	1	147	11									4323	36516	21	143	67034
	OCT	116	838	729	18	16	5	3	38	211									4562	36731	22	96	69574
	NOV	123	558	608	7	23	4	5	3	37									4542	36987	17	161	60773
	DEC	104	791	727	27	31	3	5	19	31									4897	37359	8	107	62871
2008	Total		8029	8400	287	291	54	66	353	454									213	1291	1050973		
	JAN	87	540	519	29	16	4	5	20	18									4976	37567	12	94	66135
	FEB	68	678	411	10	21	1	1	30	14									5331	37785	21	81	62220
	MAR	59	483	1476	19	21	3	19	2	29									5370	38105	21	70	68742
	APR	52	465	40	6	16	4	6	8	15	0	0							5416	38885	0	0	66271
	MAY	45	306	54	2	9	7	4	0	3	0	28							5229	39231	22	114	71092
	JUN	44	377	225	13	10	2	7	5	8	0	39							5109	39944	6	142	67461
	JUL	44	487	203	34	19	11	10	0	12	7	72							5132	40184	13	95	87216
	AUG	44	223	135	3	54	3	4	10	1	38	60							4955	40338	17	99	111016
	SEP	45	277	278	26	20	3	1	1	2	82	76							4622	40469	13	97	100329
	OCT	38	288	467	76	72	7	5	0	7	58	126							4317	40643	10	90	100695
	NOV	38	382	401	38	62	6	3	51	32	191	146							4154	40854	13	121	91528
	DEC	40	653	543	78	24	4	3	115	37	195	218							4100	40956	13	68	92088
2009	Total		5159	4752	334	344	55	68	242	178	571	765							161	1071	984793		
	JAN	45	462	506	31	11	5	4	50	10	186	277							4029	41207	26	85	105289
	FEB	50	377	687	9	35	2	4	9	6	213	265							3722	41478	7	114	97167
	MAR	51	713	653	31	33	3	5	9	9	300	206							3858	41632	19	104	103614
	APR	51	649	493	33	67	2	5	17	5	234	220							4040	41843	24	110	127472
	MAY	53	622	389	57	29	2	3	47	10	224	200							4291	42096	11	97	85000
	JUN	53	490	521	89	139	0	2	12	40	258	253							4373	42217	26	100	85000
	JUL	60	432	460	81	54	1	1	15	19	224	185							4300	42324	10	84	85000
	AUG	66	532	503	81	57	2	1	37	9	201	239							4481	42534	16	91	86609
	SEP	68	437	403	31	33	1	3	7	2	198	166							4558	42686	9	76	83055
	OCT	68	500	401	41	20	0	3	1	3	223	160							4502	42903	15	85	82492
	NOV	68	421	307	19	14	1	1	10	3	182	162							4557	43139	14	94	90322
	DEC	67	361	378	12	26	1	0	9	3	86	73							4735	43354	20	75	81459
2010	Total		5996	5701	515	518	20	32	223	119	2529	2406							197	1115	1112479		

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Colorado Oil Gas Conservation Commission Monthly Statistics

YEAR	MO	Well Oper Change	Operators		Release		Bonds		Claim		Hearings		Violations		Remediation		Field Insp		
			New	Inactive	Ind.	Blknt	Replace	Ind.	Blknt	Apps.	Order	NOAV	AOC	OFV	Cmplt	Spills		Rcvd	Comp
2007	Total	11700	146	35	57	41	137	3	1	89	86	542	9	0	359	331	220	85	10120
	JAN	688	16	7	8	6	15	0	0	7	6	29	1	0	12	90	25	6	625
	FEB	555	10	5	6	4	11	0	0	5	5	42	1	0	31	40	28	14	772
	MAR	627	10	5	4	7	16	0	0	12	6	37	0	0	17	26	11	8	1002
	APR	582	11	5	8	7	11	0	0	NA	NA	37	NA	NA	29	28	13	798	
	MAY	720	11	3	2	3	7	0	0	11	11	13	1	0	15	24	23	22	688
	JUN	656	20	2	2	5	8	0	0	17	11	32	10	0	19	23	16	12	732
	JUL	867	22	5	3	5	8	0	0	11	15	34	0	0	25	26	22	2	775
	AUG	684	13	2	5	4	6	0	0	6	3	24	1	0	22	33	44	2	677
	SEP	606	15	4	6	7	8	0	0	29	25	9	0	2	14	30	28	10	1001
	OCT	585	11	2	6	4	8	0	0	5	3	25	0	0	7	34	9	2	879
	NOV	447	5	3	0	5	6	0	0	NA	NA	10	NA	NA	8	31	12	8	722
	DEC	2002	9	1	0	2	3	0	0	6	7	16	2	0	21	44	13	14	783
2008	Total	9019	153	44	50	59	107	0	0	109	92	308	16	2	222	430	259	113	9454
	JAN	223	11	4	6	3	7	1	0	14	15	15	7	0	9	35	9	1	884
	FEB	646	6	2	6	1	10	0	0	4	7	21	0	0	15	25	7	16	1184
	MAR	911	10	2	2	2	8	0	0	10	8	32	0	0	43	35	36	5	796
	APR	1127	5	2	5	2	4	0	0	NA	NA	21	NA	NA	31	34	30	3	946
	MAY	170	9	6	3	6	7	0	0	7	2	25	0	0	15	27	7	4	822
	JUN	177	5	2	3	3	6	0	0	11	9	26	0	1	10	23	19	18	1093
	JUL	251	8	7	3	5	9	0	0	5	5	9	1	0	12	23	26	8	798
	AUG	185	5	0	2	3	4	0	0	10	9	25	0	0	14	10	20	6	744
	SEP	320	7	10	7	5	12	0	0	6	5	22	0	0	20	21	8	17	782
	OCT	508	5	9	10	12	7	0	0	13	4	16	0	0	24	34	13	14	575
	NOV	545	6	4	2	7	18	0	0	7	9	27	0	0	3	54	21	16	725
	DEC	601	3	2	5	4	4	0	0	NA	NA	21	NA	NA	6	50	12	25	642
2009	Total	5664	80	50	54	53	96	1	0	87	73	260	8	1	202	371	208	133	9991
	JAN	656	4	6	1	7	10	0	0	16	14	30	0	0	11	38	22	13	1160
	FEB	732	5	3	4	4	3	0	1	11	13	9	0	0	11	54	19	14	1139
	MAR	2167	4	5	6	6	7	0	0	13	12	37	0	0	6	29	41	10	2045
	APR	595	5	2	9	2	4	0	0	21	15	5	0	2	17	42	23	22	1181
	MAY	636	3	3	10	0	8	0	0	NA	NA	8	NA	NA	13	38	44	51	1337
	JUN	650	3	0	2	2	2	0	0	23	20	22	0	0	20	34	52	41	1304
	JUL	625	5	0	0	0	8	0	0	12	6	37	1	1	20	46	38	24	968
	AUG	548	3	2	2	1	5	0	0	8	12	40	1	0	33	44	39	20	1558
	SEP	453	4	3	0	4	4	0	0	13	7	32	2	0	11	43	53	37	1373
	OCT	398	3	3	0	7	2	0	0	19	16	30	0	0	33	32	94	24	1520
	NOV	309	2	5	2	6	5	0	0	19	21	21	6	0	20	47	49	49	1305
	DEC	115	5	1	2	1	16	0	0	NA	NA	43	NA	NA	18	39	20	70	1338
2010	Total	7884	46	33	38	40	74	0	1	155	136	314	10	3	213	486	494	375	16228

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