

Staff Report May 7, 2009

I. STATISTICS

Our monthly statistics report is attached. As of April 27, 2009, there were 2,069 Applications for Permits-to-Drill ("APDs") approved. At this pace, it is estimated that approximately 6,455 APDs will be approved in calendar year 2009 using a calculation of average permits approved daily-to-date for the entire year. Last month it was decided that this was probably not a very accurate prediction, considering the number of permits pending approval at the beginning of the year and the declining rig activity. It may be more accurate to look at permits <u>received</u>, as opposed to permits approved. If that number is used, then the 2009 permit numbers would be 7,230, which is higher yet, reflecting the large number of permits that were submitted to beat the effective date of the Final Amended Rules. Either number indicates a decrease in permit activity over the previous record high of 8,027 APDs approved in 2008, which was 26% higher than the 6,368 APDs approved in 2007.

County	2009 (% of Total)	2008	2007	2006	2005	2004
Garfield	667 (32%)	2,888	2,550	1,844	1,508	796
Weld	607 (29%)	2,340	1,527	1,418	901	832
Mesa	242 (12%)	501	293	265	136	54
La Plata	156 (8%)	328	251	235	117	102
Rio Blanco	134 (6%)	477	321	360	161	154
Yuma	79 (4%)	545	541	798	782	237
Las Animas	49(3%)	303	362	500	413	332
State Total	2,069	8,027	6,368	5,904	4,364	2,917

• The 2009 drilling permit totals for the top seven counties as of April 27th are:

On January 5, 2009, the Interim Policy for APDs went into effect. There were 195 permits that were received on or shortly thereafter that were postmarked prior to January 5th. These permits were accepted without the Interim Policy Form. Through April 27th there have been a total of 993 permits with 59% of the total requiring no additional environmental review. Below is a table detailing the breakdown of the permits and how they fall into the different categories of additional environmental review.

Report Period	Permits		ditional view		sitive bitat		estricted Surface	Ripa	rian Area		ng Water er Area
Jan-09	2834	188	66%	85	30%	1	0%	27	10%	12	4%
Feb-09	393	258	66%	131	33%	0	0%	30	8%	4	1%
Mar-09	1410	720	51%	647	46%	37	3%	84	6%	60	4%
Apr-09	9	7		2		0		0		0	
Total	2,096	1173	56%	865	41%	38	2%	141	7%	76	4%

Published in conjunction with COGCC hearings

Department of Natural Resources: Bill Ritter, Jr., Governor; Harris Sherman, Executive Director; David Neslin, COGCC Director 1120 Lincoln St. Suite 801, Denver, CO 80203 PHONE: (303) 894-2100 FAX: (303) 894-2109 www.colorado.gov/cogcc; email: dnr.ogcc@state.co.us

The following table shows a summary of oil and gas well permits requiring new well locations that have been approved by the COGCC in 2006 and through April 27, 2009. The summary shows the number of new location permits that have been granted where the surface owner owns mineral rights, where the surface ownership has been severed from the mineral ownership, where surface use agreements have been executed on severed lands, and where surface damage bonds have been posted on severed lands.

Calendar Year	Permits For New Oil And Gas Wells	Surface Owner Party To A Mineral Lease	Surface Owner Is Not Party To A Min- eral Lease	Surface Use Agree- ments	Total Permitted Under A Surface Use Bond	\$25,000 Blanket Surface Damage Bond	\$2,000 Individual Surface Damage Bond For Non- Irrigated Land	\$5,000 Individual Surface Damage Bond for Irrigated Land
2006	5,848	3,933 (67%)	1,915 (33%)	1,223 (21%)	692 (12%)	689 (12%)	3 (<1%)	0 (0%)
2007	6,335	3,876 (61%)	2,459 (39%)	1,558 (25%)	901 (14%)	900 (14%)	1 (<1%)	0
2008	7,974	4,741 (59%)	3,233 (41%)	2,152 (27%)	1,081 (14%)	1,075 (13%)	3 (<1%)	3 (<1%)
2009	2,063	1,305 (63%)	758 (37%)	513 (25%)	245 (12%)	243 (12%)	2 (<1%)	0

II. NORTHWEST COLORADO

2

Northwest Colorado Oil and Gas Forum

The 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 June 4, 2009.

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.

 Notice to Operators Drilling Wells within 3/4 Mile of the Rim of the Roan Plateau in Garfield County

On June 12, 2008, COGCC staff issued a Notice to Operators Drilling Wells within 3/4 Mile of the Rim of the Roan Plateau in Garfield County, Pit Design, Construction, and Monitoring Requirements (NTO). The NTO acknowledges the continued need for the use of pits in the Area of Concern defined in the NTO and the potential problems and environmental impacts that can occur even when a closed loop or semi -closed loop system is used. Nonetheless, the encourages continued infrastructure NTO development, and the evaluation and use of alternatives to pits. The NTO includes specifications for designing, constructing, maintaining, monitoring, linina, operating, permitting, and closing pits. Because of recent releases within and outside of the Area of Concern, COGCC staff is collecting additional data and considering an expansion of the Area of Concern.



Rulison Area

The 3 operators currently holding most of the oil and gas leases within 3 miles of the Project Rulison test site (Noble Energy, Inc., Williams Production RMT, and EnCana Oil & Gas (USA)) and a third-party consultant, URS Corporation (URS), have developed the Rulison Sampling and Analysis Plan (RSAP), a comprehensive operational and environmental monitoring, and radiological incident management plan for drilling and production activities within a 3mile radius of the test site. The current RSAP (Revision 2.0) and all other documents related to Project Rulison and activities are available on the COGCC website, within the Library section under Piceance Basin Area Reports/ Data.

The RSAP will be modified as needed to reflect lessons learned through its implementation. As previously reported, COGCC staff met with the operators on November 19, 2008, to discuss possible revisions. Subsequently, a small technical working group was established to discuss such revisions in greater detail.

The 3rd and 4th Quarter 2008 Operational and Monitoring Reports for activities subject to the RSAP have been reviewed by staff and posted to the COGCC website.

III. SOUTHWEST COLORADO

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

The reports of ongoing activities are available on the COGCC website Library (www.colorado.gov/cogcc, Library, San Juan Basin\ Bondad). The next sampling event is scheduled for August 2009.

Gas and Oil Regulatory Team (GORT) Meeting

The next GORT/Southwest Colorado Oil and Gas Stakeholders meeting is scheduled for July 16, 2009, 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. Demonstrations of new technology or unique solutions to problems are always well received.

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

As part of the 4M Projects, the Colorado Geological Survey (CGS) is finalizing a detailed geologic map of the Fruitland Formation outcrop in Archuleta County. This work is similar to mapping done in 1999-2000 by the CGS as part of the 3M Project. The work included mapping the surface expression of the uppermost Cretaceous units, Pictured Cliffs Sandstone, Fruitland Formation, Kirtland Shale, along the rim of the San Juan Basin in Archuleta County between the La Plata-Archuleta County line and the northern boundary of the Southern Ute Indian Reservation. CGS provided a briefing to COGCC staff on March 26, 2009, describing the results of the mapping work. The final map and associated report will be posted to the website shortly after receipt from the CGS.

Drilling and installation of monitoring wells for the 4M Project in Archuleta County was completed in the fall of 2008. Due to constraints imposed by weather and seasonal construction restrictions, site reclamation is expected to occur in the spring of 2009.

Pressure monitoring devices were installed during the week of December 1, 2008. Pressure data are being collected at 8-hour intervals and being transmitted via satellite to the InSitu, Inc. data management system in Fort Collins where COGCC staff are able to access the data over the Internet.

Equipment installation began the week of April 6, 2009, at both 4M Outcrop Mitigation Pilot Project locations in La Plata County. Construction of equipment sheds and installation of underground power lines was completed in mid-April and placement of the pilot test equipment is proceeding. Operation is anticipated to begin this month and testing of the systems will continue for one year. The equipment enclosures are soundproofed and painted in a visibly neutral manner to lessen impacts to surrounding property owners. Revegetation actions taken last fall are showing signs of success, with new grass visible at both locations. Alternative reclamation may be necessary on the east side of South Fork Texas Creek; however, snowmelt from the northfacing slope ponded on the subsurface liner and flooded the near-creek locations. Re-vegetative success will be monitored at both locations throughout the summer.

A Request For Proposal (RFP) for the 4M Monitoring Well Installation-La Plata County Colorado (PHA-950) was posted on April 13, 2009. A mandatory pre-bid onsite meeting was held on April 22, 2009. The pre-bid meeting was attended by representatives from a dozen consulting firms, 3 drilling companies, and several representatives from construction, reclamation, and well completion companies. During the pre-bid meeting, prospective proposers visited all 5 of the potential well sites. COGCC and DNR procurement staff answered and recorded questions at each location. Questions and answers are available on the DNR procurement website:

https://www.gssa.state.co.us/BdSols.nsf/ OByCats/57cb12f8f70d94b58725759900759084? OpenDocument

COGCC continues to negotiate with private surface owners to finalize access agreements. Bids are due on May 18, 2009, and a contractor will be selected after that. Pending contractual negotiations, it is anticipated that drilling activities will begin sometime during the summer 2009.

COGCC has contracted with InSitu, Inc. to upgrade the existing 7 La Plata County Outcrop monitoring wells to the same telemetry system that is being used in the Archuleta County monitoring program and that will also be used in the new La Plata County monitoring program. The original telemetry system used in the 3M Outcrop monitoring project became obsolete in 2007 when the communication network was upgraded from analog to digital technology and data downloads have been conducted manually since that time. Once complete, all outcrop monitoring wells will be on the same telemetry system allowing once again for real-time evaluation of data.

 <u>3M Fruitland Formation Outcrop Monitoring</u> <u>Well Data Collection</u>

The January 2009 monitoring report is available on the COGCC website (<u>www.colorado.gov/</u> <u>cogcc</u>, Library, San Juan Basin, 3M Project Reports, Monitoring Well Reports).

 <u>Northern San Juan Basin Technical Advisory</u> <u>Group</u>

Steve Lindblom and Karen Spray have been participating in the Northern San Juan Basin Groundwater Model Technical Advisory Group (NSJB TAG). The NSJB TAG consists of experts in hydrogeology, groundwater modeling, geology, and water resources from industry, the Colorado Geological Survey, the COGCC, the Colorado State Engineers Office, and the Colorado School of Mines. The NJSB TAG has been meeting on a monthly basis since June 2008 to discuss technical issues related to a numerical groundwater model for the Northern San Juan Basin being developed by Norwest Applied Hydrology on behalf of several operators.

IV. NORTHEAST COLORADO

Herbicide Use for Weed Management

In 2008 the COGCC investigated a surface owner complaint in Weld County alleging that trees had been damaged by the application of certain herbicides used by an operator to control weeds. Cuttings from the damaged trees were taken to the Plant Diagnostic Clinic at Colorado State University. Soil samples were also collected within the drip line of the affected trees. After examining the plant specimens and reviewing pictures of the trees and surrounding area, experts at the diagnostic clinic concluded that the damage to the trees was consistent with herbicide injury. The operator was very cooperative and has made appropriate changes to the its weed management plan and has settled this matter with the landowner.



Based on this case, the COGCC would like to encourage all operators to review their weed management practices to ensure that herbicides are being applied properly in accordance with the manufacturer's directions. In addition, employees should be properly trained in the application of these products as well as the associated health and safety hazards. While it is very important to control noxious weeds at oil and gas locations, it is also very important to prevent potential adverse impacts to the environment that can be caused by the improper use of herbicides.

 <u>Ellsworth Water Well and COGCC Laramie/Fox</u> <u>Hills Aquifer Water Well Sampling, Weld County</u>

Sampling of the Ellsworth water well in September 2008 and March 2009 indicated that this water well contains what appears to be a combination of biogenic and thermogenic methane gas. The source of the thermogenic gas is being investigated and may be attributable to oil and gas related activities near the water well.

In response to concerns from other area residents near the towns of Ft. Lupton and Hudson regarding the potential for ignitable quantities of flammable gas in their water wells, the COGCC conducted a public meeting on March 27, 2009, in Hudson. In addition, the COGCC has collected samples from water wells for 13 area residences in the Ft. Lupton-Hudson-Keensburg area. This sampling was used to characterize the gas in these wells and to determine its origin. Biological (biogenic) methane gas is very common in Laramie Fox Hills Aquifer water wells in Weld County. of thermogenic However, the presence methane gas is not common and may indicate an impact from oil and gas activities.

Gas composition and isotope results have been received for all 13 of the water wells sampled by the COGCC. One water well contained only a trace amount of methane, 11 of the water wells contained biogenic (biological generated) methane gas, and one water well contains what appears to be a combination of biogenic and thermogenic methane gas. COGCC staff will continue to investigate the sources of the thermogenic gas in this well and in the Ellsworths' well.

In addition to the COGCC collected water well samples, Anadarko and Noble Energy, the 2 oil and gas operators with wells in the vicinity of the Ellsworth water well, have jointly collected samples from 15 water wells. These samples have also been analyzed for gas composition and stable isotopes of methane.

To date, the COGCC has received gas composition results for all 15 water wells and methane isotope results for 4 of the water wells sampled by Anadarko and Noble Energy. Based on the gas composition results, 6 water wells did not contain methane or any other hydrocarbon gases. Based on gas composition, 9 of the water wells sampled appear to contain biogenic or biological generated methane gas, and samples from these water wells were sent to the laboratory for stable isotope analysis. The isotopic results have been received and corroborate the biogenic source of the gas in 4 of the water wells. The isotopic results for the other 5 water wells are pending.

V. SOUTHEAST COLORADO

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

<u>Phase 1 Update</u>

One monitoring well, 4 recovery, and 8 injection wells have been drilled, completed and tested by Petroglyph Energy Inc. (PEI) as part of Phase 1 of the MIMMP. Treatment under Phase 1 consists of physically separating dissolved methane from the recovered ground water using a vertical separator. The methane is sent to a controlled flare for combustion. Operation of the pump, treatment, and injection system started on December 8, 2008. More than 2.8 million gallons of water had been pumped to the surface and treated as of February 27, 2009. More than 95% of that water had been re-injected into the aquifer after treatment.

PEI has applied to the Bureau of Land Management (BLM) for permission to drill an



exploratory well in the vicinity of the impacted water well located in Section 15, Township 29 South, Range 67 West, 6th P.M. This impacted water well is located more than one mile south of the ring of injection wells. The exploratory hole will assist in determining if gas is present, at what level the gas occurs, and whether additional venting or treatment is needed at that location. A decision by BLM is anticipated in the near future. Petroglyph has received permission from the Division of Water Resources to drill a monitoring well at this site.

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.

During the period from February 27, 2009, to April 5, 2009, Norwest Applied Hydrology (NAH) and PEI screened 78 domestic water wells for the presence of methane with hand-held methane detectors for changes in percent volume of methane, %LEL, and %O₂; 53 of the monitored wells showed little change from the previous month's monitoring, 18 wells showed increases in methane concentration, and 7 wells showed decreases in methane concentration.

<u>Mitigation</u>

PEI is currently supplying water to 16 homes upon request of the well owner. Methane alarms have been installed in 14 homes.

<u>Phase II</u>

Within the next month the EPA is expected to issue draft permits for public comment with respect to PEI's applications to allow the injection of Vermejo Formation water produced from coalbed methane (CBM) wells. PEI has submitted an application to the Division of Water Resources to ask for changes to water sources and injection as part the process of initiating Phase II. Approval to operate some of PEI's CBM wells by the Director would also be needed to initiate Phase II.

VI. ORGANIZATION

On April 3, 2009, the COGCC announced that Dave Neslin was named the Director of the agency. Dave had been acting Director of the COGCC for the past 17 months when the Commission was working on developing, hearing, and deliberating the Final Amended Rules. The COGCC will continue to benefit from his leadership, integrity, and balanced approach to energy development.

The COGCC is pleased to announce the addition of Colby Horton to the staff as an Engineering Physical Science Technician II. Colby resides in Fort Morgan. He is filling the vacant Northeast Field Inspector position. Colby graduated from the University of Northern Colorado with a B.S. in Biology/Chemistry. He has over 7 years of oil and gas industry experience. Prior to joining COGCC, Colby was working with a well site consultant.

Fourteen new positions have been or are currently being advertised. These include the positions for the new oil and gas location assessment group that will be responsible for the environmental review of Form 2A and reclamation positions in the field inspection group.

For a complete list of COGCC staff, please go to our website and click on "Contacts" on our homepage, and then "Staff Contact Information." Please note that extensions have changed.

VII.PLANNING/ADMINISTRATION/OTHER

Public Outreach Opportunities

Dave Neslin made a presentation entitled "Understanding the COGCC Rulemaking" at the Platts 3rd Annual Rockies Gas and Oil Conference on April 16, 2009, in Westminster, CO.

• Fiscal Year 2009-10 Budget Request

The Department of Natural Resources submitted its Fiscal Year 2009-10 budget request to the General Assembly on November 1, 2008. Included in the request was a decision

6



item for 4 additional full-time employees and 2 contractors for the COGCC's information management section. The total cost of the decision item, which included one production analyst, one imaging system administrator, and 2 records technicians would have been \$246,154 in FY 2009-10 and \$225,242 in FY 2010-11. During the Department's figure setting hearing on February 26, 2009, the Joint Budget Committee (JBC) voted to deny the decision item. The Committee also approved JBC staff's recommendation to reduce the agency's Special Environmental Protection and Mitigation Studies line item by \$175,000, from its normal annual appropriation of \$500,000.

In addition to the budget reductions noted above, the General Assembly approved a 1.82% cut to personal services budgets throughout State government, including the COGCC's. The Governor's guidelines for implementing this cut are forthcoming.

• Fiscal Year 2008-09 - Budget Reductions

Due to the anticipated downturn in industry activity, the Joint Budget Committee voted on February 4, 2009, to reduce the COGCC's current fiscal year budget by \$800,000 and permanently eliminate the following 3 full-time positions and convert them to contract positions:

- Environmental Technician
- Application Programmer
- Permit/Compliance Technician

♦ HB 07-1298 and HB 07-1341 Rulemaking Update

The COGCC's Final Amended Rules adopted on December 11, 2008, were signed by Gov. Ritter (as part of HB 1292) on April 22, 2009. The Final Amended Rules and the Final Statement of Basis and Purpose have been posted on the COGCC website at <u>www.colorado.gov/cogcc</u>, under Public Announcements on the homepage.

On December 11, 2008, the COGCC also adopted an Interim Policy for Applications for Permits-to-Drill (APDs). The policy covers APDs submitted during the interim period between January 5, 2009, and the effective date of the Final Amended Rules (*i.e.*, April 1, 2009, for

non-federal lands, and July 1, 2009, for federal lands). The policy requests operators to identify whether each APD submitted during the interim period falls within one or more of the following areas: (1) drinking water protection area; (2) restricted surface occupancy area; (3) sensitive wildlife habitat area; and (4) riparian areas.

The Interim Policy, the certificate of compliance that should be attached to each APD submitted during the interim period, and the tutorial for using the maps are found on the COGCC's website homepage: www.colorado.gov/cogcc.

COGCC staff conducted training sessions on the Final Amended Rules at various locations around the state. Schedules, agendas, slide presentations, a permitting handbook, and a page for frequently asked questions are posted on the COGCC website, <u>www.colorado.gov/</u> <u>cogcc</u>, "Final Amended Rules," or "New Look and Training Data."

COGCC staff have developed new Form 2A, contemplated by Rule 303.d., and new Form 36, contemplated by Rule 206.b., of the Final Amended Rules. Both forms are posted on the COGCC website, on the homepage under "Forms."

A rulemaking hearing regarding confirming nonsubstantive changes to the Final Amended Rules was held on March 30, 2009. These changes responded to concerns expressed by the Office of Legislative Legal Services.

An emergency rulemaking regarding delaying the effective date of the Final Amended Rules on federal lands was held on April 14, 2009. The Commission approved a temporary amendment to Rule 201A that changes the effective date of the Final Amended Rules on federal lands from May 1, 2009, to July 1, 2009.

A rulemaking hearing regarding proposed amendments to several maps for the 1200 Series, Protection of Wildlife Resources, and Rule 317B, Surface Water Areas, to reflect further verification of their contents and

7



coverage was held on April 28, 2009, at the Sheraton Hotel in Downtown Denver.

A rulemaking hearing regarding proposed amendments to Final Amended Rule 503.b.(7) will be held today. The Commission will consider whether to delete the Colorado Department of Public Health and Environment and the Colorado Division of Wildlife as parties that can seek a hearing before the Commission on an approved Application for Permit-to-Drill.

Details of all rulemaking hearings can be found on the homepage of the Commission's website at: <u>www.colorado.gov/cogcc</u>.

Onsite Inspection Policy

Under the Policy For Onsite Inspections On Lands Where The Surface Owner Is Not A Party To A Surface Use Agreement, which was effective for Applications for Permits-to-Drill (APDs) submitted after February 15, 2005, the COGCC has received to date a total of 129 requests for onsite inspections.

Twenty-seven onsite inspections have been conducted, 77 requests for inspections have been withdrawn, one onsite inspection is being scheduled, and 24 onsite inspections are pending and will be scheduled, if necessary, after the APD is received, or after issues related to local governmental designee consultation, location change, or surface use agreements are resolved.

Of the 129 requests for onsite inspection, 68 were for locations in Weld County, 25 for Las Animas County, 9 for Adams County, 6 for La Plata County, 5 for Garfield County, 3 each for Archuleta, Boulder and Yuma Counties, 2 each for Logan and Morgan Counties, and 1 each for Baca, Kiowa, and Larimer Counties.

In addition to the Onsite Inspection Policy, 3 onsite inspections were conducted in February and March 2009 in La Plata County under Cause 112, Order Nos. 156 and 157 where an Onsite Inspection was required because an APD was submitted without a surface use agreement. Several more onsite inspections under Cause 112 Orders 156 and 157 are anticipated in the next few months.

Plugging and Well Reclamation (PAWR) Fund Status

Page 14 shows a spreadsheet listing PAWR projects for Fiscal Year '08-'09 that are planned (work has not yet commenced), in progress (bids have been solicited and some field work may have been performed), or completed (the final invoice has been received).

Miscellaneous Requests for APD Hearings

On March 20, 2009, Luke Danielson, on behalf of the San Luis Valley Citizens Alliance, et al., filed an "Amended Petition for Hearing, Protest, and Objection to the Approval of Applications for Permit to Drill within Baca National Wildlife Refuge and Motion to Intervene." The petition seeks a Commission hearing on pending APDs filed by Lexam Explorations (USA) Inc. within the Baca National Wildlife Refuge. Based on the determination that the petitioners lacked standing, the Director issued Mr. Danielson a letter indicating that the petition would not be docketed for an adjudicatory hearing, however the comments and objections would be considered by the Director prior to approval of the APDs.

On March 30, 2009, Mr. Danielson, on behalf of the Grand Valley Citizens Alliance, et al., filed a "Petition for Hearing and Appeal Regarding Director's Determination to Deny Hearing on Drilling Permits" seeking a Commission hearing on pending APDs located near the Rulison blast site. Acting in accordance with past direction the Commission based from on the determination that the petitioners lacked standing, the Director issued Mr. Danielson a letter indicating that the petition would not be docketed for an adjudicatory hearing, however the comments and objections would be considered by the Director prior to approval of the APDs.

On March 30, 2009, Mr. Danielson, on behalf of the Grand Valley Citizens Alliance, *et al.*, filed a "Petition for Hearing, Protest, and Objection to the Approval of Applications for the Permit to Drill Near Rulison Blast Site and Motion to

8

Intervene" seeking a Commission hearing on pending APDs located near the Rulison blast site. Acting in accordance with past direction from the Commission based on the determination that the petitioners lacked standing, the Director issued Mr. Danielson a letter indicating that the petition would not be docketed for an adjudicatory hearing, however the comments and objections would be considered by the Director prior to approval of the APDs.

On April 20, 2009, Mr. Danielson, on behalf of the Southwest Colorado Surface Owners' Alliance, filed a "Petition for Hearing, Protest, and Objection to the Approval of Application for Permit to Drill Within the Gothic Shale Formation in Dolores County and Motion to Intervene" seeking a Commission hearing on pending APDs filed by Bill Barrett Corporation. determination Based on the that the petitioners lacked standing, the Director issued a letter indicating the petition would not be docketed for an adjudicatory hearing, however, the comments and objections would be considered by the Director prior to approval of the APDs.

June 2009 Hearing Docket

A preliminary docket for the June 2009 hearing has been provided. 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: <u>www.colorado.gov/cogcc</u>.

 <u>Colorado Oil and Gas Information System</u> ("COGIS")

The COGCC information system, COGIS, is made up of many different components that are used by the Commission, 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 Commission, 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 Commission 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 Commission statute, Rules and Regulations, and policies.
- Orders
 This application provides searchable capability of the Commission's orders.
 The search by location is still under construction as we create the map layers for all spacing orders.
- * Forms All 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. This application will also display the database information for wells by selection tools or double clicking on a single item. There are also tools to allow annotations and to save reusable map files.

Three new map layers were added to the 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 new 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 Department of Wildlife (CDOW). Surface Water Supply area data were provided by Colorado Department Public of 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 online maps and GIS download files have been updated to switch the datum used to NAD 1983.

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.

Color images obtained from the United States Department of Agriculture-Farm Service Agency are included on the COGCC Online map system. These images encompass the entire state and were taken in 2005. The black and white images were obtained from the same federal agency. These images were taken in the years between 1989 and 2001.

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 Surface leases, BLM Master Plats, and Federal Oil and Gas Subsurface Rights.

Help In December 2008, 2 new search tools were added to the Help menu to be used in conjunction with the new map layers that were added for the Final Amended Rules.

The Oil & Gas Activity Notification Tool allows a user to enter a section-townshiprange of interest which returns a table

*



identifying which quarter-quarter sections are subject to Rule 317B, Wildlife Restricted Surface Occupancy (RSO) Areas, and/or Sensitive Wildlife Habitats (SWH) requirements. The user can then click on a link which opens the map, and zoom to the section of interest for further inspection. A second tool, 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 enter 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 will be using for processing APDs until the Final Amended Rules take 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.

Local Area Network

The COGCC staff is 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 utilizes the same applications in its work as Internet users, in addition to others outlined below.

- Database
 The COGCC maintains a comprehensive database of regulated facilities (wells, pits, injection sites), incidents (inspections, complaints, spills), and affiliations (companies and contacts).
 - Imaging This application provides the capability to convert the paper documents received by the Commission 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.
- 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.
- <u>COGIS Projects</u>, <u>Updates and Changes</u>

Electronic Form Submission

With implementation of the Final Amended Rules on April 1, 2009, the industry will soon be able to file electronically the "Applications for

Permits-to-Drill" and the new "Oil and Gas Location Assessment" forms. The system allows the operator to submit the form and all of the required attachments in a PDF file format to the COGCC system. Benefits of the eForms application to the operator include the ability to circulate the forms internally and check data prior to submitting to the COGCC and a decrease in the time it takes for the form to begin its regulatory review. Additional features of the new application include the tracking of the regulatory form as it is being reviewed within the COGCC, the viewing of the required attachments as the form is being reviewed, along with allowing public comments on certain regulatory forms.

Interim Policy for APDs

During December a number of training sessions were held at the COGCC office for the industry on this policy. The COGCC staff introduced the new map layers, along with the new Wildlife map that is now available. Additionally, some new tools were introduced to help industry in working through the changes that are underway in regards to filing APDs. Training sessions were also held for the staff members from the Division of Wildlife and the Department of Public Health and the Environment.

Rulemaking Activity Page

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

US Standard XML Reporting Project

The COGCC, the Ground Water Quality Protection Council, and agencies from several other states have been working together to establish an XML file format for permitting wells and reporting well completions. The working group issued a beta version to members of industry for their review and comment in February 2007. After a second set of review and discussion among the working group, the final version was published to the industry in June 2007. The next phase of this project is underway with the development of the application within the agencies to handle the submission of the XML files for processing.

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 application must the Internet, an 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 is 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.

Mapping Directional Wellbores Project

This is an industry-sponsored project to make the directional wellbores visible on the Internet map. The COGCC, along with other states, is working with the Ground Water Quality Protection Council to establish a standard format for electronic submission of directional survey data. Many thanks to Mr. Dewey Gerdom of Petroleum Development Corporation for his insight regarding the need for such a data set.

Delinquent Operations Report

This project created an internal application for the COGCC staff to identify forms/reports that may be required and are missing from the COGCC database. The Information Technology staff is working to develop the automated settings in the database to review data on a monthly basis and revaluate when well data are modified. The data cleanup that is part of this process is underway and is expected to take several months to complete. Oil and gas operators are being asked to review a list of forms/reports that have not been submitted and either provide the form/report, or provide information substantiating why it is not required.



Spacing Orders Project

The spacing orders are being evaluated and posted on the maps, with over 85% of the state having been reviewed. The Wattenberg Field in northeast Colorado is the only area remaining to be completed.

Data Management of Bradenhead and Bottom Hole Pressure Systems

Development of the data entry functions for the Bradenhead test reports has been completed and implemented. The backlog of test reports are being entered into the COGIS system. The next phase of the project will be the requirements gathering and design of the Bottom Hole Pressure data system. This phase will incorporate the current form, Bottom Hole Pressure, Form 13, for operators to use when reporting test results to the COGCC. The test results will then be entered into the new tables within the COGIS system. The existing data that have already been collected will be converted to the new system as part of the project.

VIII.VARIANCES

A variance under Rule 502.b. was granted on April 14, 2009, with the approval of the Application for Permit-to-Drill the Encana Oil & Gas (USA) Inc. Vessels Minerals 14-19, 4-6-19, 2-4-19, and 13-19 Wells, located in the NW¼ of the SW¼ of Section 19, Township 1 North, Range 68 West in Weld County. The well locations are an exception to Rule 603.b. high density area rules for building units.

		OIL AND GAS CONSERVAT	NSERVAT		NVIRONMEN	TAL RESPO	NSE FUND,	BOND CLA	IM, AND SPI	ECIAL APPR	CON AND ENVIRONMENTAL RESPONSE FUND, BOND CLAIM, AND SPECIAL APPROPRIATIONS
		LUGGON	IG, ABANL			PLUGGING, ABANDONMENT AND WELL RECLAMATION (FAWK) PROJECTS FOR URFRANED LUCATIONS FISCAL YEAR 2008 - 2009	2008 - 2009	KUJECISI			CNO
			ß	TIMATED F	ESTIMATED FYE2009 COSTS	3TS	ACTU	AL FYE2005	ACTUAL FYE2009 EXPENDITURES	JRES	
COUNTY	ТҮРЕ	PROJECT NAME	BOND	PAWR	SPECIAL	TOTALS	BOND	PAWR	SPECIAL	TOTALS	DESCRIPTION
ARCHULETA	PLUG.	SIERRA OIL & GAS CO. BOND CLAIM	\$30,000	0\$	0\$	\$30,000	\$3,048	0\$	0\$	\$3,048	Plug and abandon Schick, Mizar #1 and reclaim the surface at Binkley #2. Schick, Mizar #1 is postponed until Fall 2009 to accommodate the surface owner's timing preferences. Reclamation at Binkley #2 was completed on July 10, 2008.
BOULDER	ENV.	MAXWELL #5 ABANDONMENT	\$0	\$2,201	\$0	\$2,201	\$0	\$0	\$0	\$0	Well was plugged using PAWR funds in 2008. Performed a follow-up soil gas survey (no adverse conditions found). Waiting on contractor invoice.
HUERFANO	REC.	MAJOR #1 RECLAMATION	0\$	\$3,300	\$0	\$3,300	0\$	\$0	\$0	\$0	Landowner complaint. Cut casing, welded plate, backfilled pits, re-contoured, re-seeded, set dry hole marker, and removed junk. The work is complete. Waiting on contractor invoice.
HUERFANO	REC.	SMITH #1 RECLAMATION	0\$	\$3,300	0\$	\$3,300	\$0	\$0	\$0	\$0	Landowner complaint. Backfilled pits, re-contoured, re-seeded, and removed junk. The work is complete. Waiting on contractor invoice.
MESA	PLUG.	DEBEQUE ORPHANS ABANDONMENT	\$0	\$65,000	0\$	\$65,000	\$0	\$0	\$0	\$0	Complaint. Plug and abandon two leaking wells. A contractor has been selected to construct the access road and well pads for these locations. Bid documents for the plugging have been drafted and are being reviewed internally by COGCC Staff.
YUMA	PLUG.	MIDFIELDS STATE #1 ABANDONMENT	0\$	\$5,000	0\$	\$5,000	0\$	0\$	0\$	0\$	Leaking well. Prepared well for abandonment. Attempted to dig out casing (no casing present). Installed riser to vent well until funds are available to plug the well. Work for this task is complete. Waiting on contractor invoice.
		TOTALS =>	\$30,000	\$78,801	0\$	\$108,801	\$3,048	\$0	\$0	\$3,048	
			ES	TIMATED F	TIMATED FYE2009 COSTS	STS	ACTU	IAL FYE200	ACTUAL FYE2009 EXPENDITURES	JRES	
COUNTY	түре	PROJECT NAME	BOND	PAWR	SPECIAL	TOTALS	BOND	PAWR	SPECIAL	TOTALS	DESCRIPTION
FREMONT	PLUG.	BETTY LOPEZ WELL ABANDONMENT	\$0	\$35,000	\$0	\$35,000	\$0	\$4,985	\$0	\$4,985	Landowner complaint. Plugged and abandoned leaking gas well.
LAS ANIMAS	PLUG.	TRINIDAD MGP #1 ABANDONMENT	0\$	\$7,500	000'06\$	\$97,500	\$0	\$58,937	0\$	\$58,937	Attempted to re-enter, plug and abandon well. Could not get to the planned TD because of junk in the hole. Re-contoured surface, re-installed security fence, extended casing to vent well and installed wellhead. purchased security fence and installed a gate for access. SEE NOTE # 1.
MONTEZUMA	REC.	JOHN MCCORMICK #1 RECLAMATION	0\$	\$6,129	0\$	\$6,129	\$0	\$6,156	\$0	\$6,156	Re-contoured sufface as a result of a landowner complaint. This location was formerly plugged and abandoned by COGCC.
		TOTALS =>	\$0	\$48,629	\$90,000	\$138,629	\$	\$70,078	\$0	\$70,078	
				ESTI	ESTIMATED			ACTUAL	UAL		
			BOND	PAWR	SPECIAL	TOTALS	BOND \$2,048	PAWR	SPECIAL	TOTALS	
Project Types: "PL	LUG." ind	"PLUG." indicates plugging and abandonment, "REC." indicates reclamation, and "ENV." indicates environmental.	asu, uuu indicates r	eclamation,	and "ENV." ii	\$241,430 indicates envir	\$3,040 ronmental.	\$10,010	D¢	\$10,120	
Note #1: Acco	ounting	Note #1: Accounting change - costs for the Trinidad MGP #1 2008 - 2009		Abandonr	nent proje	ct will be t	ransferre	d from a s	special pro	jects acc	Abandonment project will be transferred from a special projects accounting code to accounting code PAWR for FY
Updated April 21, 2009	2009										
							_				

May 7, 2009

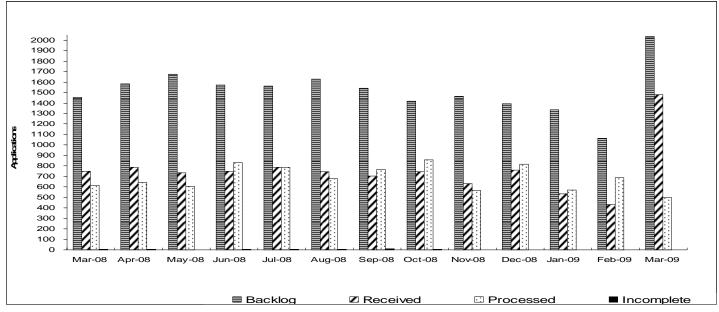
Ŕ



Colorado Oil & Gas Conservation Commission Monthly Breakout of Drilling and Recompletion Permits

	Backlog	Received	Processed Wi	thdrawn	Rejected nco	mplete In	-Process R	emaining
Drilling	•				•	-		0
Mar-08	1296	736	601	16	0	7	1406	1415
Apr-08	1415	784	607	18	0	4	1568	1574
May-08	1574	688	587	33	0	2	1638	1642
Jun-08	1642	730	803	23	0	2	1542	1546
Jul-08	1546	759	774	8	0	2	1519	1523
Aug-08	1523	693	639	7	0	2	1566	1570
Sep-08	1570	682	709	23	0	8	1510	1520
Oct-08	1520	728	838	11	0	3	1393	1399
Nov-08	1399	608	558	17	0	1	1428	1432
Dec-08	1432	726	789	16	0	1	1349	1353
Jan-09	1353	517	539	21	0	0	1307	1310
Feb-09	1310	410	678	12	0	0	1027	1030
Mar-09	1030	1461	478	13	0	0	2000	2000
Recompletion								
Mar-08	41	13	16	0	0	0	38	38
Apr-08	38	4	33	3	0	0	6	6
May-08	6	47	20	1	0	0	32	32
Jun-08	32	20	27	0	0	1	24	25
Jul-08	25	28	12	0	0	1	40	41
Aug-08	41	54	37	1	0	1	56	57
Sep-08	57	21	55	1	0	1	21	22
Oct-08	22	16	18	2	0	0	18	18
Nov-08	18	23	7	2	0	0	32	32
Dec-08	32	32	27	0	0	0	37	37
Jan-09	37	16	29	0	0	0	24	24
Feb-09	24	20	9	0	0	0	35	35
Mar-09	35	20	19	0	0	0	36	36
Total								
Mar-08	1337	749	617	16	0	7	1444	1453
Apr-08	1453	788	640	21	0	4	1574	1580
May-08	1580	735	607	34	0	2	1670	1674
Jun-08	1674	750	830	23	0	3	1566	1571
Jul-08	1571	787	786	8	0	3	1559	1564
Aug-08	1564	747	676	8	0	3	1622	1627
Sep-08	1627	703	764	24	0	9	1531	1542
Oct-08	1542	744	856	13	0	3	1411	1417
Nov-08	1417	631	565	19	0	1	1460	1464
Dec-08	1464	758	816	16	0	1	1386	1390
Jan-09	1390	533	568	21	0	0	1331	1334
Feb-09	1334	430	687	12	0	0	1062	1065
Mar-09	1065	1481	497	13	0	0	2036	2036
			· ·					

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



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

May 7, 2009

Oil & Gas Staff Report

16

1988 1989

1990

1991

1992

1993

1994

1995

1996

1997 1998

							ANI	NUA		RM	ITS	BY (COU	NTY								
							<u>/ \ \</u>						/00									Curren throug 04/27/
YTAUC	<u>1988</u>	<u>1989</u>	<u>1990</u>	<u>1991</u>	<u>1992</u>	<u>1993</u>	<u>1994</u>	<u>1995</u>	<u>1996</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>	2000	<u>2001</u>	2002	2003	<u>2004</u>	2005	2006	<u>2007</u>	2008	20
DAMS	46	34	44	53	92	58	137	34	9	33	24	19	38	28	9	26	39	34	37	89	51	
RAPAHOE RCHULETA	5 8	5	15	14 5	11 2	4	20	12	2	9	1	2	0	2	1 6	2 10	5 8	7 13	11 14	10 26	10 47	
ACA	6	4	18 15	10	23	9	12	24	10	7	13	15	22	6	2	3	7	8	2	11	13	
INT	Ű		10	1	LU	2	2	4	2	5	3	5	2	0	-		5	3	8	1	1	
DULDER	1		1	13	38	159	38	5	8	2	5		1	5	6	7	17	13	21	37	32	
ROOMFIELD															2	7		1	1		2	
HEYENNE OSTILLA	203	149	102	93	71	58	48	55	43	31	41	7	3	3	3	3	3	10	21	15	33	
ROWLEY	1		1	1								- '										
ELTA	1	1	2												7	4	5	10	9	2		
INVER										5	3	3		3					19	25	24	
DLORES	2		4	1	2	1										1	1	1	6	10	12	
BERT	9	12	8	5	3		2	13	16	11	1		2						4			
. PASO REMONT	9	5	6	7	1	2	2	1	2	1							1	3	2	4	14	
ARFIELD	19	66	111	36	18	56	143	78	109	141	95	130	213	353	362	567	796	1509	1845	2550	2888	
RAND							140						2.0								_,,,,,	
INNISON			2	2		1									5	10	1	9	19	7	10	
JERFANO	3	5		4	17	3	3	2	1	3	40	26	41	27	27		8	2			7	-
CKSON	3	1	4	6	2	2	3	2	2	6	3		34	18	21	9	14	6	8	5	27	
FFERSON DWA	1 15	39	4 40	2 46	28	1 28	21	26	1	17	1 10	2	1	18	2	4	2	1	1	3 9	2	
CARSON	9	5	40	40	<u>∠o</u> 8	20 15	21	11	7	6	9	2 5		10	2	4	2	5	4	4	13	
PLATA	302	218	388	128	120	40	40	20	71	40	82	107	127	156	104	162	102	115	235	251	328	
RIMER	4	4	3	6	13	7	3		1	3	1		2		1			1		5	46	
S ANIMAS	10	30	36	_	_	9	32	95	134	136	195	195	268	400	259	180	332	413	500	362	303	
GAN	8 18	6 21	4 23	7 13	7 14	11 30	8 15	9 13	3	2 12	7		2	2	1	6	3	4 13	1 17	2 14	58 5	
SA	10	12	23	20	22	2	22	6	11	12	2	6	13	27	30	27	54	136	265	293	501	
FFAT	13	25	27	19	40	52	43	40	41	28	21	15	35	52	62	63	63	60	120	68	57	-
ONTEZUMA	6	7	10	8	7	11	15	9	13	5	4	1	4		5	8	8	11	5	12	22	
ONTROSE				1						1			1	3	2	4	2		1	3	3	
ORGAN ERO	34	27	36	13 2	10	11	19	12	10	11	10	12	9	9	2	7	9	7	3	6	2	
ARK				1								1										
ILLIPS			3		1	1							1	2		7	13	17	12	69	82	-
TKIN		1			2												1			1		
ROWERS	19	9	5	10	14	7	3	5	5	3	9	3	2	5	4		7	5	7	5	8	
O BLANCO O GRANDE	34 2	83 3	77	33	81	83	126	81	33	40	51	95	89 1	187 1	105	179 1	154	161	360	321	477	_
OUTT	4	3	12	1	2	3	1	2	1	1	1	4	20	13	1	'	4	6	9	8	4	
GUACHE	1				-			2					2		2					2	1	
N MIGUEL			2	2					1	1	4	2	11	13	27	18	42	45	35	23	20	
DGWICK				1				3		2						1	5	2	7	2	1	
ASHINGTON	40	29	23	28	24	26	25	12	19	26	18	3	23	17	27	34	128	50	69	45	11	
ELD	424	357 20	366 45	656 60	1224 104	1319 53	1030 167	254 168	305 123	285 116	392 111	288 60	509 31	702 205	760 160	757 138	832 237	901 782	1418 797	1527 541	2340 545	
al	1275	1186	1477	1320	2001	2065	2008	1002	1002	1002	1157	1010	1529	2273	2008	2249	2917	4364	5904	6368	8027	2
											OUNTIES											
9000																			,	3027		
8000																				JUL I		
7000																			6368			
6000																		5904				
5000																	4364					
4000																	4004					
3000																2917						
				2	2001 2	065 20	08						2273	2008	2249					2	069	

1999 2000 2001 2002 2003 2004 2005 2006 2007 2008 2009

Colorado Oil Gas Conservation Commission

Oil & Gas Staff Report

May 7, 2009

Apvd = Approved, Rcvd = Received, ind = Individual, Binkt = Blanket, Apps = Application for Hearing, NOAV = Notice of Alleged Violation, AOC = Administrative Order of Consent, OFV = Order Finding Violation, Cmptt = Complaint, Comp = Completed

Page 1 of 2

Colorado Oil Gas Conservation Commission Monthly Statistics

						Bonds										Remediation	diation	
YEAR	MO	Operators	ators	Rele	Release		Ö	Claim	Hear	Hearings	5	Violations				Projects	ects	Field
		New	Inactive	pul	Blnkt	Replace	Pul	Blnkt	Apps.	Order	NOAV	AOC	OFV	Cmplt	Spills	Rcvd	Comp	lnsp
2006	Total	147	64	62	62	167	-	-	133	98	247	12	5	308	343	200	97	9667
	JAN	15	0	7		12	0	0	20	10	14	-	0	19	28	20	2	1330
	FEB	10	4	2	-	12	0	0	5	7	14	0	0	20	27	17	0	1197
	MAR	ი	e	ო	5	1	e	-	9	5	17	0	0	44	37	18	2	857
	APR	12	9	10		11	0	0	٩N	AA	29	AA	AA	35	40	7	2	1198
	МАΥ	13	ę	ო	4	11	0	0	9	7	33	-	0	38	28	œ	15	1157
	NUL	15	-	5	2	σ	0	0	٩N	AN	35	AN	AA	30	23	12	7	761
	JUL	11	0	ო		14	0	0	14	20	44	0	0	41	23	27	13	1007
	AUG	17	4	4		13	0	0	14	10	41	2	0	24	19	14	13	773
	SEP	10	n	9		10	0	0	٩N	AA	150	AN	AA	30	19	16	4	782
	OCT	18	ĉ	9	5	15	0	0	11	6	81	e	0	24	33	55	13	13
	NOV	7	4	œ		14	0	0	œ	9	50	2	0	31	27	20	1	646
	DEC	6	4	5		5	0	0	5	9	34	0	0	23	27	9	e	399
2007	Total	146	35	57	41	137	ო	-	89	86	542	σ	0	359	331	220	85	10120
	JAN	16	7	ω	9	15	0	0			29	-	0	12	60	25	9	625
	FEB	10	5	9	4	11	0	0	5	5	42	1	0	31	40	28	14	772
	MAR	10	5	4		16	0	0			37	0	0	17	26	11	œ	1002
	APR	11	5	ω	7	11	0	0	٩N	AA	37	AA	AA	31	29	28	13	798
	МАΥ	-	e	2	e	7	0	0	1	5	13	-	0	15	24		22	688
	NUL	20	2	2	5	œ	0	0	17	5	32	10	0	19	23		12	732
	JUL	22	5	ო	2	œ	0	0	1	15	34	0	0	25	26		2	775
	AUG	13	2	5	4	9	0	0		ო	24	-	0	22	33	44	2	677
	SEP	15	4	9	7	œ	0	0	29		6	0	2	14	28	28	10	1001
	OCT	11	2	9	4	œ	0	0		ო	25	0	0	7	35		2	875
	NOV	5	ę	0		9	0	0	AN	AA	10	AA	AA	ø	31	12	œ	721
	DEC	6	-	0	2	e	0	0	9	7	16	2	0	21	42		14	765
2008	Total	153	44	50	59	107	0	0	109	92	308	16	2	222	427	259	113	9431
	JAN	11	4	9	n	7	1	0	7	9	15	80	0	6	33	7	-	867
	FEB	9	2	9		10	0	0	4	7	20	0	0	1 4	23	9	16	1181
	MAR	10	2	2	2	80	0	0	10	Ø	32	0	0	27	21	23	4	785
2009	Total	27	œ	14	9	25	~	0	21	21	67	ω	0	50	77	36	21	2833

Oil & Gas Staff Report



Å

Page 2 of 2

	Oil & (Gas Staff Report	May 7, 2009	19
	Remarks	Protests filed by James Alexander, Alexander Energy Company, HRM Resources, Texas American Resources Company and Sovereign Energy, ILLC., Noble Energy, Inc., and Anadarko Petroleum Corporation Continued to the July hearing	Continued from the May hearing Intervention filed by La Plata County	Continued from the May hearing
	Matter	Request for an order to designate Barr Lake State Park as a Designated Outside Activity Area.	Request for an order to pool all nonconsenting Interests in the 80-acre drilling and spacing unit for the E½ NE¼ of Section 11, Township 6 South, May hearing Range 93 West, 6th P.M. May hearing Request for an order to allow up to four optional infill wells in the existing 320-acre drilling and spacing unit, Intervention filed by La with the permitted well to be located no closer than 660 feet from the unit boundary and no setback to	interior quarter section line, for the S½ of Section 20, Township 33 North, Range 8 West, N.M.P.M.
	Field Formation County	Adams		Fruitland coal seams La Plata
60	Application Received	12/05/2007	02/09/2009	03/16/2009
HEARING DOCKET: June 2009	Applicant/Attorney or Representative	Colorado Board of Parks and Outdoor Recreation/ Timothy J. Monahan	Antero Resources Piceance Corporation/ William A. Keefe	McElvain Oil & Gas Properties, Inc./ Susan L. Aldridge
Ŭ D N	Cause Number		191	112
HEARI	04/29/2009 Docket Number	0809-GA-01	0903-UP-03	0905-AW-02

²⁰ C	oil & Gas	Staff R	leport	٢	1ay 7, 2009		
in exception to the ar No. 1 Well located in the NW な of , Range 69 West, 6th	p to two optional infill , in the existing 320- , with the permitted well 0 feet from the unit erior quarter section Township 32 North,	nonconsenting spacing units and in lands located in South, Range 66	nonconsenting acing units for certain wnship 5 North, Section 25, Township .M.	nonconsenting ing units for certain wınship 5 North,	nonconsenting acing units for certain wwnship 5 North,	nonconsenting -acre drilling and ion 22, Township 33	
Request for an order allowing an exception to the permitted location for the Cougar No. 1 Well located 565 feet FNL and 574 feet FEL in the NW ¼ of Section 9, Township 329 South, Range 69 West, 6th P.M.	Request for an order to allow up to two optional infill wells, for a total of up to 4 wells, in the existing 320- acre drilling and spacing unit, with the permitted well to be located no closer than 660 feet from the unit boundary and no setback to interior quarter section line, for the N½ of Section 12, Township 32 North, Range 6 West, N.M.P.M.	Request for an order to pool all nonconsenting interests for various drilling and spacing units and wellbore spacing units for certain lands located in Sections 7 and 18, Township 5 South, Range 66 West, 6th P.M.	Request for an order to pool all nonconsenting interests in various wellbore spacing units for certain lands located in Section 30, Township 5 North, Range 64 West, 6th P.M, and Section 25, Township 5 North, Range 65 West, 6th P.M.	Request for an order to pool all nonconsenting interests various wellbore spacing units for certain lands located in Section 14, Township 5 North, Range 67 West, 6th P.M.	Request for an order to pool all nonconsenting interests in various wellbore spacing units for certain lands located in Section 30, Township 5 North, Range 64 West, 6th P.M.	Request for an order to pool all nonconsenting interests in the established 320-acre drilling and spacing unit for the N½ of Section 22, Township 33 North, Range 8 West, 6th P.M.	
Oakdale Dakota Huerfano	lgnacio-Blanco Fruitland coal seam Archuleta	W attenberg Codell/Niobrara Weld	Wattenberg Codell/Niobrara Weld	Wattenberg Codell/Niobrara Weld	Wattenberg Codell/Niobrara Weld	lgnacio-Blanco Fruitland coal seam La Plata	
04/21/2009	04/14/2009	04/21/2009	04/21/2009	04/21/2009	04/21/2009	04/16/2009	
Spoon Valley, LLC/ Scott M. Campbell/Nick A. Swartzendruber	Energen Resources Corporation/ Michael J. Wozniak/Andrew A. Bremner	Noble Energy, Inc./ Susan L. Aldridge	Noble Energy, Inc./ Susan L. Aldridge	Noble Energy, Inc./ Susan L. Aldridge	Noble Energy, Inc./ Michael J. Wozniak/Susan L. Aldridge	BP America Production Company/ Michael J. Wozniak/Susan L. Aldridge	
520	112	407	407	407	407	112	
0906-EX-02	0906-AW -04	0906-UP-04	0906-UP-05	90UP-06	70-9060	0906-UP-08	

O	il & Gas	Staff Report	May 7, 2009	21
ig 320- re drilling d SW ¼ Vest, 6th said	o the I less In Gulch through Ranges			
Request for an order to segregate the existing 320- acre drilling and spacing unit into two 160-acre drilling and spacing units consisting of the NW $\frac{1}{4}$ and SW $\frac{1}{4}$ of Section 21, Township 5 North, Range 67 West, 6th P.M., and pool all nonconsenting interests in said units.	Request for an order to allow an exception to the permitted well location for wells to be located less than 600 feet from the boundary of the Gibson Gulch Federal Unit for certain lands in Sections 19 through 21 and 28 through 33 in Township 6 South, Ranges 91 West, 6th P.M.			
Requarts acression of See Wattenberg of See "J" Sand P.M., Weld units.	Ree Per tha Mamm Creek Fec Iles 21 31 91			
04/16/2009	04/16/2009			
Petroleum Development Corporation/ Kenneth A. Wonstolen	Bill Barrett Corporation/ William A. Keefe			
232	191			
60-dN-9060	0906-EX-03			