

Staff Report

December 9, 2008

STATISTICS

- Our monthly statistics report is attached. As of December 3, 2008, there have been 7,267 Applications for Permits-to-Drill ("APDs") approved. At this pace, it is estimated that approximately 7,870 APDs will be approved in calendar year 2008. This represents a 23% 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 December 3rd 2008 are:

County	2008 (% of Total)	2007	2006	2005
Garfield	2676 (37%)	2550 (40%)	1844 (31%)	1508
Weld	2093 (29%)	1527 (24%)	1418 (24%)	901
Yuma	498 (7%)	541 (8%)	798 (14%)	782
Rio Blanco	453 (6%)	321 (5%)	360 (4%)	161
Mesa	407 (6%)	293 (5%)	265 (4%)	136
La Plata	316 (4%)	251 (4%)	235 (4%)	117
Las Animas	263 (4%)	362 (6%)	500 (8%)	413
State Total	7,267	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 December 3, 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	7,218	4,362 (60%)	2,856 (40%)	1,908 (26%)	948 (13%)	942 (13%)	3 (<1%)	3 (<1%)



II. NORTHWEST COLORADO

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 COGCC's Acting Director, Dave Neslin, and Garfield County Commissioner Larry McCown.

The last meeting of the Forum took place on December 4, 2008, at the Garfield County Fairgrounds in Rifle. The next meeting is scheduled for March 5, 2009.

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 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 pits. alternatives NTO to The specifications for designing, constructing, lining, 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 was conducted for Garfield County by S.S. Papadopulos & Associates. This is another Public Project In Lieu of Fines that was funded by EnCana Oil & Gas (USA). The Investigation included: 1) the collection and analysis water samples from domestic water wells and produced water and gas samples from oil and gas wells, and 2) the evaluation of the analytical results. The final report is available on the COGCC website.

Rulison Area

The 3 operators that currently hold 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 RSAP will be modified as necessary as additional data are The COGCC staff met with the collected. operators on November 19, 2008, to discuss possible revisions to the RSAP. 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. In addition, the Second Quarter 2008 Operational and Environmental Monitoring Report for oil and gas activities within the 3mile radius of Project Rulison, has been submitted to the COGCC by the 3 operators (Noble, Williams, and EnCana) and has also been posted to the COGCC website Library, Piceance Basin.

Quarterly meetings between COGCC and CDPHE, DOE, and BLM are conducted to review oil and gas activities in the area and to discuss the results of monitoring by industry and the DOE. The last meeting was held on December 3, 2008.



Rio Blanco Area

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

On behalf of the COGCC, LT Environmental (LTE) conducted a soil gas survey and Four Corners Geoscience collected another round of ground water samples from water wells in the area during the week of October 13, 2008. Methane was not detected in any of the soil gas monitoring probes and has not been detected by any of the surveys conducted since July 2007. Methane in the groundwater continues to decline slowly with only one well. Methane was detected exhibiting concentrations above 10 mg/L; the south well at 10.5 mg/L. The reports of ongoing activities are available on COGCC website Library (www.cogcc.state.co.us Library, San Juan Basin\ Bondad).

♦ Gas and Oil Regulatory Team (GORT) Meeting

The next GORT/Southwest Colorado Oil and Gas Stakeholders meeting is scheduled for December 11, 2008, at 8:30 am in the La Plata 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.

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

As part of the 4M Projects, the Colorado Geological Survey (CGS) is preparing 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 includes 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.

In addition to mapping geologic contacts, the study includes measurement and analysis of fractures in these formations and mapping of individual coal beds in the Fruitland Formation. When completed, the final report will be added to the Library section of the COGCC website. Formation contact data will be made available as a layer on the COGCC online GIS maps. Field work began in May 2008 and was completed in late July 2008. Compilation of data and report production is ongoing. Twenty-two measured sections were completed or compiled from previous work. In addition to CGS staff, the CGS used faculty and staff from Fort Lewis College in Durango and the University of Colorado - Denver to assist in the mapping project. A draft of the final map and report will be provided to COGCC staff for review and it is anticipated that the final report will be available by December 31, 2008.

Drilling and installation of monitoring wells for the 4M Project in Archuleta County began on September 27, 2008. Supervision of field activities and interpretation of field data are being performed by a COGCC consultant with assistance from COGCC staff. The COGCC project manager is using COGCC staff from the Environmental, Engineering, and Information Technology groups, all with backgrounds in geology and engineering, to assist in the field oversight of the project. The CGS has also been an active participant in the drilling program.

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Six monitoring wells have been installed at 3 well sites located in Sections 4 and 14U, Township 34 North, Range 5 West, and in Section 30, Township 34 North, Range 4 West. Core samples were collected from selected coal intervals and adjacent strata. Samples of coal are undergoing laboratory analysis to determine gas content, gas composition, isotopic ratios, and other parameters.

At each location, 2 wells were constructed and will be perforated across distinct coal intervals to monitor reservoir pressure in multiple intervals in the Fruitland Formation. At the Wagon Gulch location in Section 4, Township 34 North, Range 5 West, perforations in the first and second wells (MW-1 and MW-2) spanned intervals from 752 to 767 feet below ground surface (bgs) and from 821 to 833 feet bgs, respectively. At the Fosset Gulch location (Section 14U, Township 34 North, Range 5 West), MW-1 was perforated from 479 to 499 feet bgs while MW-2 was perforated across 2 coal intervals: 525 to 534 feet bgs and 548 to 551 feet bgs. The Highway 151 location in Section 30, Township 34N North, Range 4 West, was perforated and developed during the week of November 16, 2008. Monitored intervals will include 218 to 222 feet bgs, 231 to 241 feet bgs, 268 to 277 feet bgs, and 293 to 302 feet bgs, all of which correspond to coal zones interpreted from observations of drill cuttings, drilling characteristics, and geophysical logs.

Monitoring wells are developed after perforating to enhance communication between the monitoring well and the reservoir. None of the wells perforated and developed have produced significant formation water during drilling or development.

Prior to monitoring well completion and development, COGCC staff arranged for Four Corners Geoscience to collect samples from nearby water wells to establish shallow water quality conditions in the area. These samples are currently undergoing laboratory analysis.

Souder Miller Associates is serving as a general contractor and providing field services. Scorpion Drilling is providing and operating the drilling rig and is using a closed loop system to

minimize surface impacts. Cuttings are contained in a steel tank and then transferred to a lined drying area prior to burial onsite.

Due to costs, budget, seasonal timing and expected surface impacts, 3 of the six sites initially proposed will not be drilled during this phase of the study. The sites not completed during the fall 2008 field program are those in Deep Canyon in Section 32, Township 34 North, Range 4 West, 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. It is anticipated that the Deep Canyon wells can be installed during the 2009 field season.

LT Environmental (LTE) has completed design work for the 4M Outcrop Mitigation Project in La Plata County. The design package was reviewed by the Technical Working Group (TWG) with final approval by the COGCC. Installation of the subsurface systems at South Fork Texas Creek (SFTC) and Pine River Ranches began on October 17, 2008, and field installation activities concluded on October 31, 2008. Interim reclamation, consisting mostly of reseeding, was delayed due to snowfall and muddy ground conditions in early November, but was completed in mid-November.

The system at SFTC consists of 3 separate gas collection systems that are routed to a pad centralized equipment where the treatment/combustion shed and equipment will be housed. A significant amount of gas was encountered during installation and it is anticipated that the pilot test should be successful. The PRR system consists of multiple linear gas collection trenches that are also routed to a centralized equipment pad. Surface equipment is on order and installation will proceed once COGCC finalizes notification to the mineral owners of the planned activities at the two locations. Testing of the systems will proceed throughout the winter and into 2009.

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



private surface owners to obtain access for the installation of new Fruitland Formation monitoring wells in La Plata County.

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

COGCC and Norwest Applied Hydrology (NAH) staff visited all of the existing La Plata County monitoring well locations on September 3, 2008, to download data from the data loggers and perform routine maintenance. All monitoring locations were determined to be in good condition and no major repairs are needed. The most recent report is available on the COGCC website (www.cogcc.state.co.us, Library, San Juan Basin, 3M Project Reports).

V. SOUTHEAST COLORADO

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

Phase 1 Update

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. The pipelines for transporting the recovered fluids to the treatment area have been installed and tested. Separate pipelines that will transport recovered water from the separator area to the injection wells have also been installed. Treatment under Phase 1 will consist of physically separating dissolved methane from the recovered ground water. The methane will be sent to a controlled flare for combustion. The flare has been installed and is also operational. The injection system is operational and awaiting final USEPA authorization prior to start up.

On November 18, 2008, Norwest Applied Hydrology (NAH) and Questa Engineering, on behalf of PEI, provided a detailed update on the geologic and flow modeling work that has been conducted during Phase 1, to COGCC staff and Valois Shea of the USEPA. The presentation included geologic cross sections, fence diagrams and computer simulation modeling results. The computer simulations were developed using the aquifer data collected

from the installation and testing of the monitoring, recovery and injection wells. NAH and PEI had previously presented the results of pumping tests performed in the removal and injection wells at a September 29, 2008, meeting.

On November 18, COGCC staff and USEPA staff (Valois Shea and Dan Jackson) also met with the River Ridge Property Owners representative Mr. Richard Goodwin. Mr. Goodwin asked questions about the treatment process and monitoring and discussed the notification procedure that PEI will implement prior to starting the recovery and injection process. COGCC staff provided information on the physical separation process and discussed the need for additional monitoring. Mr. Goodwin provided information on the issues that should be included in the notification to the landowners that will occur prior to starting the recovery and injection system.

PEI has applied to the Bureau of Land Management 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. 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. The current date for a BLM decision on the well is not known.

Gas flows are monitored at 4 wells by PEI or its consultant and at 2 wells for COGCC or our consultant. Overall gas flow has shown to decrease in all wells.

During the period from September 30, 2008 to November 3, 2008, NAH and PEI screened 71 domestic water wells for the presence of methane with hand held methane detectors for changes in percent volume of methane, %LEL, and %O2; 49 of the monitored wells showed little change from the previous month's monitoring, 12 wells showed increases in methane concentration, 10 wells showed decreases in methane concentration, and one well was monitored for the first time.



<u>Mitigation</u>

PEI is currently supplying water to 15 homes upon request of the well owner. Methane alarms have been installed in 14 homes.

VI. ORGANIZATION

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

VII.PLANNING/ADMINISTRATION/OTHER

♦ Fiscal Year 2009-10 Budget Request

Department of The Natural Resources submitted its Fiscal Year 2009-10 budget request to the General Assembly on November 1, 2008. Included in the request is a decision item for 4 additional full-time employees and 2 contractors for the COGCC's information management section. The total cost of this request, which includes one production analyst, one imaging system administrator, and 2 records technicians is \$246,154 in FY 2009-10 and \$225,242 in FY 2010-11. The source of funding is the Oil and Gas Conservation and Environmental Response Fund.

♦ Pit Violations

COGCC staff received a letter from the U.S. Fish and Wildlife Service (USFWS) dated August which documented USFWS's 2007, 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 NOAVs 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 November 18, 2008 (not including the original 4 NOAVs referenced above), NOAVs related to pit violations have been issued for locations in Adams County (37), 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 109 NOAVs. Corrective action is complete and has been verified in the field by COGCC staff for 80 of the 109 NOAVs.

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

Final deliberation and adoption of the provisionally adopted rules is scheduled for December 9 through December 11, 2008, at 9:00 am in the Terrace Room at the Sheraton Downtown. 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 www.cogcc.state.co.us.

Public Outreach Opportunities

On October 28, 2008, Debbie Baldwin and Karen Spray provided a historical review of the 3M Project, a summary of the goals and objectives of the 4M Project, and a detailed discussion of data collected to date to the La Plata County Board of Commissioners.

Karen Spray and Mark Weems represented the COGCC at the November 6, 2008, Northern San Juan Basin Stakeholders Group.



On November 15, 2008, Peter Gintautas provided an update on the activities and results of Petroglyph's Phase 1 Methane Investigation, Monitoring, & Mitigation Plan (MIMMP) to the residents of Huerfano County. Acting Director Dave Neslin, Environmental Supervisor Margaret Ash, Douglas Mentor of the USEPA and Huerfano County officials also attended. A copy of the presentation can be found on the COGCC website under Library\Raton Basin\Huerfano County. Approximately 150 people attended the Saturday afternoon event held at the county recreation center in Walsenburg. John Galusha, Huerfano County Administrator facilitated the planning and scheduling of this meeting.

Karen Spray provided a COGCC summary at the DOW's SW Colorado Oil & Gas 101 training on December 1, 2008, and Karen Spray and Leslie Melton participated in an Oil & Gas informational meeting for Montezuma and Dolores Counties on December 3, 2008.

Annual Report to the CDPHE Water Quality Control Commission

The COGCC is an implementing agency for the ground water standards and classifications established by the Water Quality Control Commission (WQCC). This authority provided by SB 89-181, and is restated and clarified by a Memorandum of Agreement (MOA) that was adopted by the agencies on August 8, 1990. The MOA specifies that the COGCC must report annually to the WQCC and this report was presented to the WQCC Commissioners at their December 8, 2008, hearing. Copies of the written report have been provided to the COGCC Commissioners and the report has also been posted on the COGCC website Library, Water Related Reports and Papers.

◆ 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 121 requests for onsite inspections.

Twenty-six onsite inspections have been conducted, 67 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 121 requests for Onsite Inspection, 64 were for locations in Weld County, 24 for Las Animas County, 8 for Adams County, 6 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

Page 12 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).

♦ January 2009 Hearing Docket

A preliminary docket for the January 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 our main web page.

◆ Colorado Oil and Gas Information System ("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.

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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: http://cogcc.state.co.us/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.

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.

♦ COGIS Projects, Updates and Changes Rulemaking Activity Page

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 project is underway of this with 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. development of this application is underway, and we look forward to releasing the application to the industry in the first quarter of 2009.

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. submit digital well logs over the Internet, an application be completed. must application is available from the "Forms" page the COGCC website http:// 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.

<u>Data Management of Bradenhead and Bottom</u> 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

There have been no requests for variances to be approved since the October 28, 2008 Staff Report.

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Oil & Gas Staff Report

December 9, 2008



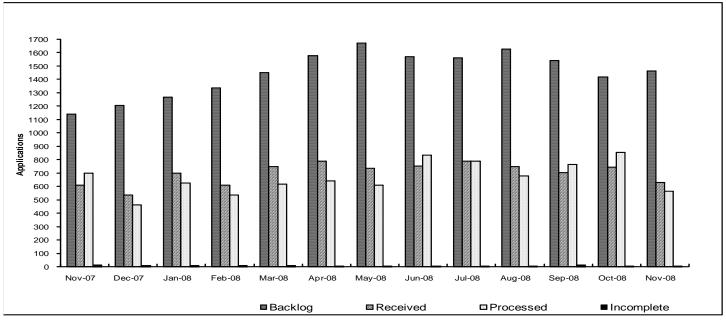
			FEOGRAPO, ABANDONINENT AND VIELE NEGERINATION (FRANK) FROMEOUS FOR ON THINKE EGGANIONS FISCAL YEAR DARK - 2009		ū	FISCAL YFAR 2008 - 2009	2008 - 2009				
PLANNED			E	TIMATED F	ESTIMATED FYE2009 COSTS	STS	ACTL	JAL FYE200	ACTUAL FYE2009 EXPENDITURES	URES	
COUNTY	TYPE	PROJECT NAME	BOND	PAWR	SPECIAL	TOTALS	BOND	PAWR	SPECIAL	TOTALS	DESCRIPTION
BACA	PLUG.	WALLACE OIL & GAS INC. BOND CLAIM	\$15,000	\$60,000	0\$	\$75,000	0\$	0\$	0\$	0\$	COGCC Staff is working with an operator who may take these wells over for production. Otherwise, plug and abandon three wells.
HUERFANO	REC.	MAJOR #1 RECLAMATION	0\$	\$5,000	0\$	\$5,000	0\$	0\$	0\$	0\$	Landowner complaint. Cut casing, weld plate, backfill pits, recontour, 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.
LA PLATA	PLUG.	DAVIE 1-22 ABANDONMENT	\$0	\$35,000	\$0	\$35,000	\$0	\$0	\$0	\$0	Plug and abandon leaking well.
MESA	PLUG.		0\$	\$50,000	0\$	\$50,000	0\$	0\$	0\$	0\$	Complaint. 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.
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	\$70,000	0\$	\$75,000	\$0	0\$	\$0	\$0	Landowner complaint. Plug and abandon well. Reclaim surface
		TOTALS =>	\$25,000	\$280,000	\$120,000	\$425,000	0\$	0\$	\$0	\$0	
IN PROGRESS											
			E	TIMATED F	ESTIMATED FYE2009 COSTS	STS	ACTL	JAL FYE200	ACTUAL FYE2009 EXPENDITURES	URES	
COUNTY	TYPE	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.
LAS ANIMAS	PLUG.	TRINIDAD MGP #1 ABANDONMENT	0\$	\$7,500	\$30,000	\$97,500	\$0	\$348	\$56,791	\$57,140	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 (rental), extended casing to vent well and installed wellhead. Forward plan is to purchase security fence and install a gate for access.
MONTEZUMA	REC.	JOHN MCCORMICK #1 RECLAMATION	0\$	\$6,129	0\$	\$6,129	0\$	\$6,129	0\$	\$6,129	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 (rental), extended casing to vent well and installed wellhead. Forward plan is to purchase security fence and install a gate for access.
		TOTALS =>	\$30,000	\$13,629	\$90,000	\$133,629	\$3,048	\$6,477	\$56,791	\$66,317	_
				ESTI	ESTIMATED			AC	ACTUAL		
		GRAND TOTALS =>	\$55,000	\$293,629	\$PECIAL \$210,000	TOTALS \$558,629	\$3,048	PAWR \$6,477	SPECIAL \$56,791	TOTALS \$66,317	
roject Types: "P	LUG." indi	Project Types: "PLUG." indicates plugging and abandonment, "REC." indicates reclamation, and "ENV." indicates environmental	indicates r	eclamation,	and "ENV."	indicates env	vironmental.				
Updated November 18, 2008	r 18, 2008										



Monthly Breakout of Drilling and Recompletion Permits

	Backlog	Received	Processed	Withdrawn	Rejected	Incomplete	In-Process	Remaining
Drilling	· ·				•	•		•
Nov-07	1182	595	675	8	0	12	1082	1094
Dec-07	1094	511	436	8	0	7	1154	1161
Jan-08	1161	676	608	9	0	5	1215	1220
Feb-08	1220	591	514	3	0	5	1289	1294
Mar-08	1294	734	601	16	0	7	1404	1411
Apr-08	1411	784	607	18	0	4	1566	1570
May-08	1570	688	587	33	0	2	1636	1638
Jun-08	1638	730	803	21	0	2	1542	1544
Jul-08	1544	759	774	8	0	2	1519	1521
Aug-08	1521	693	639	7	0	2	1566	1568
Sep-08	1568	681	709	23	0	8	1509	1517
Oct-08	1517	726	835	11	0	3	1394	1397
Nov-08	1397	608	555	16	0	1	1433	1434
Recompletion								
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	41	41
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	19	27	0	0	1	24	24
Jul-08	24	28	12	0	0	1	39	40
Aug-08	40	54	37	1	0	1	55	56
Sep-08	56	21	54	1	0	1	20	22
Oct-08	22	16	18	2	0	0	18	18
Nov-08	18	19	7	2	0	0	28	28
Total								
Nov-07	1235	608	697	8	0	12	1126	1138
Dec-07	1138	535	461	8	0	7	1197	1204
Jan-08	1204	696	625	9	0	5	1261	1266
Feb-08	1266	605	532	4	0	5	1330	1335
Mar-08	1335	747	617	16	0	7	1442	1449
Apr-08	1449	788	640	21	0	4	1572	1576
May-08	1576	735	607	34	0	2	1668	1670
Jun-08	1670	749	830	21	0	3	1566	1568
Jul-08	1568	787	786	8	0	3	1558	1561
Aug-08	1561	747	676	8	0	3	1621	1624
Sep-08	1624	702	763	24	0	9	1529	1539
Oct-08	1539	742	853	13	0	3	1412	1415
Nov-08	1415	627	562	18	0	1	1461	1462

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



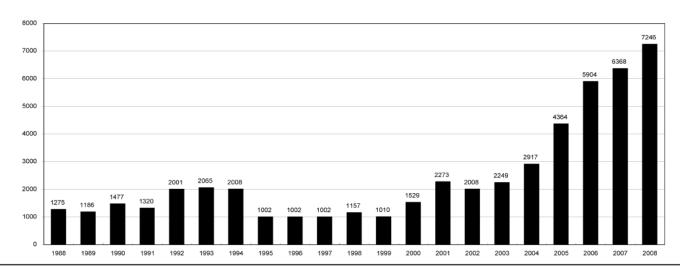
Backlog = Incomplete + In-process = Remaining permits from previous month

December 9, 2008



ADAMS ARAPAHOE ARCHULETA BACA BENT BOULDER BROOMFIELD CHEYENNE COSTILLA CROWLEY DELTA DENVER DOLORES ELBERT EL PASO FREMONT GARFIELD GRAND	1988 46 5 8 6 1 203	1989 34 5 5 4	1990 44 15 18 15	1991 53 14 5	1992 92 11 2	1993 58	1994 137	<u>1995</u>	1996		S B	i UC	אטע	<u> </u>							Current Through 12/2/2008
ADAMS ARAPAHOE ARCHULETA BACA BENT BOULDER BROOMFIELD CHEYENNE COSTILLA CROWLEY DELTA DENVER DOLORES ELBERT EL PASO FREMONT GARFIELD GRAND	46 5 8 6 1 203	34 5 5 4	44 15 18 15	53 14 5	92	58		<u>1995</u>	<u>1996</u>												Through
ADAMS ARAPAHOE ARCHULETA BACA BENT BOULDER BROOMFIELD CHEYENNE COSTILLA CROWLEY DELTA DENVER DOLORES ELBERT EL PASO FREMONT GARFIELD GRAND	46 5 8 6 1 203	34 5 5 4	44 15 18 15	53 14 5	92	58		<u>1995</u>	<u>1996</u>												
ARAPAHOE ARCHULETA BACA BENT BOULDER BROOMFIELD CHEYENNE COSTILLA CROWLEY DELTA DENVER DOLORES ELBERT EL PASO FREMONT GARFIELD GRAND	5 8 6 1 203	5 5 4	15 18 15	14 5	11		137			<u>1997</u>	<u>1998</u>	<u>1999</u>	2000	2001	2002	2003	2004	2005	2006	2007	2008
ARCHULETA BACA BENT BOULDER BROOMFIELD CHEYENNE COSTILLA CROWLEY DELTA DENVER DOLORES ELBERT EL PASO REMONT GARFIELD GRAND	8 6 1 203 1 1	5	18 15	5			13/	34	9	33	24	19	38	28	9	26	39	34	37	89	44
BACA BENT BOULDER BROOMFIELD CHEYENNE COSTILLA CROWLEY DELTA DENVER DOLORES ELBERT EL PASO REMONT GARFIELD GRAND	6 1 203 1 1	4	15		2	4	20	12	2	9	1	2	0	2	1	2	5	7	11	10	
BENT BOULDER BROOMFIELD CHEYENNE COSTILLA CROWLEY DELTA DENVER DENVER ELBERT EL PASO FREMONT GARFIELD GRAND	1 203		1	10		1		3		3		1	7	9	6	10	8	13	14	26	4
BOULDER BROOMFIELD CHEYENNE COSTILLA CROWLEY DELTA DENVER DOLORES ELBERT EL PASO FREMONT GARFIELD GRAND	203	149			23	9	12	24	10	7	13	15	22	6	2	3	7	8	2	11	1
BROOMFIELD CHEYENNE COSTILLA CROWLEY DELTA DENVER DOLORES ELBERT EL PASO FREMONT GARFIELD GRAND	203	149		1		2	2	4	2	5	3	5	2				5	3	8	1	
CHEYENNE COSTILLA COSTILLA CROWLEY DELTA DENVER DOLORES ELBERT EL PASO FREMONT GARFIELD GRAND	1	149		13	38	159	38	5	8	2	5		1	5	6	7	17	13	21	37	3
COSTILLA CROWLEY DELTA DELTA DELVER DOLORES ELBERT EL PASO FREMONT GARFIELD GRAND	1	149													2	7		1	1		
COSTILLA CROWLEY DELTA DELTA DENVER DOLORES ELBERT EL PASO FREMONT GARFIELD GRAND	1		102	93	71	58	48	55	43	31	41	7	3	3	3	3	3	10	21	15	2
CROWLEY DELTA DENVER DOLORES ELBERT EL PASO FREMONT GARFIELD GRAND	1											1									
DELTA DENVER DOLORES ELBERT EL PASO FREMONT GARFIELD GRAND	1		1	1																	
DENVER DOLORES ELBERT EL PASO FREMONT GARFIELD GRAND		1	2												7	4	5	10	9	2	
DOLORES ELBERT EL PASO FREMONT GARFIELD GRAND	2									5	3	3		3			3		19	25	24
ELBERT EL PASO FREMONT GARFIELD GRAND			4	1	2	1					3					1	1	1	6	10	1:
EL PASO FREMONT GARFIELD GRAND	9	12	8	5	3		2	13	16	11	1		2						4		
FREMONT GARFIELD GRAND																					
GARFIELD GRAND	9	5	6	7	1	2	2	1	2	1							1	3	2	4	
GRAND	19	66	111	36	18	56	143	78	109	141	95	130	213	353	362	567	796	1509	1845	2550	265
	10	00		50	10	50	1	70	103	171	33	100	210	555	302	507	730	1000	1043	2000	200
			2	2		1	- '								5	10	1	9	19	7	
GUNNISON HUERFANO	3	5	2	4	17	3	3	2	1	3	40	26	41	27	27	10	8	2	19	- '	
JACKSON	3	1	4	6	2	2	3	2	2	6	3	20	34	18	21	9	14	6	8	5	26
JEFFERSON	1	- '	4	2		1		1	1	0	1	2	1	10	21	9	14	- 0	1	3	
KIOWA	15	39	40	46	28	28	21	26	13	17	10	2	11	18	2	4	2	1	11	9	19
KIT CARSON	9	5	7	8	8	15	26	11	7	6	9	5	- 11	10	2	1	3	5	4	4	12
	302	218	388	128	120	40		20	71	40	82	107	127	156	104	162	102	115	235	251	316
LA PLATA LARIMER	302	4	300	6	120	7	40	20	1	3	02	107		156	104	102	102	115	235	251	45
	10		-	ь	13	9	-	05			195	195	2	400		400	222		500	_	263
LAS ANIMAS		30	36	7	-		32	95 9	134	136	195	195	268	400	259	180	332	413	500	362	
LINCOLN	8	6	4		7	11	8	-	3	2	-		2	2	1	6	3	4	1	2	52
LOGAN	18	21	23	13	14	30	15	13	6	12	7		4	7	3	3	6	13	17	14	400
MESA	1	12	29	20	22	2	22	6	11	10	2	6	13	27	30	27	54	136	265	293	40
MOFFAT	13	25	27	19	40	52	43	40	41	28	21	15	35	52	62	63	63	60	120	68	56
MONTEZUMA	6	7	10	8	7	11	15	9	13	5	4	1	4	-	5	8	8	11	5	12	20
MONTROSE		0.7		1	40		40	40	- 10	1	40	40	1	3	2	4	2	-	1	3	
MORGAN	34	27	36	13	10	11	19	12	10	11	10	12	9	9	2	7	9	7	3	6	· ·
OTERO				2																	
PARK				1								1				-			16		-
PHILLIPS			3		1	1							1	2		7	13	17	12	69	6
PITKIN		1			2				-								1	-		1	
PROWERS	19	9	5	10	14	7	3	5	5	3	9	3	2	5	4		7	5	7	5	
RIO BLANCO	34	83	77	33	81	83	126	81	33	40	51	95	89	187	105	179	154	161	360	321	453
RIO GRANDE	2	3	4	1			1						1	1		1					
ROUTT	4	3	12	4	2	3	1	2	1	1	1	4	20	13	1		4	6	9	8	
SAGUACHE	1							2					2		2					2	
SAN MIGUEL			2	2					1	1	4	2	11	13	27	18	42	45	35	23	2
SEDGWICK				1				3		2						1	5	2	7	2	
WASHINGTON	40	29	23	28	24	26	25	12	19	26	18	3	23	17	27	34	128	50	69	45	1
WELD	424	357	366	656	1224	1319	1030	254	305	285	392	288	509	702	760	757	832	901	1418	1527	2093
YUMA	14	20	45	60	104	53	167	168	123	116	111	60	31	205	160	138	237	782	797	541	498









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Colorado Oil Gas Conservation Commission

Monthly Statistics

t Abvd Recompletion 4373 4910 209 245 4373 4910 209 245 420 396 21 28 420 396 21 28 420 396 21 28 508 508 26 31 508 508 26 31 508 532 26 29 482 578 15 38 563 548 15 38 606 6171 31 26 605 423 7 18 605 423 7 18 606 6171 315 302 606 6171 315 302 606 6423 1 46 607 423 7 18 608 423 1 1 550 6643 1 1 608 </th <th></th> <th></th> <th>Baker -</th> <th></th> <th></th> <th></th> <th>Permits</th> <th>its</th> <th></th> <th></th> <th></th> <th></th> <th>Unedited</th> <th></th> <th></th> <th></th> <th>Well</th>			Baker -				Permits	its					Unedited				Well
rig count Apvd Rcvd Apvd Rcvd Apv <	YEAR		Hughes	Dril	ling	Recom	pletion	Injection	ion	Pits	w	Active	Historic	_	Public Visits	its	Oper
Total 4373 4910 209 245 25 JAN 84 420 396 21 28 JAN 84 266 501 27 20 MAR 81 392 508 26 31 MAY 89 398 532 26 38 JUN 90 563 548 15 38 JUN 90 563 498 30 29 DEC 91 698 498 30 29 NOV 88 512 451 25 17 DEC 94 698 498 30 29 NOV 103 525 62 25 17 MAY 104			rig count	Apvd	Rcvd	Apvd	Rcvd	Apvd	Rcvd	Apvd	Rcvd	Wells	Records	Data	Office	Internet	Change
JAN 84 420 396 21 28 FEB 84 266 501 27 20 MAR 81 392 508 26 31 APR 88 501 594 27 13 MAY 89 308 532 26 29 JUN 90 563 548 15 38 AUG 93 482 571 36 38 AUG 93 698 498 30 29 SEP 94 698 496 37 46 DEC 91 516 47 26 7 NOV 88 512 451 25 17 APR 109 605 472 36 46 APR 107 597 686 35 17 JUN 108 605 643 11 12 APR 11	2005	Total		4373	4910	209	245	23	30	478	485			699	540	688809	7688
FEB 84 266 501 27 20 MAR 81 392 508 26 31 APR 88 501 594 27 13 MAY 89 398 532 26 29 JUN 90 563 548 15 38 AUG 92 482 571 36 38 AUG 93 608 578 31 26 SEP 94 698 498 30 29 NOV 88 512 451 26 7 DEC 91 516 374 26 7 AN 96 605 428 16 2 APR 107 597 686 35 17 JUN 108 526 643 31 4 AUG 111 605 51 13 AUG 113 504		JAN	84	420	396	21	28	2	-	21	3	29181	0	69	61	73154	678
MAR 81 392 508 26 31 APR 88 501 594 27 13 MAY 89 398 532 26 29 JUN 90 563 548 15 38 JUL 92 482 571 36 29 AUG 93 626 578 31 26 SEP 94 698 498 30 29 SEP 94 698 498 30 29 OCT 92 626 578 31 26 NOV 88 512 451 25 17 DEC 91 516 423 17 JUN 109 524 662 13 46 AUG 113 675 595 22 13 JUN 109 524 68 23 24 NOV 113 675		FEB	84	266	501	27	20	0	1	4	2	29384	0	25	58	73190	458
APR 88 501 594 27 13 MAY 89 398 532 26 29 JUN 90 563 548 15 38 JUL 92 482 571 36 29 AUG 93 626 578 31 26 SEP 94 698 498 30 29 SEP 94 698 498 30 29 SEP 94 698 498 30 29 OCT 92 626 578 31 26 NOV 88 512 456 75 46 APR 108 605 473 11 475 609 23 26 JUN 109 436 511 41 25 24 NOV 113 675 595 22 13 ABR 116 774 760 27		MAR	81	392	508	26	31	0	7	က	_	29751	0	35	92	105602	533
MAY 89 398 532 26 29 JUN 90 563 548 15 38 JUL 92 482 571 36 38 AUG 93 626 578 31 26 AUG 93 626 578 31 26 SEP 94 698 498 30 29 OCT 92 532 620 25 26 NOV 88 512 451 25 17 DEC 91 516 374 26 7 APR 98 525 662 15 46 APR 107 597 686 35 17 JUL 107 590 693 23 26 OCT 111 605 511 11 30 NOV 113 590 693 23 26 OCT 111		APR	88	501	594	27	13	7	7	34	23	29907	0	30	152	88082	811
JUN 90 563 548 15 38 JUL 92 482 571 36 38 AUG 93 626 578 31 26 SEP 94 698 498 30 29 OCT 92 532 620 25 26 NOV 88 512 451 25 17 DEC 91 516 374 26 7 JAN 96 605 423 7 18 FEB 94 375 428 16 2 JAN 96 605 423 7 18 APR 107 520 643 11 12 JUL 107 520 643 11 12 AUG 113 590 693 23 26 OCT 111 605 511 11 30 NOV 113		MAY	89	398	532	26	29	2	4	19	22	30185	0	52	9	88825	620
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AUG 93 626 578 31 26 SEP 94 698 498 30 29 OCT 92 532 620 25 26 NOV 88 512 451 25 17 DEC 91 516 374 26 7 NOV 88 512 451 25 17 DEC 91 516 374 26 7 7 JAN 96 605 423 7 18 7 JAN 98 525 662 15 46 7 JUL 107 524 658 23 20 23 JUL 108 446 728 3 16 24 JUL 107 520 643 11 12 24 SEP 118 51 11 12 24 24 24 24 24 2		JUL	92	482	571	36	38	7	4	42	29	30397	0	71	44		904
SEP 94 698 498 30 29 OCT 92 532 620 25 26 NOV 88 512 451 25 17 DEC 91 516 374 26 7 NOV 88 512 451 25 17 JAN 96 605 423 7 18 JAN 96 605 423 7 18 JAN 96 605 423 7 18 JAN 107 524 658 23 20 MAY 107 524 658 23 20 JUN 108 524 658 23 26 SEP 11 12 446 728 44 JUN 13 47 50 52 44 JAN 109 675 51 13 4 JAN 109 <		AUG	93	626	578	31	26	က	-	27	33	30613	0	40	102	78339	476
OCT 92 532 620 25 26 NOV 88 512 451 25 17 DEC 91 516 374 26 7 DEC 91 516 374 26 7 JAN 96 605 423 7 18 JAN 96 605 423 7 18 JAN 96 605 423 7 18 JAN 96 605 423 16 2 JUN 108 524 658 23 20 JUN 108 446 728 3 16 JUN 108 446 728 3 16 SEP 116 477 509 23 26 OCT 111 605 511 11 30 NOV 113 675 595 24 JAN 109 675		SEP	94	869	498	30	29	7	~	21	33	30732	0	78	48	79705	653
NOV 88 512 451 25 17 DEC 91 516 374 26 7 DEC 91 516 374 26 7 JAN 96 605 423 7 18 JAN 96 605 423 7 18 JAN 98 525 662 15 46 MAR 98 525 662 15 46 APR 109 524 658 23 20 MAY 107 597 686 35 17 JUL 107 520 643 11 12 AUG 113 605 511 11 30 NOV 113 675 595 22 13 DEC 109 436 51 14 14 NOV 113 605 51 14 MAR 118 601		OCT	92	532	620	25	26	က	2	36	45	30805	0	20	99	89950	614
DEC 91 516 374 26 7 Total 5906 6171 315 302 3 JAN 96 605 423 7 18 FEB 94 375 428 16 2 MAR 98 525 662 15 46 APR 109 524 658 23 20 MAY 107 597 686 35 17 JUN 108 446 728 3 16 JUN 107 520 643 11 12 AUG 113 605 511 11 30 NOV 113 675 595 23 26 OCT 111 605 511 11 30 NOV 113 675 595 24 JAN 100 608 675 17 20 JUN 108 607		NOV	88	512	451	25	17	က	-	19	19	30985	0	37	91	75569	412
Total 5906 6171 315 302 3 JAN 96 605 423 7 18 FEB 94 375 428 16 2 MAR 98 525 662 15 46 APR 109 524 658 23 20 MAY 107 597 686 35 17 JUL 108 446 728 3 16 JUL 107 520 643 11 12 AUG 113 590 693 23 26 OCT 111 605 511 11 30 NOV 113 675 595 22 13 DEC 109 436 511 25 24 Total 6375 7047 214 253 4 MAR 118 601 734 16 13 APR <t< td=""><td></td><td>DEC</td><td>91</td><td>516</td><td>374</td><td>26</td><td>7</td><td>0</td><td>0</td><td>15</td><td>က</td><td>31096</td><td>0</td><td>10</td><td>9</td><td>86182</td><td>311</td></t<>		DEC	91	516	374	26	7	0	0	15	က	31096	0	10	9	86182	311
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2008 Total 7233 7674 259 254 40	2008	Total		7233	7674	259	254	40	53	327	150			205	1184	988102	5205



Page 2 of 2

Colorado Oil Gas Conservation Commission Monthly Statistics Inactive Operators Total AUG NOV DEC MAR APR JUN JUL MAR YEAR 2007

Apwa = Approved, Rovd = Received, Ind = Individual, Blakt = Blanket, Apps = Application for Hearing. NOAV = Notice of Alleged Violation, AOC = Administrative Order of Consent, OFV = Order Finding Violation, Cmpt = Completed

December 9, 2008

Oil & Gas Staff Report



HEARI	NG D	HEARING DOCKET: January	ry 2009			
12/04/2008						
Docket Number	Cause Number	Applicant/Attorney or Representative	Application Received	Field Formation County	Matter	Remarks
0809-		Colorado Board of Parks and Outdoor Recreation/ Timothy, I Monahan	12/05/2007	Adams	Request for an order to designate Barr Lake State Park	Protests filed by James Alexander, Alexander Energy Company, HRM Resources, Texas American Resources Company and Sovereign Energy, ILC., Noble Energy, Inc., and Anadarko Petroleum Corporation
0812-AW-34	- 12	Chevron Midcontinent, L.P. and Four Star Oil and Gas Company/	10/10/2008	Ignacio-Blanco Fruitland coal seams La Plata	Request for an order to allow up to four optional wells in certain 320-acre drilling and spacing units, with the permitted well to be located no closer than 660 feet from the unit boundary and no closer than 130 feet to any interior quarter section line, for certain lands in Township 34 North, Ranges 8 and 9 West, N.M.P.M. and Township 34.5 North, Range 9 West, N.M.P.M.	Continued from December
0812-SP-25	139	Laramie Energy II, LLC/ William A. Keefe	10/09/2008	Rulison Williams Fork/lles Garfield	Request for an order to vacate the 320-acre drilling and spacing unit consisting of the W½ of Section 21, Township 6 South, Range 93 West, 6th P.M., and establish an approximate 80-acre laydown drilling and spacing unit consisting of the N½ NW¼ of said Section 21, and allow one well per 10 acres, with the permitted well to be located no closer than 100 feet to the unit.	Protest filed by Bureau of Land Managment Continued from December

December 9, 2008



Request for an order to designate Moqui Meadows, a 77.6-acre parcel located in the W½ SE¼ of Section 36, Township 5 North, Range 68 West, 6th P.M., as a Designated Outside Activity Area.	Request for an order to establish approximate 1280-acre drilling and spacing units for certain lands in Townships 39 and 40 North, Ranges 17 and 18 West, N.M.P.M., and allow up to 8 horizontal wells in each unit, with the permitted well to be located no closer than 460 feet to the outside boundary.	Request for an order to establish 40-acre and 80-acre drilling and spacing units and allow one well per 10 acres, with the permitted well to be located no closer than 100 feet to the unit for certain lands in Sections 31 through 33, Township 7 South, Range 96 West, 6th P.M.	Request for an order to establish various drilling and spacing units and allow one well per 10 acres, with the permitted well to be located no closer than 100 feet to the unit for certain lands in Sections 6 through 10, and 14 through 19, Township 6 South, Range 92 West, 6th P.M., and Sections 1, and 11 through 14, Township 6 South,	Request for an order to vacate 80-acre drilling and spacing units established in Order No. 449-7 and place the lands under Rule 318.a. for Section 33, Township 14 South, Range 42 West, 6th P.M	Request for an order to designate the 80-acre drilling and spacing units established in Order Nos. 381-1 and 381-2 as stand-up units, and establish 40-acre drilling and spacing units for the NW½ SW½ and SW½ SW¼ of Section 33. Townshin 6 North. Range 66 West 6th P.M.
Request for an o 77.6-acre parcel Township 5 Norti		Request for an o drilling and spaci with the permitte feet to the unit fo Township 7 Souf	Request for an order to es spacing units and allow or permitted well to be locate unit for certain lands in Sethrough 19, Township 6 S and Sections 1, and 11 th Range 93 West, 6th P.M.	Request for an o spacing units estable lands under lands South, Range 42	Request for an o spacing units est as stand-up units spacing units for Section 33, Town
Larimer	Leadville Gothic Shale Dolores/Montezuma	Grand Valley Williams Fork Garfield	Mamm Creek Mancos Group Garfield	Arapahoe Morrow Cheyenne	Bracewell Codell/Niobrara/ "J" Sand Weld
11/14/2008	11/19/2008	11/20/2008	11/21/2008	11/24/2008	11/24/2008
Mike Sutak and Laura W. Chase/ Phillip D. Barber, P.C.	Bill Barrett Corporation/ William A. Keefe	Williams Production RMT Company/ William A. Keefe	Antero Resources Piceance Corporation/ William A. Keefe	Direct Petroleum Exploration, Inc./ David R. Nelson	Orr Energy, LLC/ J. Michael Morgan
-	389	510	191, 510 & 523	449	381
0901-GA-01	0901-SP-01	0901-SP-02	0901-SP-03	0901-SP-04	0901-SP-05





0901-SP-06	513	Orion Energy Partner, L.P./ Susan L. Aldridge/Mchael J. Wozniak	11/25/2008	Timberline lles Garfield	Request for an order to establish 320-acre drilling and spacing units for Sections 8 and 17, Township 6 North, Range 91 West, 6th P.M.	
0901-UP-01	407	Petroleum Development Corporation/ Scott M. Campbell/Jeremy I. Ferrin	11/25/2008	Wattenberg Sussex-Shannon, Codell-Niobrara, "J" Sand, Dakota Weld	Request for an order to establish 80-acre drilling and spacing units for the Sussex-Shannon Formation, and a 320-acre drilling and spacing unit for the "J" Sand and Codell-Niobrara, "J" Dakota Formations and pool all nonconsenting interests in the units in the W½ of Section 10, Township 5 North, Weld Range 63 West, 6th P.M.	
0810-0V-19	2	Staff Recommendation	07/30/2008	Weld	AOC-Finding TOP Operating Company in continuing violation of Rule 906.d. for failing to perform timely remediation required by Remediation Work Plan #3743 at the Counter #2 Well located in the NE½ NE¾ of Section 30, Township 2 North, Range 66 West, 6th P.M., the Schneider #3 Well located in the SE¾ NE¾ of Section 30, Township 2 North, Range 66 West 6th P.M., the Schneider #3 Well located in the NW¾ of Section 30, Township 2 North, Range 66 West 6th P.M., the Knox #1-23 Well located in the SW¾ NW¼ of Section 23, Township 2 North, Range 67 West, 6th P.M., and the Knox #22-23 Well located in the SE¾ NW¼ of Section 23, Township 2 North, Range 67 West, 6th P.M.	Continued from December