



I. STATISTICS

- Our monthly statistics are attached. As of August 7, 2008, there have been 4,625 Applications for Permits-to-Drill ("APDs") approved. At this pace, it is estimated that approximately 7,600 APDs will be approved in calendar year 2008. This represents a 20% increase over the previous record high of 6,368 APDs approved in 2007, which was 8% higher than the 5,904 permits issued in 2006.
- The 2008 drilling permit totals for the top seven counties as of August 7th are:
 County 2008 (% of Total) 2007 2006

County	2008 (% of Total)	2007	2006	2005
Garfield	1733 (37%)	2550 (40%)	1844 (31%)	1508
Weld	1249 (27%)	1527 (24%)	1418 (24%)	901
Yuma	291 (6%)	541 (8%)	798 (14%)	782
Rio Blanco	277 (6%)	321 (5%)	360 (4%)	161
Mesa	269 (8%)	293 (5%)	265 (4%)	136
La Plata	227 (5%)	251 (4%)	235 (4%)	117
Las Animas	190 (4%)	362 (6%)	500 (8%)	413
State Total	4,625	6,368	5,904	4,364

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 August 7, 2008. 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 Mineral 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	4,580	2,864 (63%)	1,716 (37%)	1,159 (27%)	557 (12%)	552 (12%)	2 (<1%)	3 (<1%)

Published in conjunction with COGCC hearings

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II. NORTHWEST COLORADO

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Northwest Colorado Oil and Gas Forum

The next meeting is scheduled for September 4, 2008, at the Garfield County Fairgrounds in Rifle, CO.

The Forum is an informal meeting of local, state, and federal government officials, oil and gas industry representatives, and citizens that has been holding regularly scheduled meetings since 1989. The purpose of the Forum is to information about share oil and gas development in the northwest Colorado area and to make government officials and oil and gas industry representatives easily accessible to Currently the meetings are the public. conducted once per guarter and are co-chaired by COGCC's Acting Director, Dave Neslin, and Garfield County Commissioner Larry McCown.

All parties wishing to be placed on the meeting agenda should contact Chris Canfield at 970-625-5682 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 Construction, and Monitoring Design, 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 NTO encourages continued infrastructure development, and the evaluation and use of alternatives NTO to pits. The includes specifications for designing, constructing, lining, hydrotesting, operating, maintaining, monitoring, 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.

Local Project Status Update

The Garfield County Phase II Hydrogeologic Characterization Project is being conducted for Garfield County by S.S. Papadopulos & Associates. This is another Public Project In Lieu of Fines that will be funded by EnCana Oil & Gas (USA). Task 1 - Domestic Water Well Sampling was completed in August 2007. Task 2 Gas Well Sampling was completed in December 2007. This sampling event included the collection of both produced water samples and production gas samples from selected wells. Final results were received in January 2008 and the project database was updated. Evaluation of both Task 1 and Task 2 water quality data began in February 2008. The draft report has been prepared and was submitted to Garfield County and the COGCC for review in June 2008. A water quality results guideline pamphlet has also been prepared for distribution with the final report.

<u>Rulison Area</u>

The 3 operators that currently hold most of the oil and gas leases within 3 miles of the Project Rulison blast site, Noble Energy, Inc., Williams Production RMT, and EnCana Oil & Gas (USA) and a third-party consultant, URS Corporation have developed a comprehensive (URS), monitoring, sampling, analysis, and emergency response plan (Plan) for drilling activities within a 3-mile radius area around the test site. The Plan has been expanded to include monitoring for inorganic and non-radionuclide The Plan will be modified as constituents. necessary as additional data are collected. The revised Plan and all other documents related to Project Rulison and activities in the area have been scanned and placed on the COGCC website under Project Number 1991.

Quarterly meetings between COGCC and CDPHE, DOE, and BLM will be conducted to review oil and gas activities in the area and to discuss the results of monitoring by industry and the DOE. The quarterly meeting scheduled for July 2008 was postponed until September 2008 due to scheduling conflicts and ongoing rulemaking activities.



Oil & Gas Staff Report

COGCC staff with support from M.H. Chew & Associates has completed the first annual inspection of drilling and production operations subject to the Rulison Sampling and Analysis Plan (RSAP). The annual inspection included a review of all documentation generated since approval and implementation of the RSAP as well as two days of field inspections. No adverse findings were made during the inspection. A report of the inspection is being finalized and will be posted to the COGCC website.

<u>Rio Blanco Area</u>

Project Rio Blanco was the second and final underground nuclear blast conducted by the Atomic Energy Commission, the predecessor to the Department of Energy (DOE), to investigate the use of nuclear explosives to stimulate gas production in Colorado. The target formations for this test were the Mesa Verde and Fort Union Formations in Rio Blanco County, approximately 52 miles northeast of Grand Junction. Meetings between COGCC, CDPHE, DOE, BLM and industry will be scheduled as needed to review oil and gas activities in the area around the Rio Blanco test site and to discuss the results of monitoring by industry and the DOE.

III. SOUTHWEST COLORADO

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

A soil gas survey was conducted by LT Environmental (LTE) on May 13, 2008, using the same sampling grid as previous soil gas surveys. LTE reported that methane was not detected in the shallow soils, which is consistent with the three previous soil gas surveys. The written report on the results of the May 13, 2008, survey is complete and available on the COGCC website Library. Additional soil gas surveys will continue in 2008 to verify the lack of methane in the shallow soils.

Groundwater sampling of vicinity water wells was also conducted on May 13, 2008, by Four Corners Geoscience (FCG). Methane concentrations have decreased in all water wells since the last sampling event in December 2007. Analytical data indicate that water quality in the North well has improved. This may be due to pump repairs that occurred prior to the sampling event. Water quality stayed relatively constant in the other wells. Isotopic results are still pending. The next round of groundwater sampling from vicinity water wells is scheduled for late 2008.

• Gas and Oil Regulatory Team (GORT) Meeting

The next GORT/Southwest Colorado Oil and Gas Stakeholders meeting is scheduled for September 18, 2008, in the Florida Room at the La Plata County Fairgrounds. All parties wishing to be placed on the next meeting agenda should contact either Karen Spray at 970-259-1619 or karen.spray@state.co.us, or Debbie 303-894-2100 111 Baldwin at ext. or debbie.baldwin@state.co.us .

 Fruitland Formation Outcrop Mitigation and Monitoring Projects

Debbie Baldwin, Karen Spray, and Steve Lindblom continue to work with La Plata County Energy Council, La Plata and Archuleta County, and USFS/US BLM personnel to develop work plans for the gas seep monitoring and mitigation projects in La Plata and Archuleta Counties. Funding for these projects comes from the COGCC mill levy on production.

Surface access agreements with federal agencies and private property owners are in the process of being negotiated and memorialized. An Archeological Survey Scope of Work has been completed and initial cost estimates are being evaluated. A contracting mechanism will be determined based upon the results of these estimates.

COGCC has implemented an interagency agreement with the Colorado Geological Survey (CGS) to conduct detailed geologic mapping 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. This project encompasses mapping the extent of the Fruitland Formation coal beds



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for approximately 23 miles. The Colorado Oil and Gas Conservation Commission is administering this project. The work proposed includes mapping (at 1:24,000 scale) the expression of the uppermost surface 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. The unit contacts that will be mapped include:

- Lewis Shale/Pictured Cliffs Sandstone
- Pictured Cliffs Sandstone/Fruitland Formation
- Fruitland Formation/Kirtland Shale
- Kirtland Shale/Animas Formation

Field work began in May 2008 and was completed in late July 2008. Compilation of data and report production is ongoing. CGS is using faculty and staff from Fort Lewis College in Durango and the University of Colorado -Denver to assist in the mapping project.

LT Environmental (LTE) initiated design work for the 4M Outcrop Mitigation Project in La Plata County. Draft copies of the 80% design package and proposed Health & Safety Plan have been submitted to the COGCC for review The design package will be and approval. reviewed by the Technical Working Group (TWG) prior to final approval by the COGCC and design by LTE. The COGCC continues to work with BP America to finalize surface use agreements on the proposed pilot system locations at South Fork Texas Creek and Pine River Ranches. In addition, the COGCC and LTE have discussed the proposed Pine River Ranches system with the Pine River Ranches Home Owners Association (PRRHOA) and will be providing information to them regarding the proposed system, as requested.

A Request for Proposal (RFP) for the Fruitland Formation Geologic Characterization and Reservoir Pressure Monitoring (PHA-837) was posted on April 24, 2008, and responses were received on June 13, 2008. On July 17, the solicitation for the 4M Fruitland Formation Drilling, Geologic Characterization and Reservoir Pressure Monitoring project in the San Juan Basin in Archuleta County was awarded to Souder, Miller and Associates (SMA). The contract between SMA and COGCC was signed on August 5, 2008. Surveying of proposed well locations and well pad layouts is anticipated to commence on August 12, 2008.

Cultural resources and botanical surveys have been completed and access permits from the USFS are being prepared. Permission to cross SUIT lands to access locations has been obtained.

Scorpion Drilling will provide and operate the drilling rig and will use a closed loop system to minimize surface impacts. Due to costs, budget, and expected surface impacts, 2 of the 6 sites initially proposed will be eliminated from the study. The sites eliminated from the scope of work were those along the Piedra River in Section 24, Township 34 North, Range 5 West and in the Little Squaw Creek drainage in Section 10, Township 34 North, Range 5 West. The actual number of wells completed at each location will depend upon conditions encountered in the field and actual costs.

COGCC staff is also developing a Scope of Work for the La Plata County Fruitland Formation Additional Characterization and Monitoring Project.

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

Norwest Applied Hydrology (NAH) provided a written report covering data collected through May 6, 2008, in June 2008. It is available on the COGCC website (www.cogcc.state.co.us, Library, San Juan Basin).

♦ <u>La Plata County - 2007 Fruitland Outcrop</u> <u>Monitoring Report</u>

The La Plata County - 2007 Fruitland Outcrop Monitoring Report is available on the COGCC website (<u>www.cogcc.stat.co.us</u>, Library, San Juan Basin, La Plata County Reports). At the Commission's request a presentation of the results can be made at a future hearing.



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Archuleta County - 2007 Fruitland Outcrop Monitoring Report

On behalf of Elm Ridge Resources, Inc. (Elm Ridge) and Petrox Resources, Inc. (Petrox), the majority lease holders in the eastern half of the northern rim of the San Juan Basin (SJB) in Archuleta County, Colorado, LT Environmental, (LTE) conducted the fourth annual Inc. monitoring program along the Fruitland Formation (Kf) outcrop in Archuleta County. This report is available on the COGCC website (www.cogcc.state.co.us), Library, San Juan Basin, Archuleta County. At the Commission's request a presentation of the results can be made at a future hearing.

IV. NORTHEAST COLORADO

 Upper Crow Creek Designated Ground Water Basin Study

COGCC The subcontracted Terracon Consultants, Inc. to perform a baseline water quality study in the Upper Crow Creek Designated Ground Water Basin in northern Weld County. The High Plains Aquifer is present in this area and makes up an important regional aguifer in eastern Colorado. The study was undertaken due to an increase in drilling activity in this area. Terracon finished the field work in June, which included the collection of groundwater samples from 24 existing domestic water wells. Samples were submitted for analysis of both organic and inorganic constituents. The final report was submitted to COGCC in July 2008, and is being reviewed by staff.

This information will result in a more comprehensive baseline database that COGCC staff will use as a tool in responding to landowners who allege impacts to water wells from oil and gas activities in the basin. The data will also help determine if revised regulatory requirements are warranted regarding the use of unlined earthen pits in this area. Monies from the Special Environmental and Mitigation Studies of the Colorado Oil and Gas Conservation and Environmental Response Fund (Fund 170) were used for this study.

<u>Smith Ranch Conservation Easement</u>

John Axelson met with representatives of the Colorado Division of Wildlife (CDOW) and Petroleum Development Corporation (PDC) on June 9, 2008, at the Smith Ranch Conservation Easement in Yuma County. The meeting was held to discuss CDOW and COGCC concerns over drilling at three locations near the headwaters of the Republican River, a critical habitat within the easement. All parties agreed to several conditions of approval that were placed on the Applications for Permit-to-Drill (APDs) to prevent negative impacts to the environment at these locations.

Conditions of approval included the use of lined drilling pits or a closed-loop system during drilling. PDC voluntarily moved the location of one well and agreed that no storage facilities would be constructed on the floodplain of the river. Other issues included stormwater management, construction details of a low water river crossing, and reclamation. PDC also agreed that drilling would not begin prior to July 2008 to avoid disturbance to ground nesting birds in the area. The conditions of approval resulted in a cooperative agreement in which PDC addressed CDOW and COGCC concerns that will result in the protection of a critical habitat in northeast Colorado while allowing recovery of the natural resources.

V. SOUTHEAST COLORADO

Monitoring, Investigation and Mitigation of Huerfano County Water Wells Venting Methane Monitoring

Monitoring

On June 24, 2008, Norwest Applied Hydrology (NAH), on behalf of Petroglyph Energy Inc. (PEI), submitted a summary of activities from May 16 to June 15, 2008. On July 28, 2008, Norwest Applied Hydrology (NAH), on behalf of Petroglyph Energy Inc. (PEI), submitted a summary of activities from June 15 to July 15, 2008. These documents and the data submitted with the monthly reports are posted on the website.



NAH, on behalf of PEI, continues screening water wells in and around the area where domestic water wells have been impacted by thermogenic methane. During the reporting period from May 16, 2008, to June 15, 2008, NAH screened 67 water wells. NAH reported that 41 of the monitored wells showed little change from the previous month's monitoring. Eleven of the monitored wells showed decreases in concentration of combustible gases venting from the wells. Thirteen of the monitored wells showed slight increases in gas One water well showed concentration. sporadic variation in concentration of combustible gases at the well head. One water well had not been monitored for several months so no trends could be inferred for that well.

During the period from June 15, 2008, to July 15, 2008, NAH screened 67 water wells. NAH reported that 44 of the monitored wells showed little change from the previous month's monitoring. NAH reported that 8 wells showed increases in methane concentration, 13 showed decreases in methane concentration and 2 wells showed variable results.

Gas flow from a domestic water well in Section 3, Township 29 South, Range 67 West, 6th P.M., has been monitored continuously since August 2007. Gas flow from this water well was relatively constant for the first 6 months of monitoring (approximately 50 MCF/day). Gas flow from this water well decreased rapidly in March and April 2008 to a level that cannot be readily measured and remains at that low level to the present. This decrease in gas flow from a seriously impacted water well coincides with drilling of several methane removal and injection wells by Petroglyph as part of the MIMMP.

At the request of landowners, the COGCC with its contractor Whetstone Associates, continues to monitor 2 impacted water wells located in Sections 10 and 15, Township 29 South, Range 67 West, 6th P.M. Gas flow rates in the domestic water well located in Section 15 have been relatively constant through March, April, May, June, and July 2008, while the flow of methane from the domestic water well in Section 10 has decreased to a level that cannot be readily measured.

Potential methane surface seeps were investigated in mid-May 2008 by PEI using a helicopter as the platform for the monitoring device. Petroglyph provided the COGCC with the results from that survey in a GIS compatible format in June 2008. Petroglyph staff performed follow-up ground investigations to verify the results of the aerial survey. The seeps detected in 2008 largely coincide with seeps detected in 2007 by aerial and ground surveys conducted by Petrogluph and COGCC, respectively.

Investigation

The monitoring well investigation report was submitted on March 31, 2008. COGCC retained a third-party contractor to conduct a review and analyze the results of the report. The review of the monitoring well report was sent to Petroglyph on May 27, 2008. Both the monitoring well report and the third-party review document are posted on the website. NAH (for Petroglyph) provided a response to the third-party review in June 2008.

<u>Mitigation</u>

PEI started drilling the remediation wells on March 17, 2008, and completed the last of the mitigation wells on May 10, 2008. The drilling program includes 4 pumping wells and 8 extraction wells. Testing of the remediation wells continued through May 2008. PEI is currently supplying water to 12 homes upon request of the well owner.

Four recovery wells and 8 injection wells have been drilled by PEI as part of Phase 1 of the MIMMP. The last of these was completed on May 10, 2008. One recovery well was subsequently plugged and abandoned as it had not produced water or gas. Three of the MIMMP wells were producing a total of 70 MCF/ day in the middle of May 2008, with no production of water. Pressure gauges have been installed in each of the wells and the wells were shut in for a period in June 2008. Gas flow from the MIMMP wells resumed after the shut in test at similar rates to that



observed in May 2008. There were no observable changes in gas flow from water wells during the shut in period. Pump testing started in early July 2008. Samples of Poison Canyon Formation water will be collected and submitted for analysis to gather information to be used in PEI's applications to the EPA for injection permits. PEI will submit a report to the COGCC and the EPA summarizing the results of the aquifer tests. The expected date of submission of this report is in late August 2008.

Emergency Planning

PEI submitted the Monitoring and Response Plan to the COGCC and it has been posted on the website. PEI added a fulltime staff member in their La Veta offices to perform environmental monitoring as well as act as a safety officer for their operations.

Petroglyph Outreach

A newsletter update on Petroglyph's activities was mailed to interested parties in late June 2008. Petroglyph plans on summarizing its activities in a report to be printed in 3 local newspapers sometime this month.

COGCC Outreach

Peter Gintautas provided an update on the Phase I investigation and ongoing monitoring and mitigation activities to the Huerfano County Commission meeting in Walsenburg on June 25, 2008. He presented another update of Petroglyph's Phase 1 MIMMP activities to the Huerfano County Commission on August 6, 2008. The COGCC plans on hosting an informational forum on the activities and results of Phase 1 after receipt of and review of the report planned to be submitted by Petroglyph later this month.

Elbert County Pit Investigation Project (PHA-835)

An investigation of oil and gas exploration and production pits in Elbert County was completed on June 30, 2008. The investigation objectives were: 1. To evaluate the accuracy and completeness of the information in the COGCC web-based information system (COGIS) database for facilities in Elbert County, and

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2. To locate and evaluate the status of pits listed in the COGCC database for Elbert County. The investigation will determine if the pits are still active, closed, or abandoned. Pit status will be verified by field inspections.

During the investigation, the status of 176 pits currently in the COGIS database was evaluated. The investigation indicated that 115 of the pits are closed and that there are 26 duplicate records. The duplicate records were unintentionally created during the 1995 pit inventory project and through change in ownership when a new facility identification number was created for an existing pit. In addition, it was noted that for multi-well pits, a facility identification number was generated for each well associated with the multi-well pit. This process resulted in 27 duplicate facility identification numbers. Corrections will be made to the COGIS database and a process created so these sorts of errors do not occur in the future.

VI. ORGANIZATION

The COGCC is pleased to announce the addition of Mickey Bracken to the staff as an Engineering Physical Science Technician II. Mickey currently resides in Evans. He has over 30 years experience in the oil and gas industry and recently worked as a contractor for Delta Petroleum Corporation on the western slope. Mickey replaces Kevin Lively as COGCC's Northeast Area field inspector.

The COGCC is pleased to announce the promotion of Diana Burns, Kevin King, and Dirk Sutphin to the position of Engineer in Training III. All three of these engineers have completed the first two parts of a three-part training program for promotion to Professional Engineer I. The final requirement prior to their promotion to Professional Engineer will be to obtain their Professional Engineer license.

Stuart Ellsworth joined the staff as a Professional Engineer II in the Denver office. Stuart is from the Denver area and has a degree in geology and civil engineering. He has over 11 years experience in the oil and gas industry. Stuart replaced Dave Shelton as a South Area Field Engineering Supervisor.

David Andrews transferred from the Denver office to the Rifle office where he became the Engineering Supervisor for Northwestern Colorado. David has been with the Commission since January 2006, and has been an Engineering Supervisor since December 2006. David replaced Jaime Adkins as Northwestern Engineering Supervisor.

Please see page 19 for the COGCC's current organization chart.

VII.PLANNING/ADMINISTRATION/OTHER

• <u>Pit Violations</u>

COGCC Staff received a letter from the U.S. Fish and Wildlife Service (USFWS), dated August 16, 2007, which documented USFWS's observations during a flyover and subsequent inspections on August 13, 2007, at several oil and gas facilities located in Washington County. USFWS's letter cited 4 locations with significant pit problems. These locations were inspected by COGCC staff on August 24, 2007. Each of the 4 locations had violations related to oil on pits, insufficient berms, and/or covers (netting) in disrepair. Notices of Alleged Violation (NOAVs) were issued for all 4 locations. The operators have since performed required corrective measures, and the NOAV's were resolved for these locations.

COGCC's policy is to protect biological resources, including migratory birds, from oil and gas operations in Colorado. COGCC shares USFWS's concerns with the presence of oil on produced water pits and poor maintenance of netting over skim pits. COGCC Rule 902.d. specifically states, "Any accumulation of oil in a pit shall be removed within twenty-four (24) hours of discovery. This requirement is not applicable to properly permitted and properly fenced or netted skim pits." On September 7, 2007, COGCC field inspectors commenced widespread inspections to address pit violations and any other violations observed during inspections at locations with pits. From September 7, 2007, through August 4, 2008 (not including the original 4 NOAVs referenced above), NOAVs related to pit violations have been issued for locations in Adams County (32), Arapahoe County (7), Elbert County (2), Larimer County (16), Logan County (9), Morgan County (4), Washington County (31), and Weld County (3), for a total of 104 NOAVs. Corrective action is complete and has been verified in the field by COGCC staff for 78 of the 104 NOAVs.

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

The process for considering the draft rules published in the Colorado Register on April 10, 2008 continues. On May 15, the parties filed their final prehearing statements, which include their written testimony, exhibits, and alternative proposals. On May 16, the Commission staff issued a cost-benefit and regulatory analysis to provide additional information to the Commission, parties, and public and comply with the Administrative Procedure Act. This analysis addresses each of the proposed regulatory amendments and provides information on its purpose, its anticipated benefits and costs, the parties affected, and certain alternatives. On May 21, the Commission staff issued a 13-page set of recommended clarifications to the draft rules, which reflects the staff's further analysis of the rules and input from various parties. On May 22, the Commission initiated the rulemaking hearing to consider pending motions, the and other hearing schedule, procedural matters. Following argument and action on the motions and approval of a schedule for the remainder of the hearing, the Commission continued the hearing to June 10 in Grand Junction, for purposes of accepting public comment on the draft rules. On May 28, the Commission staff issued guidance for persons intending to provide pubic comment.

On May 29, Prehearing Officer Epel issued an order to the parties, which set forth the time for opening statements and direct and cross

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examination at the hearing allocated by interest group and the sequence of topics for presentation to the Commission by the staff and parties during the remainder of the June and July hearings. The May 29 order also directed the parties to inform the Commission by June 5 how they wish to allot their hearing time among the topics and which witnesses will testify at the hearing on their behalf. On June 2, Prehearing Officer Epel issued an amended order that extended the date for submittal of this information to June 13 and directed that it should also include identification of any exhibits that the party intends to discuss at the hearing. On June 10 in Grand Junction, the Commission heard public comments on the draft rules from approximately 120 persons.

On June 18 the Commission staff issued a second set of clarifications to the draft rules, along with proposed alternative language. On June 20, a revised hearing allocation schedule was issued, setting out the rules to be addressed, the parties wishing to provide testimony and the amount of time allocated to each party.

The Commission conducted rulemaking hearings from June 23 to July 1, with a public comment period provided for a half day at the start of the hearing on June 23. The Commission resumed the rulemaking hearings on July 15, 16, and 17, at which time testimony by the parties was concluded and a schedule was set for deliberation in August. The parties were given additional time (July 30) to respond in writing to the June 18, 2008, clarifications to the draft rules and to respond in more depth to Commissioner questions on testimony provided at the July 15 through 17 hearings.

Deliberations are scheduled for today, August 19 and 20, and September 9, 10, and 11. For the latest information, to review the proposed rules, and to review all documents and comments submitted on the draft rules, a special rulemaking page has been established on the COGCC website at <u>www.oil-</u> <u>gas.state.co.us</u>.

<u>Coalbed Methane (CBM) Stream Depletion</u> <u>Assessment Study of the Raton and Piceance</u> <u>Basins</u>

S.S. Papadopulos & Associates, Inc. (Papadopulos) has completed their work with the Colorado Geological Survey (CGS) on the **Coalbed Methane Stream Depletion Assessment** Studies for the Raton and Piceance Basins. The purpose of these studies was to develop a quantitative assessment of the levels of stream depletion (or reduction in formation outflows) that may be occurring as a result of the removal of water by CBM wells. This work was similar to the study done last year in the San Juan Basin and extended the assessment to other CBM producing basins of Colorado. Draft reports for both basins are available on the Colorado Geological Survey website (http:// geosurvey.state.co.us/Default.aspx?tabid=488). A link to these reports will be placed on the COGCC website when they are finalized.

Funding for the project is being provided by the CGS.

 <u>CDPHE Air Quality Control Commission (AQCC)/</u> <u>COGCC</u>

Information regarding the recent rulemaking related to oil and gas operations is available on the AQCC website at <u>www.cdphe.state.co.us/op/aqcc</u>.

The COGCC and APCD will continue to work together cooperatively on air quality related matters.

Colorado Water Quality Forum - Agricultural Diversion Work Group

The Policy for Implementing the Narrative Standard in Discharge Permits for the Protection of Irrigated Crops was finalized on March 10, 2008. The policy will be used by WQCD staff in preparation of permits for discharges to state waters. The final policy can be reviewed on the Colorado Water Quality Forum website at: <u>www.cwqf.org/</u> Workgroups/.

The policy was developed by the Colorado Water Quality Forum - Agricultural Diversion

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work group that included multiple stakeholders. Margaret Ash and Peter Gintautas represented the COGCC in the work group process. The workgroup plans to meet later this year after permits are issued that incorporate the narrative standard.

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 113 requests for onsite inspections.

Twenty-one onsite inspections have been conducted, 64 requests for inspections have been withdrawn, and 28 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 113 requests for Onsite Inspection, 61 were for locations in Weld County, 20 for Las Animas County, 8 for Adams County, 5 for La Plata County, 4 for Garfield County, 3 each for Archuleta, Boulder and Yuma Counties, 2 for Morgan County and 1 each for Baca, Kiowa, Larimer, and Logan Counties.

 Plugging and Well Reclamation (PAWR) Fund Status

Attached on page 15 and page 16 are spreadsheets listing PAWR projects for Fiscal Year '07-'08 and 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).

<u>September 2008 Hearing Docket</u>

A preliminary docket for the September 2008 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 our main web page.

 <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. The annual statistics and the weekly/ monthly statistics are available here.
- 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.
- 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.

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

The COGCC, with assistance from the Ground Water 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: <u>http://cogcc.state.co.us/COGIS_Help/Help.asp</u>

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.

* Reports

This area is still in development; the application malfunctions. The goal is to have selectable data sets and statistical queries.

Local Area Network

The COGCC staff is connected to services by a Local Area Network ("LAN") connection which provides e-mail 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 Processor
 This set of applications allows user 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 ("GIS") 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. The deployment of this system was delayed due to database synchronization problems; laptops have been deployed to COGCC field inspectors and environmental staff. While the application is still buggy, the feedback is that having information available in the field is a tremendous asset.

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, Updates and Changes</u>
 <u>Rulemaking Activity Page</u>

With the advent of the activity involved in the rulemaking for the implementation of HB07-1298 and HB07-1341, a set of Web pages has been created to assist with the dissemination of information. Included within these pages are links to all the documents associated with the rulemaking, including audio of the rulemaking proceedings. The pages also allow for the reading of large documents containing public comments on the process. The pages can be accessed at http://cogcc.state.co.us/RuleMaking/2007RuleMaking.cfm.

US Standard XML Reporting Project

The COGCC, the Ground Water 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. An additional feature of



this project will be the ability of operators to file their forms over the Internet. The development of this application is now underway.

LAS File Upload

Beginning August 24, 2006, 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. То submit digital well logs over the Internet, an application completed. must be The application is available from the "Forms" page the COGCC website http:// on www.cogcc.state.co.us. 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 project is underway with the application development nearing completion for the COGCC GIS and database applications. The COGCC, along with other states, is working with the Ground Water 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 is 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.

Database Cleanup Project

The database cleanup project updated almost 35,000 historic well records before funding was exhausted. There remains fewer than 22,500 well records left to be updated. Additional funding has been approved and a new one-year project started July 1, 2007. As of the end of July, approximately 8,000 well records have been updated.

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 has 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 to EnCana Oil & Gas (USA) on June 18, 2008, with the approval of the Application for Permit-to-Drill the Encana Juniper #2-9A (M1E) Well, located in the SW¼ SW¼ of Section 1,

Township 7 South, Range 92 West in Garfield County. The well location is an exception to Rule 318a., as it is less than 600 feet from a lease/unit line and less than 1200 feet from a well in the same formation. EnCana obtained owners waivers from mineral interest representing 99.9952% of the encroached upon unit and well. The remaining 0.0047852% minerals are leased by EnCana. The waiver requests were sent in January 2008 and no protests have been received.

A variance under Rule 502.b. was granted to Conoco-Phillips on July 9, 2008, with the approval of the Application for Permit-to-Drill the Conoco-Phillips Animas 34-10 #36-2A Well, located in the NW¼ SE¼ of Section 36, Township 34 North, Range,10 West in La Plata County and the Conoco-Phillips Animas 34-10 #36-1A Well, NW¼ SE¼ of Section 36, Township 34 North, Range 10 West in La Plata County. The well locations are exceptions to Order No. 112-197 which states:

"Prior to approving any Application for Permitto-Drill, the Director shall conduct an onsite inspection if the operator and the surface owner have not entered into a surface use agreement."

Signatures have been obtained from 89% of the surface owners. The last 11% of the surface owners are involved in legal proceedings due to the death of the interest owner. The operator believes that an onsite inspection would not be productive as those who have signed the surface use agreement would not attend and the unsigned party is deceased with the new owners not yet determined.

On July 14, 2008, the COGCC Acting Director granted Laramie Energy II a variance from certain requirements of Rule 908 - Centralized Exploration and Production Waste Management Facilities. Laramie Energy II is conducting a pilot water treatment study to evaluate the feasibility of treating Williams Fork Formation produced water to a quality that would allow for surface discharge. The pilot test facility is located in the Helmer Gulch part of Garfield County southwest of the town of Rifle and all pilot project activity is being conducted on leases held by Laramie Energy II. Because of limited produced water volumes at the several of the Laramie Energy II leases, Laramie needs water from several of the leases to provide enough volume to evaluate the treatment technology effectively. The variance is from the requirement COGCC for а Centralized **Exploration and Production Waste Management** Facility permit to handle produced water from more than one lease. The pilot water treatment project will be conducted for a period of 24 months and after that time period, if the treatment system is successful, Laramie Energy II will apply for a permit. As part of this pilot project Laramie Energy II has obtained a surface water discharge permit for the effluent water from the Colorado Department of Public Health and Environment - Water Quality Control Division and a determination of non-tributary status for the produced water from the Colorado Department of Water Resources.

A variance under Rule 502.b. was granted to Petrox Resources on July 21, 2008, with the approval of the Application for Permit-to-Drill the Petrox Resources Tierra Piedra 33-5 #15-1 Well, located in the NW¼ NW¼ of Section 15, Township 33 North, Range 5 West in Archuleta County. The well location is an exception to Order No. 112-85 which states:

"The units shall consist of the N½ and S½ or the E½ and W½ of a full section with the permitted well located, when north of the north line of Township 32 North, in the NW¼ and SE¼ of the section, and when south of the north line of Township 32 North, in the NE¼ and SW¼ of the section, and no closer than 990 feet to any outer boundary of the unit, nor closer than 130 feet to any interior quarter section line."

The well is to be a horizontal well drilled from the NW¼ NW¼ to the NW¼ SW¼ and 871 feet from the west line of the W½ 320-acre drilling and spacing unit. The operator has obtained waivers from 88% of the northern and western offset mineral holders. No negative responses have been received.

		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 2007 - 2008	ONSERVAT NG, ABAND	ION AND EN	VIRONMENT JD WELL RE FIS	ENTAL RESPONSE FUND, RECLAMATION (PAWR) F FISCAL YEAR 2007 - 2008	ISE FUND, E I (PAWR) PF 2007 - 2008	SOND CLAIN	1, AND SPE	CIAL APPRO	PRIATIONS DNS
PLANNED											
COUNTY	ТҮРЕ	PROJECT NAME	BOND	TIMATED FY	TIMATED FYE2008 COSTS	TS TOTALS	ACTU. BOND	ACTUAL FYE2008 EXPENDITURES	SPECIAL	JRES TOTALS	DESCRIPTION
R	PLUG.	MCKENZE 1-21X ABANDONMENT	\$0	0	-	\$25,000	Q	Q	\$0	\$0	Plug and abandon well. All available PAWR funds have been nerumbered for FY2007-2008. Therefore, this project was pestromed until FY2008-2009.
		TOTALS =>	\$0	\$25,000	\$0	\$25,000	\$0	\$0	\$0	\$0	
IN PROGRESS			Ŭ			91				DEC	
COUNTY	TYPE	PROJECT NAME	BOND		PAWR SPECIAL TOTALS	TOTALS	BOND	PAWR	SPECIAL	TOTALS	DESCRIPTION
ARCHULETA	PLUG.	SIERRA OIL & GAS CO. BOND CLAIM	\$30,000	0\$	Q ∳	\$30,000	0 S	Q g	Ç\$	\$	Plug and abandon Schick, Mizar #1 and reclaim the surface at Binkley #2. Schick, Mizar #1 was postponed until F2208-2009 to accommodate the surface owner's triming preferences. Reclamation at Binkley #2 was postponed until FY2008-2009 to accommodate the surface owner's triming preferences. A concratch has been selected to perform the reclamation work.
		TOTALS =>	\$30,000	\$0	\$	\$30,000	\$0	\$0	\$0	\$0	
COMPLETED			Ű			Ű	UTITO A			DEC	
COUNTY	ТҮРЕ	PROJECT NAME	BOND		SPECIAL SPECIAL	TOTALS	BOND	PAWR		TOTALS	DESCRIPTION
ADAMS	RE C.	MONAGHAN #1 AND #2 RECLAMATION	0\$	\$9,800	\$	\$9,800	Ş	\$11,000	Ş	\$11,000	Monaghan #1: Removed gathering line, steel posts and weeds. Re-graded and placed grass seed over disturbed areas. Monaghan #2: Removed and disposed of jurk and trash on site. Demolished, transported and disposed of concrete pad. Re- graded and placed grass seed over disturbed areas.
BOULDER	PLUG.	MAXWELL #5 ABANDONMENT	\$0	\$25,000	\$0	\$25,000	\$0	\$57,816	\$0	\$57,816	Project commenced in FYE2007: Hot tapped valve on well in to monitor pressure. FYE2008: Performed soil gas survey around well. Re-entered, plugged and abandoned well.
CHEYENNE	PLUG.	BARTHOLOMEW #1 ABANDONMENT	0\$	\$5,000	\$0	\$5,000	0\$	\$2,622	0\$	\$2,622	Tagged bottom with wireline inside surface casing. Re-set top plugs, cut off and capped casing. Location left level to be farmed.
DELTA	PLUG.	SPAULDING #1 RE-ABANDONMENT	\$0	0\$	\$50,000	\$50,000	\$0	\$12,273	\$54,009	\$66,282	Prepared surface location. Re-entered, plugged and abandoned well. Reclaimed surface.
GARFIELD	PLUG.	STARBUCK #1 ABANDONMENT	\$0	\$0	\$200,000	\$200,000	\$0	\$0	\$195,991	\$195,991	Prepared surface location. Re-entered, plugged and abandoned well. Reclaimed surface.
LOGAN	REC.	LITTLE HOOT GAS PLANT RECLAMATION	0\$	\$15,000	\$0	\$15,000	\$0	\$24,850	\$0	\$24,850	
MOFFAT	PLUG.	BELNAP #1 ABANDONMENT	0\$	\$30,000	\$0	\$30,000	\$0	\$28,500	\$0	\$28,500	Project commenced in FYE2007: Plugged and abandoned well. Tasks completed in FYE 2008: Cleaned up pit and oil-saturated soils, reclaimed surface and re-seeded.
RIO BLANCO	PLUG.	RANGELY MANCOS ORPHANS ABANDONMENT	0\$	\$25,000	0\$	\$25,000	0\$	\$16,500	0\$	\$16,500	Filled each well with Mancos shale to within 50' of surface and topped off with Redi-Mix concrete, installed dry hole markers with well information, removed all cable, junk and debris on location, recontoured and reclaimed to match surrounding terrain.
WASHINGTON	PLUG.	JOLLY RANCH WELLS ABANDONMENT	\$0	\$75,000	\$0	\$75,000	\$0	\$82,474	\$0	\$82,474	Collected gas samples, re-enetered, plugged and abandoned three wells. Reclaimed the surface at all three locations.
WELD	ENV.	WINTER #1 GROUNDWATER MONITORING	0\$	\$1,000	0\$	\$1,000	0\$	\$1,051	\$0	\$1,051	Project commenced in FYE 2007: Installed and sampled groundwater monitoring wells to evaluate potential groundwater impact from the Winter #1 well. Impact was not observed. Remaining tasks for FYE2008: Performed a follow-up contractors availability to plug and abandon the monitoring wells.
VARIOUS	REC.	BLACKWOLF UNIT AND CAUSEY UNIT RECLAMATION	\$0	\$15,000	\$0	\$15,000	\$0	\$3,264	\$0	\$3,264	Cleaned up locations and removed junk. Buried concrete blocks, leveled surface, and re-seeded affected areas.
VARIOUS	PLUG.	HOFFMAN AND STATE PYLE WELLS ABANDONMENT	\$0	\$8,500	\$0	\$8,500	\$0	\$8,500	\$0	\$8,500	Project commenced in FYE2007: Plugged and abandoned two wells. Tasks completed in FYE 2008: Removed Junk and reatimed surface at both locations.
		TOTALS =>	\$0	\$209,300	\$250,000	\$459,300	\$0	\$248,850	\$250,000	\$498,850	
			BOND	ESTIMATED PAWR SPE	ATED SPECIAL	TOTALS	BOND	ACT PAWR	UAL SPECIAL	TOTALS	
		GRAND TOTALS =>	\$30,000		\$250,000	\$514,300	\$0	\$248,850	\$250,000	\$498,850	
Project Types: "PLUG."	UG." indi	Project Types: "PLUG." indicates plugging and abandonment, "REC." indicates re- Undated Aurist 4 2008	indicates re		Id "ENV." inc	clamation, and "ENV." indicates environmental	nmental.				
Charles Dugues 1,											

August 19, 2008

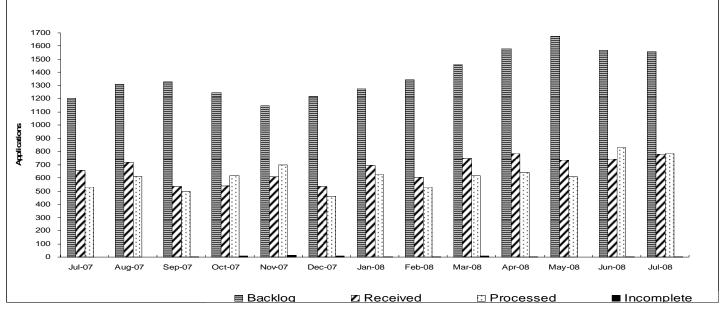
		OIL AND GAS	CONSERV/		OIL AND GAS CONSERVATION AND ENVIRONMENTAL RESPONSE FUND, BOND CLAIM, AND SPECIAL APPROPRIATIONS	L RESPONSI	E FUND, BOI	ND CLAIM,	AND SPECIA		LATIONS
						FISCAL YEAR 2008 - 2009	08 - 2009				
PLANNED				ESTIMATED FY	ESTIMATED FYE2008 COSTS		ACTU	AL FYE2008	ACTUAL FYE2008 EXPENDITURES	IRES	
COUNTY	түре	PROJECT NAME	BOND	PAWR	SPECIAL	TOTALS	BOND	PAWR	SPECIAL	TOTALS	DESCRIPTION
BACA	PLUG.	WALLACE OIL & GAS INC. BOND CLAIM	\$15,000	\$60,000	\$0	\$75,000	\$0	\$0	\$0	\$0	Plug and abandon three wells.
BOULDER	PLUG.	MCKENZIE 1-21X ABANDONMENT	\$0	\$25,000	\$0	\$25,000	\$0	\$0	\$0	\$0	Carryover from FY 2007-2008 (not enough funds). Plug and abandon well.
HUERFANO	REC.	MAJOR #1 RECLAMATION	\$0	\$5,000	\$0	\$5,000	\$0	\$0	\$0	\$0	Landowner complaint. Cut casing, weld plate, backfill pits, re- contour, re-seed, set dry hole marker, and remove junk.
HUERFANO	REC.	SMITH #1 RECLAMATION	\$0	\$5,000	\$0	\$5,000	\$0	\$0	\$0	\$0	Landowner complaint. Backfill pits, re-contour, re-seed, and remove junk.
JACKSON	REC.	BATTLESHIP FIELD PRODUCTION TANK RECLAMATION	\$0	\$50,000	\$0	\$50,000	\$0	\$0	\$0	\$0	Landowner complaint. Empty contents of tank and dispose. Demolish 10,000 bbl tank for scrap. Demolish building. Remove junk and trash. Remove oil-saturated soil, re-contour, and re- seed.
KIT CARSON	PLUG.	FIVE FIELDS #1 ABANDONMENT	\$0	\$2,500	\$0	\$2,500	\$0	\$0	\$0	\$0	Cut casing and weld plate.
LA PLATA	PLUG.	DAVIE 1-22 ABANDONMENT	\$0	\$0	\$35,000	\$35,000	\$0	\$0	\$0	\$0	Plug and abandon leaking well.
MESA	PLUG.	DEBEQUE ORPHANS ABANDONMENT	\$0	\$0	\$50,000	\$50,000	\$0	\$0	\$0	\$0	Plug and abandon two leaking wells.
MESA	PLUG.	MCDANIEL 1-11 ABANDONMENT	\$0	\$0	\$120,000	\$120,000	\$0	\$0	\$0	\$0	Plug and abandon leaking well.
MESA	REC.	RED OAK OPERATING RECLAMATION	0\$	\$10,000	0\$	\$10,000	\$0	\$0	0\$	\$0	Landowner complaint. Remove junk, re-contour and re-seed.
MONTEZUMA	PLUG.	WALTER GOFF #1 ABANDONMENT	\$0	\$25,000	\$0	\$25,000	\$0	\$0	\$0	\$0	Plug and abandon leaking well.
RIO GRANDE	PLUG.	JYNNIFER #1 ABANDONMENT (BOND CLAIM)	\$5,000	\$45,000	0\$	\$50,000	0\$	\$0	0\$	\$0	Plug and abandon well.
ROUTT	PLUG.	BAIERL #2 ABANDONMENT (BOND CLAIM)	\$5,000	\$10,000	\$0	\$15,000	\$0	\$0	\$0	\$0	Landowner complaint. Plug and abandon well. Reclaim surface.
		TOTALS =>	\$25,000	\$237,500	\$205,000	\$467,500	\$0	\$0	\$0	\$0	
IN PROGRESS											
				ESTIMATED F	ESTIMATED FYE2008 COSTS		ACTU	AL FYE2008	ACTUAL FYE2008 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	\$0	0\$	\$0	\$0	Plug and abandon Schick, Mizar #1 and reclaim the surface at Binkley #2. Schick, Mizar #1 is postponed until Fall 2008 or Spring 2009 to accommodate the surface owner's timing preferences. Reclamation at Binkley #2 was completed on July 10. 2008. Waiting on contractor invoice.
LAS ANIMAS	PLUG.	TRINIDAD MGP #1 ABANDONMENT	\$0	\$7,500	\$90,000	\$97,500	\$0	\$0	\$0	\$0	Re-enter, plug and abandon well. Re-contour surface.
		TOTALS =>	\$30,000	\$7,500	\$90,000	\$127,500	\$0	\$0	\$0	\$0	
				ESTIMATED	ATED			ACTUAL	UAL		
			BOND	PAWR	SPECIAL	TOTALS	BOND	PAWR	SPECIAL	TOTALS	
		GRAND TOTALS =>	\$55,000	\$245,000	\$295,000	\$595,000	\$	\$0	\$0	\$0	
Project Types: "PL	-UG." indi	Project Types: "PLUG." indicates plugging and abandonment, "REC." indicates reclamation, and "ENV." indicates environmental	indicates rec	lamation, and "	ENV." indicates	s environmen	tal.				
Updated August 4, 2008	2008										

August 19, 2008

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

	Backlog	Received	Processed	Withdrawn	Rejected	Incomplete	In-Process	Remaining
Drilling								
Jul-07	1063	644	520	9	0	2	1175	1178
Aug-07	1178	692	590	1	0	1	1277	1279
Sep-07	1279	509	477	17	0	5	1289	1294
Oct-07	1294	511	605	6	0	8	1186	1194
Nov-07	1194	595	675	8	0	12	1094	1106
Dec-07	1106	511	436	8	0	7	1166	1173
Jan-08	1173	675	608	9	0	5	1226	1231
Feb-08	1231	589	514	3	0	5	1298	1303
Mar-08	1303	736	601	16	0	7	1415	1422
Apr-08	1422	779	607	17	0	4	1573	1577
May-08	1577	688	587	34	0	2	1642	1644
Jun-08	1644	725	802	21	0	2	1544	1546
Jul-08	1546	759	772	8	0	2	1523	1525
Recompletion								
Jul-07	28	12	11	0	0	0	29	29
Aug-07	29	29	23	2	0	0	33	33
Sep-07	33	26	23	2	0	0	34	34
Oct-07	34	30	11	0	0	0	53	53
Nov-07	53	13	22	0	0	0	44	44
Dec-07	44	24	25	0	0	0	43	43
Jan-08	43	20	17	0	0	0	46	46
Feb-08	46	14	18	1	0	0	40	41
Mar-08	41	13	16	0	0	0	38	38
Apr-08	38	4	33	3	0	0	6	6
May-08	6	46	20	1	0	0	31	31
Jun-08	31	19	27	0	0	1	22	23
Jul-08	23	23	12	0	0	1	33	34
Total								
Jul-07	1091	656	531	9	0	2	1204	1207
Aug-07	1207	721	613	3	0	1	1310	1312
Sep-07	1312	535	500	19	0	5	1323	1328
Oct-07	1328	541	616	6	0	8	1239	1247
Nov-07	1247	608	697	8	0	12	1138	1150
Dec-07	1150	535	461	8	0	7	1209	1216
Jan-08	1216	695	625	9	0	5	1272	1277
Feb-08	1277	603	532	4	0	5	1338	1344
Mar-08	1344	749	617	16	0	7	1453	1460
Apr-08	1460	783	640	20	0	4	1579	1583
May-08	1583	734	607	35	0	2	1673	1675
Jun-08	1675	744	829	21	0	3	1566	1569
Jul-08	1569	782	784	8	0	3	1556	1559

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

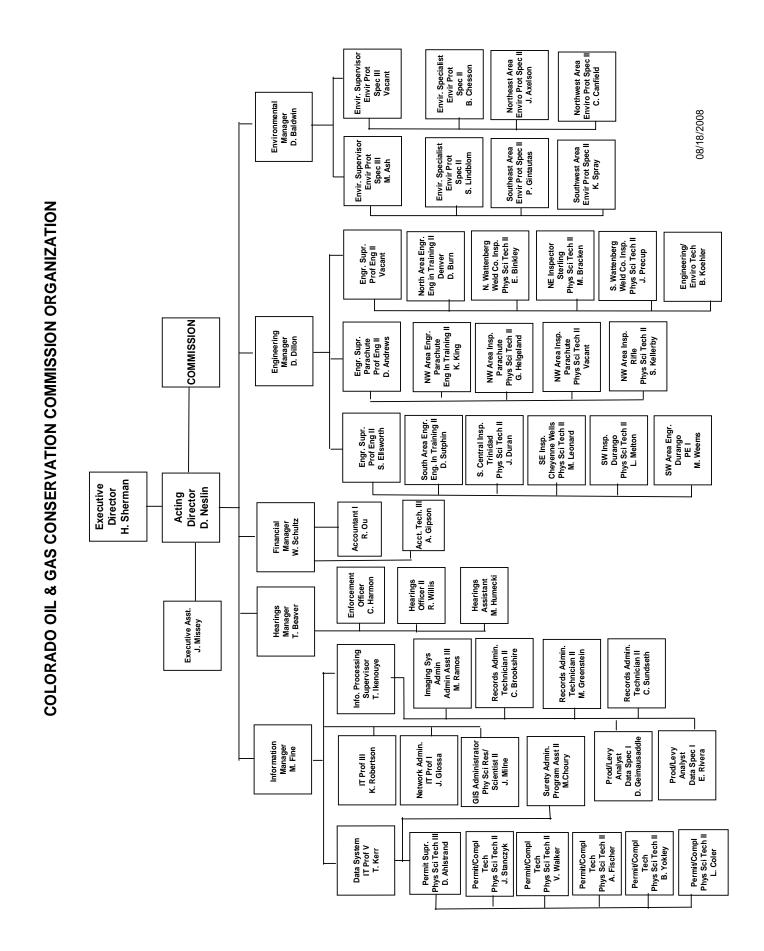


Backlog = Incomplete + In-process = Remaining permits from previous month

3	Oil & Gas Staff Report

											ISERVA										
COUNTY	<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>	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	Current Through 8/7/2008 2008
ADAMS	46	34	44	53	92	58	137	34	9	33	24	19	38	28	9	26	39	34	37	89	30
ARAPAHOE ARCHULETA	5 8	5 5	15 18	14 5	11	4	20	12 3	2	9	1	2	0	2	1	2 10	5	7	11 14	10 26	26
BACA	6	4	15	10	23	9	12	24	10	7	13	15	22	6	2	3	7	8	2	11	20
BENT				1		2	2	4	2	5	3	5	2	_	_	_	5	3	8	1	
BOULDER BROOMFIELD	1		1	13	38	159	38	5	8	2	5		1	5	6 2	7	17	13	21	37	2
CHEYENNE	203	149	102	93	71	58	48	55	43	31	41	7	3	3	3	3	3	10	21	15	17
CROWLEY	1		1	1																	
DELTA	1	1	2							5	3	3		3	7	4	5	10	9 19	2 25	23
DENVER DOLORES	2		4	1	2	1				5	3	3		3		1	1	1	6	10	2.
ELBERT	9	12	8	5	3		2	13	16	11	1		2						4		
EL PASO FREMONT	9	5	6	7	1	2	2	1	2	1					1		1	3	2	4	6
GARFIELD	19	66	111	36	18	56	143	78	109	141	95	130	213	353	362	567	796	1509	∠ 1845	2550	1733
GRAND							1														
GUNNISON HUERFANO	3	5	2	2	17	1	3	2	1	3	40	26	41	27	5 27	10	1	9	19	7	6
JACKSON	3	5	4	6	2	2	3	2	2	6	40	20	34	18	21	9	14	6	8	5	10
JEFFERSON	1		4	2		1		1	1		1	2	1						1	3	
KIOWA KIT CARSON	15 9	39 5	40 7	46 8	28 8	28	21 26	26	13	17	10 9	2	11	18	2	4	2	1	11	9	17
LA PLATA	302	218	388	128	120	15 40	40	11 20	7	6 40	82	107	127	156	104	162	102	5 115	4 235	4 251	227
LARIMER	4	4	3	6	13	7	3		1	3	1		2		1			1		5	12
LAS ANIMAS	10	30	36	7	7	9	32	95	134	136	195	195	268	400	259	180	332	413	500	362	190
LINCOLN LOGAN	8 18	6 21	4 23	13	14	11 30	8 15	9 13	3	2 12	7		2	2	1	6 3	3	4 13	1 17	2 14	40
MESA	1	12	29	20	22	2	22	6	11	10	2	6	13	27	30	27	54	136	265	293	269
MOFFAT	13	25	27	19	40	52	43	40	41	28	21	15	35	52	62	63	63	60	120	68	41
MONTEZUMA MONTROSE	6	7	10	8	1	11	15	9	13	5	4	1	4	3	5 2	8	8	11	5	12	15
MORGAN	34	27	36	13	10	11	19	12	10	11	10	12	9	9	2	7	9	7	3	6	1
OTERO				2																	
PARK PHILLIPS			3	1	1	1						1	1	2		7	13	17	12	69	49
	19	1	5	10	2	7	3	5	5	3	9	3	0	5	4		1	5	7	1	4
PROWERS RIO BLANCO	34	83	77	33	81	83	126	81	33	40	51	95	2 89	187	105	179	154	161	360	321	277
RIO GRANDE	2	3	4	1			1						1	1		1					1
ROUTT SAGUACHE	4	3	12	4	2	3	1	2	1	1	1	4	20 2	13	1		4	6	9	8	3
SAN MIGUEL			2	2				2	1	1	4	2	11	13	27	18	42	45	35	23	13
SEDGWICK				1				3		2	1.0					1	5	2	7	2	
WASHINGTON WELD	40 424	29 357	23 366	28 656	24 1224	26 1319	25 1030	12 254	19 305	26 285	18 392	3 288	23 509	17 702	27 760	34 757	128 832	50 901	69 1418	45 1527	1249
YUMA	14	20	45	60	104	53	167	168	123	116	111	60	31	205	160	138	237	782	797	541	291
Total	1275	1186	1477	1320	2001	2065	2008	1002	1002	1002	1157	1010	1529	2273	2009	2249	2917	4364	5904	6368	4625
									A	LL COUN	TIES										
7000																			63	68	
6000																		59	04		
5000																	43	64		40	525
4000																29	17				
3000				:	2001	2065 2	2008						22	273	22	49					
2000	1275	1186	1477	1320			1	1002 1	002 1	002 1	157 1	1: D10	529								
0	1022	1020	1990	1991	1992	1992	1004	1995	1000		008						204	05	06 07	07 0	008
	1988	1989	1990	1991	1992	1993	1994	1995	1996 1	1997 1	1998 1	999 2	000 2	001 20	002 20	003 20	004 20	005 20	06 20	07 2	008





Colorado Oil Gas Conservation Commission
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		Baker -				Permits	nits					Unedited				Well
YEAR	МО	Hughes	Dril	Drilling	Recon	Recompletion	Injection	tion	ā	Pits	Active	Historic	Ľ	Public Visits	its	Oper
		rig count	Apvd	Rcvd	Apvd	Rcvd	Apvd	Rcvd	Apvd	Rcvd	Wells	Records	Data	Office	Internet	Change
2005	Total		4373	4910	209	245	23	30	478	485			669	540	686809	7688
	JAN	84	420	396		28	2	-	21	3	29181	0	69	61	73154	678
	FEB	84	266	501		20	0	11	4	5	29384	0	25	58	73190	458
	MAR	81	392	508	26	31	0	7	e	-	29751	0	35	92	105602	533
	APR	88	501		27	13	7	7	34	23	29907	0	30	152	88082	811
	МΑΥ	89	398	532	26	29	2	4	19	22	30185	0	52	60	88825	620
	NUL	06	563		15	38	e	-	43	47	30324	0	64	61	88661	1229
	JUL	92	482		36	38	7	4	42	59	30397	0	71	44	85027	904
	AUG	93	626		31	26	e	-	27	33	30613	0	40	102	78339	476
	SEP	94	698	498	30	29	7	-	51	33	30732	0	78	48	79705	653
	OCT	92	532		25	26	e	2	36	45	30805	0	20	68	89950	614
	VOV	88	512	451	25	17	с	-	19	19	30985	0	37	91	75569	412
	DEC	91	516		26	7	0	0	15	e	31096	0	10	60	86182	311
2006	Total		5906	6171	315	302	37	40	314	293			531	897	1012286	7699
	JAN	96	605		7	18	S	-	22	27	31297	0	20	29	100089	586
	FEB	94	375	428	16	2	с	33	13	15	31378	0	34	94	77886	502
	MAR	98	525	662	15	46	2	3	22	22	31550	0	26	81	98738	521
	APR	109	524	658	23	20	4	-	28	26	31691	0	26	95	99974	510
	MAY	107	597		e		4	3	5	9	31897	0	17	82		646
	NUL	108	446		e		5	З	5	œ	32021	0	29	112	170945	878
	JUL	107	520		1	12	-	-	e	33	32135	0	29	93	173428	530
-	AUG	113	590				5	11	11	6	33204	0	34	103	118720	543
	SEP	116	476	509	23	26	5	3	35	215	33357	0	34	40	97384	5399
	OCT	111	605		11	30	2	4	9	35	33574	0	81	62	86694	480
	NOV	113	675	595	22	13	5	3	0	26	33731	0	41	56		657
	DEC	109	436		25	24	e	2	4	9	33815	0	11	72	71727	589
2007	Total		6374	7046	214	253	42	38	154	428			382	696	1275131	11841
	JAN	100	608	675	17	20	0	4	9	12	34173	0	16	66	87783	676
	FEB	115	514	589	18		9	80	4	22	34341	0	27	106	80083	521
	MAR	118	601	736	16	13	e	-	1	n	34695	0	21	91	132081	593
_	APR	123	607	779			6	13		12	35058		18	84		543
	MAY	119	587	688			0	10	2	2	35390		16	98	-	509
	NUL	108	802	725			с	2	2	41	35686	0	12	102	79732	106
	JUL	109	772	759	12	23	-	5	4	1	35978		12	82	75564	217
2008	Totol		1401	1061	112	120	ç		10	001				000	140074	1010

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Oil & Gas Staff Report

Apvd = Approved. Rovd = Received. Ind = Individual. Binkt = Blanket. Apps = Application for Hearing. NOAV = Notice of Alleged Violation. ACC = Administrative Order of Consent. OFV = Order Finding Violation. Cmplt = Completed

Colorado Oil Gas Conservation Commission Monthly Statistics

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Oil & Gas Staff Report

August 19, 2008

Apvd = Approved, Rovd = 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

HEARI	D DN	HEARING DOCKET: SEPTEM	MBER 2008	08		
PRELIMINARY 08/14/2008						
Docket Number	Cause Number	Applicant/Attorney or Representative	Application Received	Field Formation County	Matter	Remarks
0806-EX-04	510	Noble Energy, Inc./ Michael J. Wozniak	04/18/2008	Rulison Mancos/lles Garfield	Request for an order allowing an exception to the permitted location for the Mancos Formation at a bottomhole location of 150 feet FSL and 440 feet FWL and the lles Formation to be produced at a bottomhole location of 184 feet FSL and 440 feet FWL in the Cotner 35-14D Well located in the SW ½ SW ¹ ⁄ ₄ of Section 35, Township 7 South, Range 96 West, 6th P.M.	Protest filed by EnCana Oil & Gas (USA) Application amended and Continued from June, July and August
0808-AW-23	386	Plains Exploration & Production Company/ Scott Campbell/Nick Swartzendruber	06/30/2008	Hightower Mesaverde Group Mesa	Request for an order to allow the equivalent of one well per 10 acres, with the permitted well to be located no closer than 100 feet from the unit boundary for certain lands in Township 9 South, Range 92 West, 6th P.M.	Continued from August
0808-AW-24	429	Plains Exploration & Production Company/ Scott Campbell/Nick Swartzendruber	06/30/2008	Brush Creek Mesaverde Group Mesa	Request for an order to allow the equivalent of one well per 10 acres, with the permitted well to be located no closer than 100 feet from the unit boundary for certain lands in Section 15, Township 9 South, Range 94 West, 6th P.M.	Continued from August
0809-AW-25	1, 369, 386, 399 & 429	Delta Petroleum Corporation/ Michael J. Wozniak/Susan Aldridge	08/04/2008	Buzzard Creek, Sheep Creek, Vega, Brush Creek, Middleton Creek Williams Fork/Iles Mesa	Request for an order to allow the equivalent of one well per 10 acres, with the permitted well to be located no closer than 100 feet from the lease line, for certain lands in Townships 8 and 9 South, Ranges 92 and 93 West, 6th P.M.	
0809-AM-26	139	Noble Energy Inc./ Michael J. Wozniak/Susan Aldridge	08/05/2008	Rulison Williams Fork/lles Garfield/Mesa	Request for an order to allow the equivalent of one well per 10 acres, with the permitted well to be located no closer than 100 feet from the lease line for certain lands in Sections 3, 10, 14 and 15 of Township 8 South, Range 95 West, 6th P.M.	

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0809-AW -27	139 & 440	EnCana Oil & Gas (USA) Inc./ Michael J. Wozniak/Susan Aldridae	07/31/2008	Rulison/Parachute Williams Fork Garfield	Request for an order to allow the equivalent of one well per 10 acres, with the permitted well to be located no closer than 100 feet from the unit boundary or lease line for Sections 11 and 16, both in Township 7 South, Range 94 West. 6th P.M.
0809-AW-28	510	Marathon Oil Company/ Scott Campbell	08/04/2008	Grand Valley Williams Fork Garfield	Request for an order to allow the equivalent of one well per 10 acres, with the permitted well to be located no closer than 100 feet from the lease line or unit boundary for certain lands in Townships 5 and 7 South, Ranges 96 and 97 West, 6th P.M.
0809-AW-29	139	Laramie Energy II, LLC/ William A. Keefe	08/04/2008	Rulison Williams Fork/Iles Garfield	Request for an order to allow the equivalent of one well per 10 acres, with the permitted well to be located no closer than 100 feet from the lease line for certain lands in Township 7 South, Ranges 93 and 94 West, 6th P.M.
0809-AW -30	139	Noble Energy Inc./ Michael J. Wozniak/Susan Aldridge	08/07/2008	Rulison Williams Fork/Iles Garfield	Request for an order to vacate the 40-acre drilling and spacing units established in Order No. 139-73, to allow the equivalent of one well per 9 acres, with the permitted well to be located no closer than 100 feet from the lease line for Lots 3 and 4 in Section 17, Township 7 South, Range 94 West, 6th P.M.
0809-EX-05	449	Direct Petroleum Exploration, Inc./ William A. Keefe	07/28/2008	Arapahoe Morrow Cheyenne	Request for an order allowing an exception to the permitted location and rescinding the production restrictions under Order No. 449-14, for the Shirley Rother #1 Well located 1538 FWL and 693 FSL in the E½ SW¼ of Section 33, Township 14 South, Range 42 West, 6th P.M.
0809-GA-01	1	Colorado Board of Parks and Outdoor Recreation/ Timothy J. Monahan	12/05/2007	Adams	Request for an order to designate Barr Lake State Park as a Designated Outside Activity Area.
0809-GA-03	~	La Plata County/ Jeffery P. Robbins	07/21/2008	lgnacio-Blanco Fruitland coal seams La Plata	Request for an order to require Maralex Corporation to use a zero discharge closed loop pitless drilling system Ignacio-Blanco to drill the proposed Keegan Patrick 33-7-11 #3C Well Fruitland coal seams located in the NW ^{1/4} SW ^{1/4} of Section 11, Township 33 La Plata North, Range 7 West, N.M.P.M.

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d o., with D feet se line same nnship	g and ing res for ed no or the ge 95	cre f one ated unit for ction	rests of D.M.	rests if the 68	sting ests in
Request for an order to vacate 160-acre drilling and spacing units and place the lands under Rule 318.b., with the permitted well to be drilled when less than 2500 feet to be located no closer than 200 feet from any lease line and not less than 300 feet from another well in the same common source of supply, for certain lands in Township 3 South, Range 42 West, 6th P.M.	Request for an order to vacate the 160-acre drilling and spacing unit established for the lles Formation and establish an approximate 40-acre drilling and spacing unit, and allow the equivalent of one well per 10 acres for both formations, with the permitted well to be located no closer than 100 feet to the boundaries of the unit for the NE¼ SW ¼ of Section 15, Township 7 South, Range 95 West, 6th P.M.	Request for an order to vacate 40-acre drilling and spacing units and establish an approximate 198-acre drilling and spacing unit, and allow the equivalent of one well per 10 acres, with the permitted well to be located no closer than 100 feet from the boundaries of the unit for Lots 6 and 7, 12 and 13 and the SW $\frac{1}{2}$ NE $\frac{1}{2}$ of Section 22, Township 7 South, Range 95 West, 6th P.M.	Request for an order to pool all nonconsenting interests in the 629-acre drilling and spacing unit consisting of Section 30, Township 7 North, Range 80 West, 6th P.M.	Request for an order to pool all nonconsenting interests in the 80-acre drilling and spacing unit consisting of the W½ NE¼ of Section 12, Township 4 North, Range 68 West, 6th P.M.	Request for an order to vacate 80-acre drilling and spacing units established in Order No. 407-87 and establish a 320-acre drilling and spacing unit consisting of the W γ_2 of Section 10, Township 5 North, Range 63 West, 6th P.M, and to pool all nonconsenting interests in the unit.
Armel Niobrara Yuma	Parachute Williams Fork/lles Garfield	Rulison Williams Fork/lles Garfield	Niobrara Jackson	Wattenberg Codell-Niobrara Weld	Wattenberg Sussex, Shannon, Codell-Niobrara, "J" Sand, Dakota Weld
08/04/2008	07/21/2008	07/21/2008	08/04/2008	8002/82/20	08/04/2008
Petroleum Development Corp./ Michael J. Wozniak/Susan L. Aldridge	Laramie Energy II, LLC/ William A. Keefe	Laramie Energy II, LLC/ William A. Keefe	EOG Resources, hc./ Michael J. Wozniak/Susan L. Aldridge	Petroleum Management, LLC/ Thomas J. Kimmell	Petroleum Development Corporation/ Scott Campbell/Nick Swartzendruber
330	440	139	531	407	407
0809-SP-22	0809-SP-23	0809-SP-24	0809-UP-18	0809-UP-19	0809-UP-20

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August 19, 2008

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Request for an order to establish an 80-acre drilling and spacing unit consisting of the E½ SW¼ of Section 31, Township 5 North, Range 65 West, 6th P.M., and to pool all nonconsenting interests in the unit.	Request for an order to establish a 160-acre wellbore spacing unit consisting of the $W\%$ SE¼ and the $E\%$ SW¼ of Section 31, Township 5 North, Range 65 West, 6th P.M, and to pool all nonconsenting interests in the unit.	Request for an order to establish a 160-acre wellbore spacing unit consisting of the N½ NE¼ of Section 6, Township 4 North, Range 65 West, 6th P.M. and the S½ SE¼ of Section 31, Township 5 North, Range 65 West, 6th P.M, and to pool all nonconsenting interests in the unit.	Request for an order to establish an 80-acre drilling and spacing unit consisting of the N/s NE¼ of Section 6, Township 4 North, Range 65 West, 6th P.M., and to pool all nonconsenting interests in the unit.	Request for an order to establish an 80-acre drilling and spacing unit consisting of the N½ NW¼ of Section 6, Township 4 North, Range 65 West, 6th P.M., and to pool all nonconsenting interests in the unit.	Request for an order to establish a 160-acre wellbore spacing unit consisting of the N½ NW¼ of Section 6, Township 4 North, Range 65 West, 6th P.M. and the S½ SW¼ of Section 31, Township 5 North, Range 65 West, 6th P.M, and to pool all nonconsenting interests in the unit.	Request for an order to establish a 160-acre drilling and spacing unit consisting of the NE $\%$ of Section 6, Township 4 North, Range 65 West, 6th P.M., and to pool all nonconsenting interests in the unit.
Wattenberg Sussex, Codell, Niobrara, "J" Sand, Dakota Weld	Wattenberg Sussex, Codell, Niobrara, "J" Sand, Dakota Weld	Wattenberg Sussex, Codell, Niobrara, "J" Sand, Dakota Weld	Wattenberg Sussex, Codell, Niobrara, "J" Sand, Dakota Weld	Wattenberg Sussex, Codell, Niobrara, "J" Sand, Dakota Weld	Wattenberg Sussex, Codell, Niobrara, "J" Sand, Dakota Weld	Wattenberg Sussex, Codell, Niobrara, "J" Sand, Dakota Weld
08/04/2008	08/04/2008	08/04/2008	08/04/2008	08/04/2008	08/04/2008	08/04/2008
Mineral Resources, Inc./ Joseph R. Pope	Mineral Resources, Inc./ Joseph R. Pope	Mineral Resources, Inc./ Joseph R. Pope	Mineral Resources, Inc./ Joseph R. Pope	Mineral Resources, Inc./ Joseph R. Pope	Mineral Resources, Inc./ Joseph R. Pope	Mineral Resources, Inc./ Joseph R. Pope
1 and 407	1 and 407	1 and 407	1 and 407	1 and 407	1 and 407	1 and 407
0809-UP-21	0809-UP-22	0809-UP-23	0809-UP-24	0809-UP-25	0809-UP-26	0809-UP-27

²⁶ Oil & Gas Staff Report			Augus	st 19,2008		
Request for an order to establish a 160-acre wellbore spacing unit consisting of the NW ¼ NE¼ and NE¼ NW ¼ of Section 6, Township 4 North, Range 65 West, 6th P.M. and the SE¼ SW ¼ and SW ¼ SE ¼ of Section 31, Township 5 North, Range 65 West, 6th P.M, and to pool all nonconsenting interests in the unit.	Request for an order to establish a 160-acre drilling and spacing unit consisting of the NW ¼ of Section 6, Township 4 North, Range 65 West, 6th P.M, and to pool all nonconsenting interests in the unit.	Request for an order to establish a 160-acre wellbore spacing unit consisting of the S½ NE¼ and the N½ SE¼ of Section 31, Township 5 North, Range 65 West, 6th P.M. and to pool all nonconsenting interests in the unit.	Request for an order to establish a 160-acre drilling and spacing unit consisting of the SE¼ of Section 31, Township 5 North, Range 65 West, 6th P.M, and to pool all nonconsenting interests in the unit.	Request for an order to establish a 160-acre drilling and spacing unit consisting of the SW ¼ of Section 31, Township 5 North, Range 65 West, 6th P.M, and to pool all nonconsenting interests in the unit.	Request for an order to establish a 160-acre wellbore spacing unit consisting of the SW¼ NE¼, SE¼ of Section 31, Township 5 North, Range 65 West, 6th P.M., and to pool all nonconsenting interests in the unit.	Request for an order to establish a 160-acre wellbore spacing unit consisting of the W½ NE¼ and the E½ NW¼ of Section 6, Township 4 North, Range 65 West, 6th P.M, and to pool all nonconsenting interests in the unit.
Wattenberg Sussex, Codell, Niobrara, "J" Sand, Dakota Weld	Wattenberg Sussex, Codell, Niobrara, "J" Sand, Dakota Weld	Wattenberg Sussex, Codell, Niobrara, "J" Sand, Dakota Weld	Wattenberg Sussex, Codell, Niobrara, "J" Sand, Dakota Weld	Wattenberg Sussex, Codell, Niobrara, "J" Sand, Dakota Weld	Wattenberg Sussex, Codell, Niobrara, "J" Sand, Dakota Weld	Wattenberg Sussex, Codell, Niobrara, "J" Sand, Dakota Weld
08/04/2008	08/04/2008	08/04/2008	08/04/2008	08/04/2008	08/04/2008	08/04/2008
Mineral Resources, Inc./ Joseph R. Pope	Mineral Resources, Inc./ Joseph R. Pope	Mineral Resources, Inc./ Joseph R. Pope	Mineral Resources, Inc./ Joseph R. Pope	Mineral Resources, Inc./ Joseph R. Pope	Mineral Resources, Inc./ Joseph R. Pope	Mineral Resources, Inc./ Joseph R. Pope
1 and 407	1 and 407	1 and 407	1 and 407	1 and 407	1 and 407	1 and 407
0809-UP-28	0809-UP-29	0809-UP-30	0809-UP-31	0809-UP-32	0809-UP-33	0809-UP-34

[]	
Request of an order finding violation by Star Acquisition VIII, LLC for failure to comply with obligations set forth in Rules 303.a.(1), 303.d.(1), 303.d.(2), 305.b.(1), 306.a., 306.a.(1), 306.a.(3), 317.c., and 318., and for plugging and abandoning the Rowe #1A Well prior to complying with the obligations set forth in Rule 319.a.(6), located in the NE¼ SE¼ of Section 21, Township 33 North, Range 12 West, N.M.P.M.	Request of an order finding violation by Star Acquisition VIII, LLC for commencing drilling operations at the Dyehard #3A Well prior to complying with obligations set forth in Rules 303.a.(1), 303.d.(1), 303.d.(2), 305.b.(1), 306.a., 306.a.(1), 306.a.(3), 317.c., and 318., located in the NE½ NWV¼ of Section 13, Township 33 North, Range 12 West, N.M.P.M.
La Plata	La Plata
07/30/2008	07/30/2008
Staff Recommendation	Staff Recommendation
5	5
0809-OV-16	71-VO-6080

Oil & Gas Staff Report

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