

Staff Report

June 11,2008

I. STATISTICS

- ♦ Our monthly statistics and annual final report is attached. As of June 2, 2008, there have been 2,933 Applications for Permits-to-Drill ("APDs") approved. At this pace, it is estimated that approximately 6,950 APDs will be approved in calendar year 2008. This represents a 9% 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 June 2nd are:

County	2008 (% of Total)	2007	2006	2005
Garfield	1029 (35%)	2550 (40%)	1844 (31%)	1508
Weld	708 (24%)	1527 (24%)	1418 (24%)	901
Mesa	225 (8%)	293 (5%)	265 (4%)	136
Rio Blanco	200 (6%)	321 (5%)	360 (4%)	161
Yuma	175 (6%)	541 (8%)	798 (14%)	782
La Plata	159 (5%)	251 (4%)	235 (4%)	117
Las Animas	148 (5%)	362 (6%)	500 (8%)	413
State Total	2,933	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 June 2, 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	2,894	1,789 (62%)	1,105 (38%)	775 (27%)	330 (11%)	328 (11%)	0	2 (<1%)



II. NORTHWEST COLORADO

♦ Northwest Colorado Oil and Gas Forum

There was a meeting on June 5, 2008, at the Garfield County Fairgrounds where the following items were discussed:

- State, Federal, County, and Industry Updates on NW Colorado Oil & Gas Activity
- BLM Activity Updates
- Garfield County Update
- South Piceance Water Resource Assessment, Data Repository
- Roan Plateau Rim Pit NTo, Roan Creek & Parachute Creek Drainages

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 share information about oil and gas development in the northwest Colorado area 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.

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.

♦ Meetings with Operators Regarding Issues Associated with Pits

Jaime Adkins, Dave Andrews, Debbie Baldwin, Chris Canfield, and Kevin King met with operators in Battlement Mesa on May 21, 2008, to discuss and develop the requirements to be included in a Notice to Operators (NTO) that would be drilling wells in proximity to the rim of the Roan Plateau. A draft of the NTO was discussed further at the NW Oil and Gas Forum

on June 5, 2008. The draft NTO acknowledges the continued need for the use of pits in and the potential problems and environmental impacts that can occur even when a closed loop or semi-closed loop system is used. Nonetheless it encourages continued infrastructure development, and the evaluation and use of alternatives to pits. It includes proposed specifications for constructing, lining, operating, maintaining, monitoring, permitting, and closing pits.

♦ 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. 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 updated. Evaluation of both Task 1 and Task 2 water quality data began in February 2008. A draft report has been prepared and should be submitted to the Garfield County for review by June 16, 2008. A water quality results quideline pamphlet is also being prepared for distribution with the final report.

♦ Rulison Area

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 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 constituents. The Plan will be modified as 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.

♦ 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.

♦ <u>Study of Baseline Water Quality, Plateau Creek</u> <u>Drainage Area, Mesa County</u>

Because of the extremely heavy workload and personnel changes, initiation of this project has been delayed. Staff is hopeful that the water well sampling will begin during the summer.

III. SOUTHWEST COLORADO

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

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. Full analytical and isotopic results are pending. The next round of groundwater sampling from vicinity water wells is scheduled for late 2008.

♦ Gas and Oil Regulatory Team (GORT) Meeting

The GORT/Southwest Colorado Oil and Gas Stakeholders meeting was held on June 5, 2008, 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, or Debbie Baldwin at 303-894-2100 ext. 111 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) and approved a Scope of Work and cost proposal from the CGS that outlines a plan to conduct detailed geologic mapping of the Fruitland Formation outcrop in Archuleta County. This work will be similar to mapping done in 1999-2000 by the CGS as part of the 3M Project. This project will encompass mapping



the extent of the Fruitland Formation coal beds for approximately 23 miles. The Colorado Oil Conservation Commission and Gas administer this project. The work proposed includes mapping (at 1:24,000 scale) the expression surface 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. 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

In addition to these geologic contacts, the locations of springs and methane seeps, if present, will also be recorded and geologic cross sections will be constructed from measured sections and geophysical logs from gas wells.

CGS is using faculty and staff from Fort Lewis College in Durango to assist in the mapping project. Field work has been initiated and a meeting between COGCC, CGS, and Fort Lewis faculty was held on May 6, 2008, in conjunction with a flyover to facilitate photographing the outcrop and to determine appropriate locations for measuring sections of the geologic units of interest.

LT Environmental (LTE) was selected as the contractor for the 4M Outcrop Mitigation Project in La Plata County (Proposal PHA-827). LTE was selected based on team experience, project approach and a cost benefiting the State of Colorado. The contract has been approved and signed by all state agencies. The kickoff meeting for the project was held on June 5, 2008. The first stage will be system design at both the South Fork of Texas Creek River locations, followed and Pine installation and testing later this summer. If recovered methane characteristics are determined to be suitable, then micro-turbine

technology will be tested to determine whether it can be used to generate electricity from the recovered methane to power the remediation systems. The outcrop methane flux data collected in 2007 and discussed below is an integral component of this project.

A Request for Proposal (RFP) for the Fruitland Formation Geologic Characterization and Reservoir Pressure Monitoring (PHA-837) was posted on April 24, 2008. A pre-bid onsite meeting was held on May 5, 2008. Proposals are due on June 13, 2008, and contractor selection will be completed shortly thereafter. After contractor selection and after completion of the archeological and threatened and endangered species surveys, permits will be obtained from the U.S. Forest Service to conduct the work. Permits for access across Southern Ute Indian Tribe lands to reach some of the proposed well locations were requested from the Tribe on May 19, 2008.

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> Well Data Collection

Karen Spray and Norwest Applied Hydrology (NAH) visited all existing outcrop monitoring well locations on May 6, 2008, to download data and perform routine O&M at the wells. All sites were accessible and no major operational problems were noted. AHA will be providing a written report covering data collected through May 6, 2008, in the near future. When published, it will be 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>

Since 1997, operators have been monitoring methane seeps on the outcrop of the Fruitland Formation north of the Southern Ute Indian Tribe (SUIT) Reservation boundary in La Plata County. The objectives of the monitoring program are to ensure the safety of the public





environment by systematically observing and documenting the relative change in methane seepage from the outcrop. field methods of the monitoring program include methane seep mapping in known seep areas; regional reconnaissance along the entire outcrop using infrared imagery (IR) and field (pedestrian surveys); verification monitoring of natural springs. The most recent regional reconnaissance of the entire outcrop was conducted in 2005 and was discussed in the 2006 monitoring report. The next regional reconnaissance is scheduled for 2008.

During the 2007 monitoring event, a portable flux meter capable of detecting the presence of methane at very low levels was used for the first time as part of this ongoing work. Gas measurement data were used to estimate a total methane flux from the Fruitland outcrop north of the SUIT line in La Plata County. A total methane flux of 7,125 thousand cubic feet per day (MCFD) was estimated using the 2007 data. Overall methane concentrations in the seep areas appear to be slightly lower in 2007 than 2006, but the aerial extent of methane seepage in 2007 was slightly greater than in 2006.

The La Plata County - 2007 Fruitland Outcrop Monitoring Report is available on the COGCC website (www.cogcc.stat.co.us, 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.

◆ 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, Inc. (LTE) conducted the fourth annual monitoring program along the Fruitland Formation (Kf) outcrop in Archuleta County. This report is available on the COGCC website under Library.

The project area includes approximately 18 miles of Kf outcrop starting from the La Plata

County - Archuleta County boundary and extending southeast along the outcrop to the Southern Ute Indian Tribe (SUIT) Reservation Boundary near the confluence of the Piedra River and Stollsteimer Creek. The purpose of the program is to identify the presence of methane seepage along the Kf outcrop and if observed, to monitor changes in seepage conditions over time and space. A similar program has been underway along the Kf outcrop in La Plata County since 1997. The overriding goal of the monitoring program is to ensure the safety of the public.

IV. NORTHEAST COLORADO

Upper Crow Creek Designated Ground Water Basin Study

The COGCC will be performing 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 aquifer in eastern Colorado. The study is being undertaken due to an increase in drilling activity in this area. Ground water samples will be collected from 25 existing domestic water wells and analyzed for both organic and inorganic constituents.

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) will be used for this study. The project has been awarded to Terracon Consultants, Inc. with field work scheduled to begin on June 2 and should be completed by the end of the month. The final report will be completed by July 2008.



V. SOUTHEAST COLORADO

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

On May 21, 2008, Norwest Applied Hydrology (NAH), on behalf of Petroglyph Energy Inc. (PEI), submitted a summary of activities from April 15 to May 16, 2008. The document and the data submitted with the monthly report 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 most recent reporting period from April 15, 2008, to May 16, 2008, NAH screened 55 water wells. NAH reported that 44 of the monitored wells showed little change from the previous month's monitoring. Six of the monitored wells showed decreases in concentration of combustible gases venting from the wells. Three of the monitored wells showed slight increases in gas Two water wells showed concentration. sporadic variation in concentration combustible gases at the well head.

Gas flow from a 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. 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 and May 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. Data obtained during this survey is being processed and a summary will be provided by PEI in a future report.

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

Mitigation

PEI is working with a homeowner on cost sharing for a cistern to vent methane from the water prior to it entering the residential structure. PEI started drilling the remediation wells on March 17, 2008, and anticipates completing the work within 6 to 8 weeks. The drilling program includes 4 pumping wells and 8 extraction wells. Testing of the remediation wells is anticipated to last through May 2008. PEI is currently supplying water to 11 homes.

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 70MCF/ day in the middle of May 2008, with no production of water. Pressure gages have been installed in each of the wells and the wells have been shut in for a two-week period. Pump testing will start upon completion of the Samples of Poison pressure buildup tests. 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.





Emergency Planning

PEI submitted the Monitoring and Response Plan to the COGCC and it has been posted on the website.

COGCC Outreach

Margaret Ash met with Valois Shea of the EPA on April 28, 2008, to discuss the status of the project and the path forward, and to exchange data.

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 May 14, 2008. He will present another update of Petroglyph's Phase 1 MIMMP activities to the Huerfano County Commission on June 25, 2008.

◆ Elbert County Pit Investigation Project (PHA-835)

An investigation of oil and gas exploration and production pits in Elbert County is being conducted. The investigation has 2 objectives:

- To evaluate the accuracy and completeness of the information in the COGCC web-based information system (COGIS) database for facilities in Elbert County, and
- 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.

The work is scheduled to be completed by the end of June 2008. The results of this study will be used as a starting point for staff to evaluate the accuracy and completeness of the COGCC pit data on a statewide basis and will serve as a pilot study for a statewide pit investigation.

VI. ORGANIZATION

Jaime Adkins will be retiring from the COGCC in August. He began his career with the Commission in April 1994, and has held the positions of Professional Engineer and Engineering Supervisor. Jaime has been the

main point of contact for northwest Colorado operations throughout his tenure, and has gained the respect of all who worked with him. He also represented the Commission at the Northwest Colorado Oil and Gas Forums and other public events throughout northwestern Colorado. We will miss Jaime's expertise in engineering and his knowledge of the Commission's history. The entire staff wishes him all of the best in his future endeavors.

Randall Ferguson is leaving the COGCC to pursue other career opportunities. Randall has been an integral part of the environmental group for 10 years and has taken a leadership role in helping to develop procedures for implementing the environmental portion of the COGCC regulations. He has overseen the remediation of hundreds of sites impacted by exploration and production wastes, he has investigated many water well complaints, and conducted numerous ground water studies. Randall's experience and expertise as a geologist and environmental scientist are respected by his COGCC colleagues and industry peers. Randall will be missed by the COGCC, but we all wish him well, and look forward to working with him in future as he embarks on his new career.

Please see page 17 for the COGCC's current organization chart.

VII.PLANNING/ADMINISTRATION/OTHER

Pit Violations

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 cited 4 locations with letter 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 May 23, 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 (6), Morgan County (4), Washington County (30), and Weld County (3), for a total of 100 NOAVs. Corrective action is complete and has been verified in the field by COGCC staff for 50 of the 100 NOAVs.

♦ <u>HB 07-1298 and HB 07-1341 Rulemaking Update</u>

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, anticipated benefits and costs, the parties affected, and certain alternatives.

On May 21, the Commission staff issued a 13page 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 hearing schedule, and other 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, at which time it will accept 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 sets forth the time for opening statements and direct and cross 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 hearing on June 10, 23, 24, 25, 26, 27, 28 (if needed), and 30, July 1, 15, 16, 17, and 18, and August 12. The May 29 order also directs 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 extends the date for submittal of this information to June 13 and directs that it should also include identification of any exhibits that the party intends to discuss at the hearing.

◆ Coalbed Methane (CBM) Stream Depletion Assessment Study of the Raton and Piceance Basins

S.S. **Papadopulos** & Associates, Inc. (Papadopulos) is continuing 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 is 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 is similar to the study done last year in the San Juan Basin and extends the assessment to other 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).





Written comments on both reports are also posted on the website.

Final reports have been completed and both the reports and responses to written comments will be posted on the CGS website after final review by CGS. Funding for the project is being provided by the CGS.

◆ CDPHE Air Quality Control Commission (AQCC)/ COGCC

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

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

♦ <u>Colorado Water Quality Forum - Agricultural</u> <u>Diversion Work Group</u>

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: www.cwqf.org/Workgroups/.

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

Public Outreach Opportunities

COGCC staff is coordinating with the Utility Notification Center of Colorado (UNCC) in a joint mailing to oil and gas operators that are not currently members. COGCC Rule 1102.d. states that "As to flowlines, and any other pipelines over which the Commission has jurisdiction, installed after June 1, 1996, each

operator shall participate in Colorado's One Call notification system, the requirements of which are established by §9-1.5-101., C.R.S. et seq." The initial list consists of approximately 115 operators that have 10 or more wells. Operators will have until July 31, 2008, to come into compliance.

COGCC staff John Axelson Ed Binkley, Diana Burn, Bob Chesson, and Dirk Sutphin staffed an informational exhibit display booth at the 2008 DJ Basin Energy Expo that was held at the Island Grove Regional Park in Greeley, CO, on May 13, 2008. The Energy Expo, which was sponsored by EnCana Oil & Gas (USA) Inc., Noble Energy Inc., Kerr-McGee/Anadarko and service companies, had over 40 exhibits providing information on natural gas exploration and production in the DJ Basin. The Expo exhibits were staffed by company representatives and representatives contractor companies, as well as local and state government agencies. The morning session focused on providing educational opportunities to area high school students to learn about the oil and gas industry in eastern Colorado. Participants had the opportunity to learn about new technology and innovations including state-of-the-art drilling rigs, noise suppression and other environmental initiatives.

Peter Gintautas attended the May 27, 2008, meeting of the Huerfano County Planning Commission at their invitation. He answered questions regarding conditions of approval to be applied by COGCC in several APDs filed for CBM wells in Huerfano County.

♦ 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 106 requests for onsite inspections.

Twenty-one onsite inspections have been conducted, 55 requests for inspections have been withdrawn, and 30 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 106 requests for Onsite Inspection, 56 were for locations in Weld County, 20 for Las Animas County, 7 for Adams County, 5 for La Plata County, 4 for Garfield County, 3 each for Boulder and Yuma Counties, 2 each for Archuleta and Morgan Counties and 1 each for Baca, Kiowa, Larimer, and Logan Counties.

♦ <u>Plugging and Well Reclamation (PAWR) Fund</u> Status

Attached on page 14 is a spreadsheet listing PAWR projects for Fiscal Year '07-'08 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).

♦ July 2008 Hearing Docket

A preliminary docket for the July 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.

◆ 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. 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. The pages also allow for the reading of large documents containing public comments on the process and an application where the public can enter comments on the rulemaking proposal. The pages can be http://cogcc.state.co.us/ accessed at 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.

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 completed. application must be 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. project to create the final format has begun, and once the format is approved, application will be created for Colorado to receive the directional surveys electronically. Many thanks to Mr. Dewey Gerdom of Petroleum Development Corporation for his insight regarding the need for such a data set.

<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.

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 25,500 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 May, approximately 6,464 well records have been updated.

VIII. VARIANCES

No Variances have been issued since the May Staff Report.

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Oil & Gas Staff Report

June 11,2008



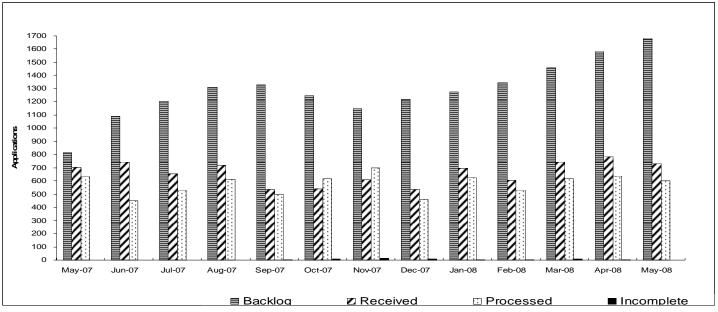
		FISCAL YEAR 2007 - 2008			Ē	SCAL YEAR	2007 - ZUUR				
PLANNED											
			ES		TIMATED FYE2008 COSTS	STS	ACTI	ACTUAL FYE2008 EXPENDITURES	8 EXPENDIT	rures	
COUNTY	I YPE	PROJECT NAME	BOND	PAWR	SPECIAL TOTALS	TOTALS	BOND	PAWR	SPECIAL	TOTALS	Plug and abandon well. All available PAVN funds have been
COCCE	5		2	983,000		923,000	9		9	0	scheduled for FY2008-2009.
		TOTALS =>	\$0	\$25,000	\$0	\$25,000	\$0	\$0	20	\$0	
IN PROGRESS											
) in 100	i.		ES		TIMATED FYE2008 COSTS	STS	ACTL	ACTUAL FYE2008 EXPENDITURES	8 EXPENDIT	rures	TO LEGIS OF THE PARTY OF THE PA
ARCHULETA	PLUG.	SIERRA OIL & GAS CO. BOND CLAIM	\$30,000	\$00	\$0	\$30,000	\$0 \$0	\$0	0\$	\$0	
BOULDER	PLUG.	MAXWELL #5 ABANDONMENT	\$0	\$25,000	\$0	\$25,000	\$0	\$1,500	0\$	\$1,500	
RIO BLANCO	PLUG.	RANGELY MANCOS ORPHANS ABANDONMENT	\$	\$25,000	0\$	\$25,000	0\$	0\$	0\$	0\$	wen - currently wanting on permits with bounds County. Fill each well with Mancos shale to within 50' of surface and top off with Red-Mix concrete, install dry hole markers with well information, remove all cable, junk and debris on location, constructing and red facilism to mark entranged to the property and red in the mark entranged to the property and red in the mark entranged to the property of the propert
		TOTALS =>	\$30,000	\$50,000	\$0	\$80,000	\$0	\$1,500	\$0	\$1,500	ייסטוניסט מומ ססומון גס וומיסן סמוסוו א כוומין
COMPLETED											
	i di		ES	TIMATED F	TIMATED FYE2008 COSTS	STS	ACT	ACTUAL FYE2008 EXPENDITURES	8 EXPENDIT	TURES	HOLANICOLO
ADAMS	REC.	MONAGHAN #1 AND #2 RECLAMATION	9	\$9,800	0\$	\$9,800	9	\$11,000	0\$	\$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 junk and trash on site. Demolished, transported and disposed of concrete pad. Regraded and placed grass seed over disturbed areas.
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	Reclamation work commenced in FYE 2007. Tasks completed in FYE2008: Removed concrete, piping and anchor posts; demolished building; graded disturbed areas to match existing topography; and re-seeded to match existing ve
MOFFAT	PLUG.	BELNAP #1 ABANDONMENT	\$	\$30,000	\$	\$30,000	\$0	\$28,500	0\$	\$28,500	Project commenced in FYE2007: Plugged and abandoned well. Task's completed in FYE 2008: Cleaned up pit and oil-saturated soils, reclaimed surface and re-seeded.
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	m >>	WINTER #1 GROUNDWATER MONITORING	\$0	\$1,000	0\$	\$1,000	0\$	\$1,051	0\$	\$1,051	
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	\$	\$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 melalimed surface at hoth locations.
		TOTALS =>	\$0	\$159,300	\$250,000	\$409,300	\$0	\$174,534	\$250,000	\$424,534	
				İ							
			BOND	PAWR	SPECIAL	TOTALS	BOND	PAW	ACLUAL /R SPECIAL	TOTALS	
	L	GRAND TOTALS =>	\$30.000	\$234 300	\$250,000	\$514 300	\$0	\$176	\$250,000	\$426.034	



Colorado Oil & Gas Conservation Commission <u>Monthly Breakout of Drilling and Recompletion Permits</u>

	Backlog	Received	Processed	Withdrawn	Rejected	Incomplete	In-Process	Remaining
Drilling	•				•	•		•
May-07	720	686	597	12	0	2	795	797
Jun-07	797	728	446	17	0	2	1060	1062
Jul-07	1062	643	520	8	0	2	1175	1177
Aug-07	1177	692	590	1	0	1	1277	1278
Sep-07	1278	509	476	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	591	513	4	0	5	1300	1305
Mar-08	1305	732	600	16	0	7	1414	1421
Apr-08	1421	780	606	17	0	4	1574	1578
May-08	1578	695	583	32	0	2	1656	1658
Recompletion								
May-07	35	17	35	1	0	0	16	16
Jun-07	16	16	3	1	0	0	28	28
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	13	18	1	0	0	40	40
Mar-08	40	13	16	0	0	0	37	37
Apr-08	37	3	33	3	0	0	4	4
May-08	4	37	18	1	0	0	22	22
Total								
May-07	755	703	632	13	0	2	811	813
Jun-07	813	744	449	18	0	2	1088	1090
Jul-07	1090	655	531	8	0	2	1204	1206
Aug-07	1206	721	613	3	0	1	1310	1311
Sep-07	1311	535	499	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	604	531	5	0	5	1340	1345
Mar-08	1345	745	616	16	0	7	1451	1458
Apr-08	1458	783	639	20	0	4	1578	1582
May-08	1582	732	601	33	0	2	1678	1680

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



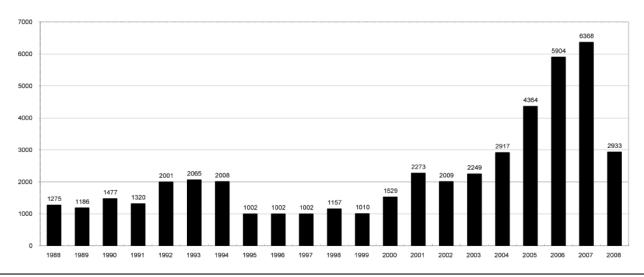
Backlog = Incomplete + In-process = Remaining permits from previous month

June 11,2008



										SCON											
						P	<u> </u>	<u>JAL</u>	PEF	<u>RMIT</u>	<u>'S B'</u>	<u> </u>	<u>NUC</u>	<u>TY</u>							
																					Current Through 6/2/2008
COUNTY	<u>1988</u>	<u>1989</u>	<u>1990</u>	<u>1991</u>	<u>1992</u>	1993	<u>1994</u>	<u>1995</u>	<u>1996</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>	2000	2001	2002	2003	2004	2005	2006	2007	2008
ADAMS	46	34	44	53	92	58	137	34	9	33	24	19	38	28	9	26	39	34	37	89	13
ARAPAHOE	5	5	15	14	11	4	20	12	2	9	1	2	0	2	1	2	5	7	11	10	6
ARCHULETA	8	5	18	5	2	1		3		3		1	7	9	6	10	8	13	14	26	15
BACA	6	4	15	10	23	9	12	24	10	7	13	15	22	6	2	3	7	8	2	11	7
BENT				1		2	2	4	2	5	3	5	2	-			5	3	8	1	1
BOULDER	1		1	13	38	159	38	5	8	2	5		1	5	6	7	17	13	21	37	21
BROOMFIELD				- 10		100			-						2	7	- ''	1	1	- 01	2
CHEYENNE	203	149	102	93	71	58	48	55	43	31	41	7	3	3	3	3	3	10	21	15	11
COSTILLA	200	143	102	30	- / 1	50	40	55	43	- 51	71	1	3			J		10	21	10	
CROWLEY	1		1	1								- '									
DELTA	1	1	2												7	4	5	10	9	2	
	- '	- '								-	_	3		3	- /	4	5	10	19		10
DENVER				_						5	3	3		3		- 4	- 4	-		25	16
DOLORES	2		4	1	2	1		- 10								1	1	1	6	10	4
ELBERT	9	12	8	5	3		2	13	16	11	1		2						4		
EL PASO		_		_		_									1						
FREMONT	9	5	6	7	1	2	2	1	2	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	1029
GRAND							1														
GUNNISON			2	2		1									5	10	1	9	19	7	8
HUERFANO	3	5		4	17	3	3	2	1	3	40	26	41	27	27		8	2			
JACKSON	3	1	4	6	2	2	3	2	2	6	3		34	18	21	9	14	6	8	5	6
JEFFERSON	1		4	2		1		1	1		1	2	1						1	3	
KIOWA	15	39	40	46	28	28	21	26	13	17	10	2	11	18	2	4	2	1	11	9	16
KIT CARSON	9	5	7	8	8	15	26	11	7	6	9	5				1	3	5	4	4	8
LA PLATA	302	218	388	128	120	40	40	20	71	40	82	107	127	156	104	162	102	115	235	251	159
LARIMER	4	4	3	6	13	7	3		1	3	1		2		1			1		5	12
LAS ANIMAS	10	30	36			9	32	95	134	136	195	195	268	400	259	180	332	413	500	362	148
LINCOLN	8	6	4	7	7	11	8	9	3	2			2	2	1	6	3	4	1	2	28
LOGAN	18	21	23	13	14	30	15	13	6	12	7		4	7	3	3	6	13	17	14	2
MESA	1	12	29	20	22	2	22	6	11	10	2	6	13	27	30	27	54	136	265	293	225
MOFFAT	13	25	27	19	40	52	43	40	41	28	21	15	35	52	62	63	63	60	120	68	30
MONTEZUMA	6	7	10	8	7	11	15	9	13	5	4	1	4		5	8	8	11	5	12	14
MONTROSE			10	1		- ''	10		10	1			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	1
OTERO	34	21	30	2	10	- ''	13	12	10	- ''	10	12	9	9		- '	9	- '		0	
PARK				1								1									
PHILLIPS			2	'	- 1	- 1						- '	- 1	2		7	12	17	10	69	37
		1	3		1	1							1			/	13	17	12		31
PITKIN	40		-	40	2	-			-			_	_	-			1	-		1	
PROWERS	19	9	5	10	14	7	3	5	5	3	9	3	2	5	4		7	5	7	5	4
RIO BLANCO	34	83	77	33	81	83	126	81	33	40	51	95	89	187	105	179	154	161	360	321	200
RIO GRANDE	2	3	4	1			1						1	1		1					1
ROUTT	4	3	12	4	2	3	1	2	1	1	1	4	20	13	1		4	6	9	8	2
SAGUACHE	1							2					2		2					2	
SAN MIGUEL			2	2					1	1	4	2	11	13	27	18	42	45	35	23	12
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	6
WELD	424	357	366	656	1224	1319	1030	254	305	285	392	288	509	702	760	757	832	901	1418	1527	708
YUMA	14	20	45	60	104	53	167	168	123	116	111	60	31	205	160	138	237	782	797	541	175
Total	1275	1186	1477	1320	2001	2065	2008	1002	1002	1002	1157	1010	1529	2273	2009	2249	2917	4364	5904	6368	2933







Envir. Supervisor Envir Prot Spec III R. Ferguson Envir. Specialist Envir Prot Spec II B. Chesson Northeast Area Enviro Prot Spec II J. Axelson Northwest Area Enviro Prot Spec II C. Canfield Environmental Manager D. Baldwin 06/01/2008 Envir. Supervisor Envir Prot Spec III M. Ash Envir. Specialist Envir Prot Spec II S. Lindblom Southwest Area Envir Prot Spec II K. Spray Southeast Area Envir Prot Spec II P. Gintautas N. Wattenberg Weld Co. Insp. Phys Sci Tech II E. Binkley NE Inspector Sterling Phys Sci Tech II Vacant North Area Engr. Eng in Training II Denver D. Burn S. Wattenberg Weld Co. Insp. Phys Sci Tech II J. Precup Engr. Supr. Prof Eng II D. Andrews Engineering/ Enviro Tech B. Koehler COMMISSION NW Area Engr. Parachute Eng In Training II K. King NW Area Insp. Parachute Phys Sci Tech II G. Helgeland NW Area Insp. Parachute Phys Sci Tech II Vacant NW Area Insp. Rifle Phys Sci Tech II S. Kellerby Engineering Manager D. Dillon Engr. Supr. Parachute Prof Eng II J. Adkins South Area Engr. Eng. In Training II D. Sutphin S. Central Insp. Trinidad Phys Sci Tech II J. Duran SE Insp. Cheyenne Wells Phys Sci Tech II M. Leonard SW Insp. Durango Phys Sci Tech II L. Melton SW Area Engr. Durango PE I M. Weems Engr. Supr. Prof Eng II Vacant Director H. Sherman Acting Director D. Neslin Executive Accountant I R. Ou Acct. Tech. III A. Gipson Financial Manager W. Schultz Enforcement Officer C. Harmon Hearings Assistant M. Humecki Hearings Officer II R. Willis Hearings Manager T. Beaver Executive Asst. J. Missey Records Admin. Technician II C. Brookshire Records Admin. Technician II M. Greenstein Records Admin. Technician II C. Sundseth Info. Processing Supervisor T. Ikenouye Imaging Sys Admin Admin Asst III M. Ramos Prod/Levy Analyst Data Spec I Geimausaddle GIS Administrator Phy Sci Res/ Scientist II J. Milne Information Manager M. Fine Network Admin. IT Prof I J. Glossa Surety Admin. Program Asst II M.Choury Prod/Levy Analyst Data Spec I E. Rivera IT Prof III K. Robertson Tech Phys Sci Tech II J. Stanczyk Permit/Compl Tech Phys Sci Tech II V. Walker Permit/Compl Phys Sci Tech II L. Coler Permit/Compl Tech Phys Sci Tech II A. Fischer Data System IT Prof V T. Kerr Permit/Compl Tech B. Yokley Permit Supr. Phys Sci Tech II D. Ahlstrand Permit/Compl

COLORADO OIL & GAS CONSERVATION COMMISSION ORGANIZATION



Page 1 of 2

Colorado Oil Gas Conservation Commission Monthly Statistics

Baker -				Permits	its					Unedited				Well
	Drilling	ing	Recompletion	letion	Injection	tion	Pits	ø	Active	Historic	<u>-</u>	Public Visits	ts	Oper
	Apvd	Rcvd	Apvd	Rcvd	Apvd	Rcvd	Apvd	Rcvd	Wells	Records	Data	Office	Internet	Change
	4373	0,	509	245	23	30	478	485			699	540	688809	7688
	420	396	21	28	2	1	21	3	29181	0	69	61	73154	829
	266	501	27	20	0	11	4	2	29384	0	25	58	73190	458
	392	208	56	31	0	7	က	_	29751	0	35	92	105602	533
	201	594	27	13	7	7	34	23	29907	0	30	152	88082	811
	398	532	56	59	7	4	19	22	30185	0	52	9	88825	620
_	563	548	15	38	က	-	43	47	30324	0	64	61	88661	1229
•	482	571	36	38	7	4	42	29	30397	0	71	44	85027	904
~	626	218	31	26	က	-	27	33	30613	0	40	102	78339	476
4	869	498	30	59	7	-	51	33	30732	0	78	48	79705	653
7	532	620	25	56	က	7	36	45	30805	0	20	68	89950	614
ω	512	451	25	17	က	-	19	19	30985	0	37	91	75569	412
91	516	374	56	7	0	0	15	က	31096	0	10	9	86182	311
	9069	6171	315	302	37	40	314	293			531	897	1012286	7699
ဖွ	605	423	7	18	က	-	22	27	31297	0	20	79	100089	586
4	375	428	16	2	က	3	13	15	31378	0	34	94	77886	505
8	525	662	15	46	2	က	22	22	31550	0	26	81	98738	521
60	524	658	23	20	4	-	28	26	31691	0	26	92	99974	509
07	265	989	35	17	4	က	2	ဖ	31897	0	17	82	98585	646
80	446	728	3	16	2	3	2	œ	32021	0	29	112	170945	878
7	520	643	1	12	-	-	က	33	32135	0	29	93	173428	530
13	290	692	23	29	2	7	=	တ	33204	0	34	103	118720	543
16	476	209	23	26	2	က	35	215	33357	0	34	40	97384	5399
1	605	211	7	30	2	4	9	35	33574	0	8	62	86694	480
113	675	292	22	13	2	က	0	26	33731	0	41	56	80961	657
60	436	511	25	24	က	7	4	9	33815	0	7	72	71727	589
	6374	7046	214	253	42	38	154	428			382	696	1275131	11840
100	809	675	17	20	0	4	က	12	34173	0	16	66	87783	617
115	513	591	18	13	3	9	4	21	34341	0	27	106	80083	469
<u>∞</u>	009	732	16	13	က	_	က	က	34695	0	21	91	132081	403
23	909	780	33	က	က	1	တ	12	35058	0	18	84	141191	39
19	583	695	18	37	0	10	7	_	35390	0	16	98	123537	27
	2910	3473	102	98	6	32	21	49			98	478	564675	1555





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Colorado Oil Gas Conservation Commission

Monthly Statistics

						Bonds										Remediation	liation	
YEAR	MO	Operators	tors	Release	ase		ö	Claim	Hear	Hearings	Š	Violations				Projects	ects	Field
		New	Inactive	nd.	Blnkt	Replace	Ind.	Blnkt	Apps.	Order	NOAV	AOC	OFV	Cmplt	Spills	Rcvd	Comp	lnsp
2002	Total	145	72	90	48	149	2	23	74	51	255	5	4	231	330	134	72	7497
	JAN	15	2	17	2	13	0	0	14	10	9	2	_	21	31	8	18	1096
	FEB	16	2	9	4	14	0	0	7	9	7	2	0	19	37	တ	7	955
	MAR	13	5	2	က	16	0	_	7	2	43	_	2	20	33	29	13	682
	APR	14	80	2	∞	13	_	0	6	1	32	0	0	34	38	14	က	809
	MAY	12	2	9	4	10	0	0	¥	Ϋ́	16	Ϋ́	¥	29	23	14	9	1033
	NOS	18	က	2	∞	18	0	0	18	15	1	2	0	20	34	17	10	814
	JU.	10	တ	2	7	00	0	0	17	7	12	_	2	31	31	13	œ	629
	AUG	6	1	7	2	13	0	0	12	9	13	0	0	41	24	35	9	695
	SEP	10	4	3	2	11	0	0	12	7	37	2	0	30	13	7	∞	491
	OCT	6	5	က	2	21	0	0	12	7	30	0	0	23	26	29	0	730
	NOV	12	2	က	2	20	0	0	17	16	23	2	0	21	23	4	12	1077
	DEC	6	2	3	က	10	0	0	Ϋ́	ΑN	13	ΑN	¥	19	30	11	2	827
2006	Total	147	64	62	62	167	-	-	133	86	247	12	2	308	343	200	97	2996
	JAN	15	0	2	2	12	0	0	20	10	14	_	0	19	28	20	2	1330
	FEB	10	4	2	-	12	0	0	5	7	4	0	0	20	27	17	0	1197
	MAR	6	က	က	2	7	က	_	9	7	17	0	0	44	37	18	7	857
	APR	12	9	10	7	1	0	0	¥	Ϋ́	29	Ϋ́	¥	35	40	7	2	1198
	MAY	13	က	က	4	1	0	0	9	7	33	_	0	38	28	ω	15	1157
	NOS	15	_	5	7	6	0	0	¥	Ϋ́	35	Ϋ́	¥	30	23	12	7	761
	Щ	1	0	က	-	14	0	0	14	20	44	0	0	41	23	27	13	1007
	AUG	17	4	4	က	13	0	0	14	10	41	2	0	24	19	14	13	773
	SEP	10	က	9	က	10	0	0	¥	Ϋ́	150	Ϋ́	¥	30	19	16	4	782
	OCT	18	က	9	2	15	0	0	7	თ	81	က	0	24	33	22	13	772
	NOV	7	4	∞	9	14	0	0	∞	9	20	2	0	31	27	20	7	646
	DEC	6	4	2	7	5	0	0	5	9	34	0	0	23	27	9	က	399
2007	Total	146	35	22	41	137	က	-	89	98	542	6	0	359	331	220	85	10879
	JAN	16	7	8	9	15	0	0	7	9	28	1	0	12	86	25	9	609
	FEB	10	2	9	4	11	0	0	5	2	44	1	0	32	39	26	14	744
	MAR	10	2	4	7	16	0	0	12	9	38	0	0	17	24	7	∞	938
	APR	1	2	80	7	11	0	0	Ą	ΑA	32	ΑĀ	¥	29	28	28	13	640
	MAY	1	က	2	က	7	0	0	11	11	7	-	0	14	19	20	22	221
2008	Total	28	25	28	27	09	0	0	35	28	149	က	0	104	196	110	63	3152

June 11,2008



HEAR	NG D	HEARING DOCKET: JULY 2008	80			
PRELIMINARY 06/03/2008						
Docket Number	Cause Number	Applicant/Attorney or Representative	Application Received	Field Formation County	Matter	Remarks
0710-AW-22	112	Chevron USA Inc. and Four Star Oil & Gas Co./ William A. Keefe	08/09/2007	Ignacio-Blanco Fruitland coal seams	Request for an order to allow 2 additional wells for a total of 4 in the 320-acre drilling and spacing units in certain lgnacio-Blanco lands in Townships 33 and 34 North, Ranges 9 and 10 Fruitland coal seams West, N.M.P.M., with the permitted well to be located no closer than 660 feet from the outer unit boundary.	Interventions filed by La Plata County and San Juan Citizens Allicance.
0801-EX-01	112	Chevron Midcontinent, L.P./ William A. Keefe	10/31/2007	Ignacio-Blanco Fruitland coal seams	Request for an order to allow a well to be drilled within one and one-half miles of the outcrop contact between lgnacio-Blanco the Fruitland and Pictured Cliffs Formations in the 320-Fruitland coal seams acre drilling and spacing unit in the E½ of Section 3, La Plata Township 34 North, Range 9 West, N.M.P.M.	Intervention filed by La Plata County Continued from June
0805-AW-12	315	Rosetta Resources, Inc./ Michael J. Wozniak/Andrew Bremner	03/19/2008		wells, for a rind spacing South, well to be coundary.	Protests filed by Chapman Farms and Dean Long Continued from June
0805-EX-03	315	Rosetta Resources, Inc./ Michael J. Wozniak/Andrew Bremner		_	Request for an order allowing an exception to the permitted location in Order No. 315-3, for the drilling of the proposed Chapman 22-12 Well with a surface location of 2451 feet FSL and 651 feet FWL, in the NW SW 4 of Section 22, Township 1 South, Range 44 West, 6th P.M.	
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 SW¼ SW¼ of Section 35, Township 7 South, Range 96 West, 6th P.M.	Protest by EnCana Oil & Gas (USA) Application amended and continued from June





Request for an order to vacate Order Nos. 191-15 and 191-25, which established a 320- acre drilling and spacing unit and establish an approximate 80-acre drilling and spacing unit for certain lands in the N½ of Section 11, Township 6 South, Range 93 West, 6th P.M., and 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.	Request for an order to establish approximate 640-acre drilling and spacing units and complete one horizontal well in each unit for certain lands in Townships 6 and 7 North, Ranges 80 and 81 West, 6th P.M., with the option to drill a second horizontal well, with a bottom hole location no closer than 600 feet from the boundaries of the unit.	Request for an order to expand the Fort Collins Muddy Formation Unit to include the Codell and Niobrara Formations for certain lands in Township 8 North, Range 68 West, 6th P.M., and to grant a waiver requiring written approval by at least 80% of the owners.	Request for an order to establish a 640-acre drilling and spacing unit consisting of Section 1, Township 10 South, Range 96 West, 6th P.M., with the permitted well to located no closer than 600 feet from any lease line.	Request for an order to establish a 40-acre drilling and spacing unit consisting of the NW¼ SE¼ and a 160-acre drilling and spacing unit consisting of the SW¼ both in Section 4, Township 8 South, Range 96 West, 6th P.M., and allow the equivalent of one well per 20 acres, with the permitted well to be located no closer than 200 feet from the unit boundaries.	Request for an order to establish a 640-acre drilling and spacing unit consisting of Section 1, Township 8 South, Range 97 West, 6th P.M., and allow the equivalent of one well per 20 acres, with the permitted well to be located no closer than 200 feet from the unit boundaries.
Mamm Creek Williams Fork/lles Garfield	Unnamed Niobrara Jackson	Fort Collins Codell and Niobrara Larimer	Plateau Niobrara Mesa	Parachute Williams Fork/lles Garfield	Parachute Williams Fork/Iles Garfield
05/23/2008	05/23/2008	05/23/2008	05/23/2008	05/23/2008	05/23/2008
Antero Resources Piceance Corporation/ William A. Keefe	EOG Resources Inc./ Michael J. Wozniak	DJ Resources, Inc./ Barry W. Spector	EnCana Oii & Gas (USA) Inc./ Michael J. Wozniak	EnCana Oil & Gas (USA) Inc./ Michael J. Wozniak	EnCana Oil & Gas (USA) Inc./ Michael J. Wozniak
191	531	84	166	440	440
0807-SP-14	0807-SP-15	0807-SP-16	0807-SP-17	0807-SP-18	0807-SP-19