

Staff Report

September 22, 2008

I. STATISTICS

- Our monthly statistics report is attached. As of September 14, 2008, there have been 5,386 Applications for Permits-to-Drill ("APDs") approved. At this pace, it is estimated that approximately 7,600 APDs will be approved in calendar year 2008. This represents a 20% increase over the previous record high of 6,368 APDs approved in 2007, which was 8% higher than the 5,904 permits issued in 2006.
- ◆ The 2008 drilling permit totals for the top seven counties as of September 14th are:

County	2008 (% of Total)	2007	2006	2005
Garfield	2005 (37%)	2550 (40%)	1844 (31%)	1508
Weld	1475 (27%)	1527 (24%)	1418 (24%)	901
Rio Blanco	338 (6%)	321 (5%)	360 (4%)	161
Mesa	333 (6%)	293 (5%)	265 (4%)	136
Yuma	330 (6%)	541 (8%)	798 (14%)	782
La Plata	255 (6%)	251 (4%)	235 (4%)	117
Las Animas	218 (4%)	362 (6%)	500 (8%)	413
State Total	5,386	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 September 14, 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	5,341	3,278 (61%)	2,063 (39%)	1,374 (26%)	689 (13%)	683 (13%)	3 (<1%)	3 (<1%)

September 22, 2008



II. NORTHWEST COLORADO

♦ Northwest Colorado Oil and Gas Forum

The Forum is an informal meeting of local, state, and federal government officials, oil and gas industry representatives, and citizens that has been holding regularly scheduled meetings since 1989. The purpose of the Forum is to information about oil 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.

The most recent meeting of the Forum was on September 4, 2008, at the Garfield County Fairgrounds in Rifle, Colorado, and included the following presentations;

- COGCC update on permitting activity and trends,
- BLM and USFS update on permitting activity and trends,
- Garfield County update,
- An update on current and forecasted drilling activity presented by multiple operators, and
- An update on the Rulison and Rio Blanco sites presented by the DOE Office of Legacy Management

The next meeting is scheduled for December 4, 2008, at the Garfield County Fairgrounds.

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 <u>Notice</u> to Operators Drilling Wells within 3/4 Mile of the Rim of the Roan Plateau in Garfield County, Pit <u>Design</u>, <u>Construction</u>, <u>and Monitoring</u> Requirements (NTO). The NTO acknowledges the

continued need for the use of pits in the Area of Concern defined in the NTO and the potential problems and environmental impacts that can occur even when a closed loop or semi-closed loop system is used. Nonetheless, the NTO encourages continued infrastructure development, and the evaluation and use of alternatives to pits. The NTO includes specifications for designing, constructing, lining, hydrotesting, operating, maintaining, monitoring, permitting, and closing pits. Because of recent releases within and outside of the Area of Concern, COGCC staff is collecting additional data and considering an expansion of the Area of Concern.

♦ Local Project Status Update

The Garfield County Phase II Hydrogeologic Characterization Project is being conducted for Garfield County by S.S. Papadopulos & Associates. This is another Public Project In Lieu of Fines that will be funded by EnCana Oil & Gas (USA). Task 1 - Domestic Water Well Sampling was completed in August 2007. Task 2 Gas Well Sampling was completed in December 2007. This sampling event included the collection of both produced water samples and production gas samples from selected wells. Final results were received in January 2008 and the project database updated. Evaluation of both Task 1 and Task 2 water quality data began in 2008. The draft report has been revised based on comments from the County and the fianl report has been submitted to Garfield County and the COGCC for review.. A water quality results guideline pamphlet has also been 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 (URS), 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. The quarterly meeting scheduled for July 2008 was postponed until September 2008 due to scheduling conflicts and ongoing rulemaking activities.

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

♦ 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.

West Divide Creek - Division of Wildlife Investigation

In response to a landowner's concern about potential impacts from oil and gas activities, the Colorado Division of Wildlife (CDOW) completed biological and chemical sampling of West Divide Creek on private properties in the NW¼ of Section 12, Township 7 South, Range 92 West, on July 10, 2008. Electrofishing was conducted in a 445 foot stream reach (average stream width of 13.5 feet) that encompassed multiple microhabitats (riffles, runs, pools). Five hundred and sixty-one fish were collected via two-pass, depletion electrofishing. Five fish species were observed; four species native to the western slope of Colorado, and one species native to Colorado's eastern slope.

Native fish species included roundtail chub (considered a Species of Special Concern by the CDOW), bluehead sucker, flannelmouth sucker, and speckled dace. Creek chub (non-native to western Colorado) were also collected. Multiple age classes of all species were observed, and three species (bluehead sucker, roundtail chub, and speckled dace) displayed spawning colors and/or spawning tubercles. Speckled dace comprised 66% of the total fish collected, followed by bluehead sucker (11%), flannelmouth sucker (11%), roundtail chub (7%), and creek chub (4%). Flannelmouth sucker and bluehead sucker hybrids were also observed, accounting for 1% of the total number of fish collected. Speckled dace ranged in total length from 38 millimeters (mm)-115 mm; bluehead sucker ranged in total length from 64 mm-238 mm; flannelmouth sucker ranged in total length from 83 mm-372mm; roundtail chub ranged in total length from 50 mm-195 mm; and creek chub ranged in total length from 46 mm-222 mm.

Macroinvertebrate and water quality samples were also collected. Results are pending at this time.

The CDOW would like to evaluate the aquatic community of West Divide Creek over time, as part of a long term monitoring project. This initial sampling generated the baseline data to which the CDOW will compare future data.

September 22, 2008



III. SOUTHWEST COLORADO

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

The next soil gas survey and round of water well sampling are scheduled for October 2008. The reports of ongoing activities are available on the COGCC website Library (www.cogcc.state.co.us\Library\San Juan Basin\Bondad).

◆ Gas and Oil Regulatory Team (GORT) Meeting

The GORT/Southwest Colorado Oil and Gas Stakeholders meeting was held on September 18, 2008, in the Florida Room at the La Plata County Fairgrounds. All parties wishing to be placed on the next meeting agenda should contact either Karen Spray at 970-259-1619 or karen.spray@state.co.us, or Debbie 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.

COGCC has implemented an interagency agreement with the Colorado Geological Survey (CGS) to conduct detailed geologic mapping of the Fruitland Formation outcrop in Archuleta County. This work is similar to mapping done in 1999-2000 by the CGS as part of the 3M Project. This project encompasses mapping the extent of the Fruitland Formation coal beds for approximately 23 miles. The COGCC is administering this 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. 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 mapping unit 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. CGS used faculty and staff from Fort Lewis College in Durango and the University of Colorado - Denver to assist in the mapping project.

On July 17, the contract for the 4M Fruitland Formation Drilling, Geologic Characterization and Reservoir Pressure Monitoring project in the San Juan Basin in Archuleta County was awarded to Souder, Miller and Associates (SMA). The contract between SMA and COGCC was signed on August 5, 2008. Surveying of proposed well locations and well pad layouts is nearly completed and a final site visit was done on September 12, 2008. Drilling should begin by the end of this month.

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

Scorpion Drilling will provide and operate the drilling rig and will use a closed loop system to minimize surface impacts. Due to costs, budget, and expected surface impacts, 2 of the 6 sites initially proposed may be eliminated

from the study. The sites that may be eliminated from the scope of work are those along the Piedra River in Section 24, Township 34 North, Range 5 West, and in the Little Squaw Creek drainage in Section 10, Township 34 North, Range 5 West. The actual number of wells completed at each location will depend upon conditions encountered in the field and actual costs.

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. The COGCC continues to work with BP America to finalize surface use agreements on the proposed pilot system locations at South Fork Texas Creek and Pine River Ranches. In addition, the COGCC and LTE presented the proposed Pine River Ranches project and mitigation system to the Pine River Ranches Home Owners Association (PRRHOA) Board on September 8, 2008.

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.

♦ 3M Fruitland Formation Outcrop Monitoring Well Data Collection

COGCC and Norwest Applied Hydrology (NAH) staff visited all of the existing La Plata County monitoring locations on September 3, 2008, to download data from the dataloggers and perform routine maintenance, as necessary. All monitoring locations were determined to be in good condition and no major repairs are needed. A report of the data is being prepared.

IV. NORTHEAST COLORADO

Upper Crow Creek Designated Ground Water Basin Study

subcontracted COGCC The Terracon Consultants, Inc. to perform a baseline water quality study in the Upper Crow Creek Designated Ground Water Basin in northern Weld County. The primary purpose of the was to help develop studv 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. Terracon performed the field work in June and submitted the draft report in July. The report was finalized in August and has been posted on the COGCC website (www.cogcc.state.co.us) in the Library under Area Reports/Data under the Denver Julesburg Basin.

In summary, a total of 23 domestic water wells and one municipal water well were sampled and analyzed for total dissolved solids (TDS), dissolved petroleum hydrocarbons including benzene, toluene, ethyl benzene, xylenes and methane as well as metals, major cations and anions, nitrates and other water quality parameters. In general, the water chemistry was predominantly sodium-bicarbonate with a cluster of samples in the northwest portion of the study area characterized as calciumbicarbonate. TDS values ranged from 230 mg/l to a high result of 1,200 mg/l. The average TDS of all samples across the study area was None of the samples contained 376 mg/l. detectable concentrations of benzene, toluene, ethyl benzene, xylenes or methane. Based on the results, the COGCC does not believe that any of the water wells sampled for this study have been impacted by recent or historic oil and gas operations in the area. In addition, the groundwater in the study area is generally of good quality.

The COGCC would like to thank the 23 water well owners and the Town of Grover for their participation in this study. As a courtesy, a letter has been mailed to each water well owner with the analytical results from their water sample as well as a summary of the study

September 22, 2008



findings. Monies from the Special Environmental Response Fund (Fund 170) were used for this study. Any questions or information requests regarding this study should be directed to John Axelson at: (303) 637-7178 or via email at: john.axelson@state.co.us.

V. SOUTHEAST COLORADO

◆ Trinidad MGP #1 Well

From August 18 through August 21, 2008, COGCC staff directed efforts to re-enter and plug the Trinidad MGP #1 Well located in the NW¼ NW¼ (Lot 2) of Section 32, Township 33 South, Range 66 West, 6th PM, Las Animas Colorado. Purgatoire County, Vallev Construction/Well Service of Trinidad. Colorado was the contractor selected to perform the work. Natural gas was leaking up the annulus between the production and surface casings. The flow rate at atmospheric pressure was 60 mcf/day and the shut-in annulus pressure was 15 psig. There was no gas coming up the production casing. production casing was found to be 5½ inches rather than 4½ inches, as indicated by the records filed by the previous owner/operator. A 4%-inch milled tooth bit was used to drill down inside the production casing from 25 feet to 39 feet where an obstruction was encountered, which could not be drilled out without milling. It appears that the obstruction may be a string of 2-7/8" tubing cemented in place during the 1984 abandonment. The annulus between the production and surface casings was found to be open to 222 feet using a string of 1-3/8" tubing. It would be expensive, slow and difficult to mill down inside the production casing in order to proceed with the planned operations.

Since the obstruction in the production casing could not be drilled out as planned, it was decided that the well could not be properly plugged with the currently approved funding. (A \$90,000 appropriation from the \$1,500,000 Oil and Gas Conservation and Environmental Response Fund was approved by the Commission during the May 8, 2008 hearing.) Therefore the production and surface casings

were extended, a wellhead was installed, and the area around the well was backfilled to match the existing site grade. The valves on the wellhead were left open and venting to the atmosphere so that pressure does not build up below the surface casing shoe, which could impact the adjacent water well and cause uncontrolled gas leaks to surface at this or other locations. The protective chain link fence enclosure was replaced around the wellhead and the "danger" signs were reattached to the wellhead and fence.

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

Monitoring

On September 2, 2008, Norwest Applied Hydrology, on behalf of Petroglyph Energy Inc. (PEI) submitted a summary of activities conducted from July 15 to August 25, 2008. This report and the supporting data have been posted on the website (www.cogcc.state.co.us, Library, Raton Basin. Huerfano County).

During the period from July 15, 2008, to August 25, 2008, NAH and PEI screened 66 domestic water wells for the presence of methane; 42 of the monitored wells showed little change from the previous month's monitoring, 18 wells showed increases in methane concentration, with 12 of those showing slight increases, 5 wells showed decreases in methane concentration, and one well showed variable results.

Gas flow from a domestic water well in Section 3, Township 29 South, Range 67 West, 6th P.M., has been monitored continuously since August 2007. Gas flow from this water well decreased rapidly in March and April 2008 to a level that cannot be readily measured and has remained at that low level. 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. The gas flow rate in the domestic water well located in Section 15 has decreased; however gas flow from the well remains constant while the flow of methane from the domestic water well in Section 10 has decreased to a level that cannot be readily measured.

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

Investigation

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

Pump testing of the recovery and injection wells started in early July 2008 and was completed on August 25 2008. PEI plans to submit the Final Mitigation Well Report to the COGCC and the EPA summarizing the results of the aquifer tests on September 12, 2008. PEI has proposed a tentative date of September 26, 2008 to begin injection. However, the Final Mitigation Well Report must be reviewed by COGCC staff and a rule authorization given by

the EPA before injection could begin.

Mitigation

PEI is currently supplying water to 15 homes upon request of the well owner.

Samples of Poison Canyon Formation water were collected and submitted for analysis to gather information to be used in PEI's applications to the EPA for injection permits.

Emergency Planning

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

Petroglyph Outreach

Ken Smith, Executive Vice President of Petroglyph Energy Inc., attended a Huerfano County Commission meeting on August 27, 2008, to answer questions concerning Petroglyph's ongoing response to methane in domestic wells.

COGCC Outreach

Peter Gintautas provided an update of Petroglyph's Phase 1 MIMMP activities to the Huerfano County Commission on August 6, 2008. The COGCC plans on hosting an informational forum on the activities and results of Phase 1 after receipt of and review of the report planned to be submitted by Petroglyph later this month.

On August 27, 2008, Peter Gintautas and Margaret Ash attended a roundtable discussion in Huerfano County concerning preserving water resources while developing mineral rights. It was hosted by various homeowner and property owner associations and was attended by legislative staff for Representative John Salazar, Huerfano County Commission and Planning and Zoning staff, and other State of



Colorado representatives including Brian Ahrens with the Division of Water Resources, Ralf Topper of Colorado Geological Survey, and Gary Beers with the Water Quality Control Division and several attorneys.

VI. ORGANIZATION

Please see page 16 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 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 September 8, 2008 (not including the original 4 NOAVs referenced above), NOAVs related to pit violations have been issued for locations in Adams County (34),

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 106 NOAVs. Corrective action is complete and has been verified in the field by COGCC staff for 78 of the 106 NOAVs.

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

Deliberations are scheduled to continue September 22, and September 23, 2008 at 10:30am in the Sabin-Cleere Conference Room, Building A, Colorado Department of Public Health and Environment 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

John Axelson attended a Source Water Protection Plan meeting for the City of Brush in Morgan County on August 26, 2008. meeting was facilitated by Colleen Williams, a Source Water Specialist with the Colorado Rural Water Association who is working with the City of Brush to develop a plan to protect the shallow groundwater used by the City as a municipal water supply. There are currently 3 producing oil and gas wells and one injection well in the area delineated as the source water protection area for the City of Brush. John discussed the findings of recent inspections performed at the producing oil and gas wells and also addressed potential concerns related to historic production in the area.

♦ 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 116 requests for onsite inspections.

Twenty-three onsite inspections have been conducted, 67 requests for inspections have

been withdrawn, and 26 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 116 requests for Onsite Inspection, 63 were for locations in Weld County, 21 for Las Animas County, 8 for Adams County, 5 for La Plata County, 4 for Garfield County, 3 each for Archuleta, Boulder and Yuma Counties, 2 for Morgan County and 1 each for Baca, Kiowa, Larimer, and Logan Counties.

Plugging and Well Reclamation (PAWR) Fund Status

Attached on page 13 is 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).

♦ October 2008 Hearing Docket

A preliminary docket for the October 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.

The 2009 Hearing Schedule will be posted to the website by the end of September.

◆ 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

September 22, 2008



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")

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 including audio of the the rulemaking, rulemaking proceedings. The pages also allow for the reading of large documents containing public comments on the process. The pages can http://cogcc.state.co.us/ be at accessed 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 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 now underway.

LAS File Upload

Beginning August 24, 2006, all digital well logs submitted to the COGCC over the Internet are to be in LAS (log ASCII) format. In addition to the LAS file, a paper log file is still required. Additionally an operator can submit the same log file in a PDS format, but the PDS format cannot replace the LAS requirement. To submit digital well logs over the Internet, an application must be completed. The application is available from the "Forms" page

September 22, 2008



on 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.

<u>Delinquent Operations Report</u>

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>Database Cleanup Project</u>

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

<u>Data Management of Bradenhead and Bottom</u> <u>Hole Pressure Systems</u>

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 new variances issued since the August 19, 2008 Staff Report.

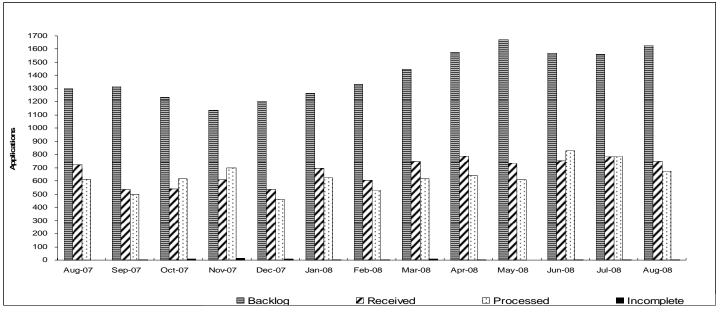
		OIL AND GAS CONSERVATION AND ENVIRONMENTAL RESPONSE FUND, BOND CLAIM, AND SPECIAL APPROPRIATIONS DIFFERENCE ARANDONMENT AND WELL DECLAMATION (PAWED DECLETS FOR OPDHANE) LOCATIONS	NSERVAT	TON AND EN	VIRONMEN	TAL RESPC	NSE FUND,	BOND CLA	IM, AND SF) GAS CONSERVATION AND ENVIRONMENTAL RESPONSE FUND, BOND CLAIM, AND SPECIAL APPROPRI PLICEING ARANDONMENT AND WELL DECLAMATION (PAWD) DECLETS FOR ODDIANED LOCATIONS	OPRIATIONS
			, c,			FISCAL YEAR 2008 - 2009	2008 - 2009	2020			
DI ANNED											
			ŭ	ESTIMATED FYE2008 COSTS	YE2008 CO	STS	ACTL	ACTUAL FYE2008 EXPENDITURES	8 EXP ENDIT	URES	
COUNTY	TYPE	-	BOND	PAWR	SPECIAL	TOTALS	BOND	PAWR	SPECIAL	TOTALS	DESCRIPTION
BACA	PLUG.	WALLACE OIL & GAS INC. BOND CLAIM	\$15,000	\$60,000	\$0	\$75,000	\$0	0\$	0\$	0\$	Plug and abandon three wells.
BOULDER	PLUG.	MCKENZIE 1-21X ABANDONMENT	\$0	\$25,000	\$0	\$25,000	\$0	\$0	\$0	\$0	Carryover from FY 2007-2008 (not enough funds). Plug and abandon well.
HUERFANO	REC.	MAJOR #1 RECLAMATION	\$0	\$5,000	\$0	\$5,000	\$0	\$0	\$0	\$0	Landowner complaint. Cut casing, weld plate, backfill pits, 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.
JACKSON	REC.	BATTLESHIP FIELD PRODUCTION TANK RECLAMATION	0\$	\$50,000	0\$	\$50,000	0\$	0\$	0\$	0\$	Landowner complaint. Empty contents of tank and dispose. Demolish 10,000 bbl tank for scrap. Demolish building. Remove junk and trash. Remove oil-saturated soil, re-contour, and reseed.
KIT CARSON	PLUG.	1	\$0	\$2,500	\$0	\$2,500	\$0	\$0	\$0	\$0	Cut casing and weld plate.
LA PLATA	PLUG.		\$0	\$0	\$35,000	\$35,000	\$0	\$0	\$0	\$0	Plug and abandon leaking well.
MESA	PLUG.	DEBEQUE ORPHANS ABANDONMENT	0\$	0\$	\$50,000	\$50,000	\$0	0\$	0\$	0\$	Plug and abandon two leaking wells.
MESA	PLUG.	MCDANIEL 1-11 ABANDONMENT	\$0	\$0	\$120,000	\$120,000	\$0	0\$	\$0	0\$	Plug and abandon leaking well.
MESA	REC.	RED OAK OPERATING RECLAMATION	\$0	\$10,000	\$0	\$10,000	\$0	0\$	0\$	0\$	Landowner complaint. Remove junk, re-contour and re-seed.
MONTEZUMA	PLUG.		\$0	\$25,000	\$0	\$25,000	\$0	0\$	0\$	\$0	Plug and abandon leaking well.
RIO GRANDE	PLUG.		\$5,000	\$45,000	\$0	\$50,000	\$0	0\$	0\$	0\$	Plug and abandon well.
ROUTT	PLUG.	BAIERL #2 ABANDONMENT (BOND CLAIM)	\$5,000	\$10,000	\$0	\$15,000	\$0	0\$	0\$	0\$	Landowner complaint. Plug and abandon well. Reclaim surface.
		TOTALS =>	\$25,000	\$237,500	\$205,000	\$467,500	\$0	0\$	0\$	\$0	
STATION N											
DOUBLE STATE OF THE STATE OF TH			ŭ	ESTIMATED FYE2008 COSTS	YE2008 COS	STS	ACTL	ACTUAL FYE2008 EXPENDITURES	8 EXPENDIT	URES	
COUNTY	TYPE	PROJECT NAME	BOND	PAWR	SPECIAL	TOTALS	BOND	PAWR	SPECIAL	TOTALS	DESCRIPTION
ARCHULETA	PLUG.	SIERRA OI	\$30,000	\$	0\$	\$30,000	\$3,048	0\$	0\$		Plug and abandon Schick, Mizar #1 and reclaim the surface at Binkley #2. Schick, Mizar #1 is postponed until Fall 2008 or Spring 2009 to accommodate the surface owner's timing preferences. Reclamation at Binkley #2 was completed on July 10, 2008.
LAS ANIMAS	PLUG.	TRINIDAD MGP #1 ABANDONMENT	0\$	\$7,500	\$90,000	\$97,500	\$0	0\$	0\$	0\$	Attempted to re-enter, plug and abandon well. Could not get to the planned TD because of junk in the hole. Re-contour surface, re-installed security fence, extended casing to vent well and installed wellhead. Waiting on invoice.
		TOTALS =>	\$30,000	\$7,500	\$90,000	\$127,500	\$3,048	0\$	\$0	\$3,048	
				ESTII	ESTIMATED			ACI	ACTUAL		
			BOND	PAWR	SPECIAL	TOTALS	BOND	PAWR	SPECIAL	TOTALS	
		GRAND TOTALS => \$55,000	\$55,000	\$245,000	\$295,000	\$595,000	\$3,048	\$0	\$0	\$3,048	
Project Types: "PL	LUG." ind	Project Types: "PLUG." indicates plugging and abandonment, "REC." indicates	indicates	eclamation,	and "ENV."	reclamation, and "ENV." indicates environmental.	ironmental.				
Updated September 8, 2008	er 8, 2008										



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

Drilling		Backlog	Received	Processed	Withdrawn	Rejected	Incomplete	In-Process	Remaining
Sep-07 1267 509 477 17 0 5 1277 1282	Drilling								
Cot-07 1282 511 605 6	Aug-07	1165	693	590	1	0	1	1266	1267
Nov-07	Sep-07	1267	509	477	17	0	5	1277	1282
Dec-07	Oct-07	1282	511	605	6	0	8	1174	1182
Jan-08	Nov-07	1182	595	675	8	0	12	1082	1094
Feb-08	Dec-07	1094	511	436	8	0	7	1154	1161
Mar-08	Jan-08	1161	675	608	9	0	5	1214	1219
Apr-08	Feb-08	1219	591	514	3	0	5	1288	1293
Apr-08	Mar-08	1293	734	601	16	0	7	1403	1410
Jun-08	Apr-08	1410	784	607	17	0	4	1566	1570
Jul-08	May-08	1570	688	587	33	0	2	1636	1638
Recompletion Aug-07	Jun-08	1638	730	802	21	0	2	1543	1545
Recompletion Aug-07	Jul-08	1545	758	773	8	0	2	1519	1522
Recompletion Aug-07 29 29 23 2 0 0 33 33 Sep-07 33 26 23 2 0 0 34 34 Oct-07 34 30 11 0 0 0 53 53 Nov-07 53 13 22 0 0 0 44 44 Dec-07 44 24 25 0 0 0 43 43 Jan-08 43 20 17 0 0 0 46 46 Feb-08 46 14 18 1 0 0 41 41 41 41 41 41 41 41 41 41 41 41 41 41 41 41 41 41 41 41 41 41 41 41 41 41 41 41 41 41 41 41 41	Aug-08	1522	694	639	7	0	2	1568	1570
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-07 444 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 6 May-08 6 47 20 1 0 0 32 32 32 20 27 0 0 1 24 25 32 34 20 1									
Sep-07 33 26 23 2 0 0 34 34 Oct-07 34 30 11 0 0 0 44 34 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 6 6 47 20 1 0 0 32 32 32 20 27 0 0 1 24 25 32 32 32 20 27 12	Aug-07	29	29	23	2	0	0	33	33
Oct-07 34 30 11 0 0 0 53 53 Nov-07 53 13 22 0 0 0 44 44 Dec-07 44 24 25 0 0 0 43 43 Jan-08 43 20 17 0 0 0 46 46 Feb-08 46 14 18 1 0 0 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 20 27 0 0 1 24 25 Aug-08 40 53 36 1 0 1 59 40 Aug-07 119	•	33	26	23				34	34
Dec-07		34	30	11	0	0	0	53	53
Dec-07	Nov-07	53	13	22	0	0	0	44	44
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 Jul-08 32 20 27 0 0 1 24 25 Jul-08 25 27 12 0 0 1 39 40 Aug-08 40 53 36 1 0 1 39 40 Aug-07 1194 722 613 3 0 1 1299 1300 Sep-07 1300 535 500 19 0 5 1311 1316 Oct-07 <td>Dec-07</td> <td></td> <td></td> <td></td> <td></td> <td>0</td> <td>0</td> <td>43</td> <td>43</td>	Dec-07					0	0	43	43
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 Jul-08 32 20 27 0 0 1 24 25 Jul-08 25 27 12 0 0 1 39 40 Aug-08 40 53 36 1 0 1 55 56 Total 3 0 1 199 1300 55 56 Total 4 722 613 3 0 1 1299 1300 Sep-07 1300 535 500 19 0 5 1311 1316 Oct-07 1316 <td>Jan-08</td> <td>43</td> <td>20</td> <td>17</td> <td>0</td> <td>0</td> <td>0</td> <td>46</td> <td></td>	Jan-08	43	20	17	0	0	0	46	
Apr-08 38 4 33 3 0 0 6 6 May-08 6 47 20 1 0 0 32 32 Jun-08 32 20 27 0 0 1 24 25 Jul-08 25 27 12 0 0 1 39 40 Aug-08 40 53 36 1 0 1 39 40 Aug-08 40 53 36 1 0 1 55 56 Total Aug-07 1194 722 613 3 0 1 1299 1300 Sep-07 1300 535 500 19 0 5 1311 1316 Oct-07 1316 541 616 6 0 8 1227 1235 Nov-07 1235 608 697 8 0 12 1126	Feb-08	46	14	18	1	0	0	41	
May-08 6 47 20 1 0 0 32 32 Jun-08 32 20 27 0 0 1 24 25 Jul-08 25 27 12 0 0 1 39 40 Aug-08 40 53 36 1 0 1 55 56 Total Aug-07 1194 722 613 3 0 1 1299 1300 Sep-07 1300 535 500 19 0 5 1311 1316 Oct-07 1316 541 616 6 0 8 1227 1235 Nov-07 1235 608 697 8 0 12 1126 1138 Dec-07 1138 535 461 8 0 7 1197 1204 Jan-08 1204 695 625 9 0 5<	Mar-08	41	13	16	0	0	0	38	38
Jun-08 32 20 27 0 0 1 24 25 Jul-08 25 27 12 0 0 1 39 40 Aug-08 40 53 36 1 0 1 55 56 Total Aug-07 1194 722 613 3 0 1 1299 1300 Sep-07 1300 535 500 19 0 5 1311 1316 Oct-07 1316 541 616 6 0 8 1227 1235 Nov-07 1235 608 697 8 0 12 1126 1138 Dec-07 1138 535 461 8 0 7 1197 1204 Jan-08 1204 695 625 9 0 5 1260 1265 Feb-08 1265 605 532 4 0	Apr-08	38	4	33	3	0	0	6	6
Jun-08 32 20 27 0 0 1 24 25 Jul-08 25 27 12 0 0 1 39 40 Aug-08 40 53 36 1 0 1 55 56 Total Aug-07 1194 722 613 3 0 1 1299 1300 Sep-07 1300 535 500 19 0 5 1311 1316 Oct-07 1316 541 616 6 0 8 1227 1235 Nov-07 1235 608 697 8 0 12 1126 1138 Dec-07 1138 535 461 8 0 7 1197 1204 Jan-08 1204 695 625 9 0 5 1260 1265 Feb-08 1265 605 532 4 0	May-08	6	47	20	1	0	0	32	32
Aug-08 40 53 36 1 0 1 55 56 Total Aug-07 1194 722 613 3 0 1 1299 1300 Sep-07 1300 535 500 19 0 5 1311 1316 Oct-07 1316 541 616 6 0 8 1227 1235 Nov-07 1235 608 697 8 0 12 1126 1138 Dec-07 1138 535 461 8 0 7 1197 1204 Jan-08 1204 695 625 9 0 5 1260 1265 Feb-08 1265 605 532 4 0 5 1329 1334 Mar-08 1334 747 617 16 0 7 1441 1448 Apr-08 1448 788 640 20 0 4		32	20	27	0	0	1	24	25
Total Aug-07 1194 722 613 3 0 1 1299 1300 Sep-07 1300 535 500 19 0 5 1311 1316 Oct-07 1316 541 616 6 0 8 1227 1235 Nov-07 1235 608 697 8 0 12 1126 1138 Dec-07 1138 535 461 8 0 7 1197 1204 Jan-08 1204 695 625 9 0 5 1260 1265 Feb-08 1265 605 532 4 0 5 1329 1334 Mar-08 1334 747 617 16 0 7 1441 1448 Apr-08 1448 788 640 20 0 4 1572 1576 May-08 1576 735 607 34 <td>Jul-08</td> <td>25</td> <td>27</td> <td>12</td> <td>0</td> <td>0</td> <td>1</td> <td>39</td> <td>40</td>	Jul-08	25	27	12	0	0	1	39	40
Total Aug-07	Aug-08	40	53	36	1	0	1	55	56
Sep-07 1300 535 500 19 0 5 1311 1316 Oct-07 1316 541 616 6 0 8 1227 1235 Nov-07 1235 608 697 8 0 12 1126 1138 Dec-07 1138 535 461 8 0 7 1197 1204 Jan-08 1204 695 625 9 0 5 1260 1265 Feb-08 1265 605 532 4 0 5 1329 1334 Mar-08 1334 747 617 16 0 7 1441 1448 Apr-08 1448 788 640 20 0 4 1572 1576 May-08 1576 735 607 34 0 2 1668 1670 Jun-08 1670 750 829 21 0 3	-								
Sep-07 1300 535 500 19 0 5 1311 1316 Oct-07 1316 541 616 6 0 8 1227 1235 Nov-07 1235 608 697 8 0 12 1126 1138 Dec-07 1138 535 461 8 0 7 1197 1204 Jan-08 1204 695 625 9 0 5 1260 1265 Feb-08 1265 605 532 4 0 5 1329 1334 Mar-08 1334 747 617 16 0 7 1441 1448 Apr-08 1448 788 640 20 0 4 1572 1576 May-08 1576 735 607 34 0 2 1668 1670 Jun-08 1670 750 829 21 0 3	Aug-07	1194	722	613	3	0	1	1299	1300
Oct-07 1316 541 616 6 0 8 1227 1235 Nov-07 1235 608 697 8 0 12 1126 1138 Dec-07 1138 535 461 8 0 7 1197 1204 Jan-08 1204 695 625 9 0 5 1260 1265 Feb-08 1265 605 532 4 0 5 1329 1334 Mar-08 1334 747 617 16 0 7 1441 1448 Apr-08 1448 788 640 20 0 4 1572 1576 May-08 1576 735 607 34 0 2 1668 1670 Jun-08 1670 750 829 21 0 3 1567 1570		1300	535	500	19		5	1311	1316
Dec-07 1138 535 461 8 0 7 1197 1204 Jan-08 1204 695 625 9 0 5 1260 1265 Feb-08 1265 605 532 4 0 5 1329 1334 Mar-08 1334 747 617 16 0 7 1441 1448 Apr-08 1448 788 640 20 0 4 1572 1576 May-08 1576 735 607 34 0 2 1668 1670 Jun-08 1670 750 829 21 0 3 1567 1570		1316	541	616	6	0	8	1227	1235
Jan-08 1204 695 625 9 0 5 1260 1265 Feb-08 1265 605 532 4 0 5 1329 1334 Mar-08 1334 747 617 16 0 7 1441 1448 Apr-08 1448 788 640 20 0 4 1572 1576 May-08 1576 735 607 34 0 2 1668 1670 Jun-08 1670 750 829 21 0 3 1567 1570	Nov-07	1235	608	697	8	0	12	1126	1138
Feb-08 1265 605 532 4 0 5 1329 1334 Mar-08 1334 747 617 16 0 7 1441 1448 Apr-08 1448 788 640 20 0 4 1572 1576 May-08 1576 735 607 34 0 2 1668 1670 Jun-08 1670 750 829 21 0 3 1567 1570	Dec-07	1138	535	461	8	0	7	1197	1204
Mar-08 1334 747 617 16 0 7 1441 1448 Apr-08 1448 788 640 20 0 4 1572 1576 May-08 1576 735 607 34 0 2 1668 1670 Jun-08 1670 750 829 21 0 3 1567 1570	Jan-08	1204	695	625	9	0	5	1260	1265
Apr-08 1448 788 640 20 0 4 1572 1576 May-08 1576 735 607 34 0 2 1668 1670 Jun-08 1670 750 829 21 0 3 1567 1570	Feb-08	1265	605	532	4	0	5	1329	1334
Apr-08 1448 788 640 20 0 4 1572 1576 May-08 1576 735 607 34 0 2 1668 1670 Jun-08 1670 750 829 21 0 3 1567 1570	Mar-08	1334	747	617	16	0	7	1441	1448
May-08 1576 735 607 34 0 2 1668 1670 Jun-08 1670 750 829 21 0 3 1567 1570	Apr-08		788	640	20		4	1572	1576
Jun-08 1670 750 829 21 0 3 1567 1570									
					21	0			
Jui-U8 1570 785 785 8 0 3 1558 1562	Jul-08	1570	785	785	8	0	3	1558	1562
Aug-08 1562 747 675 8 0 3 1623 1626									

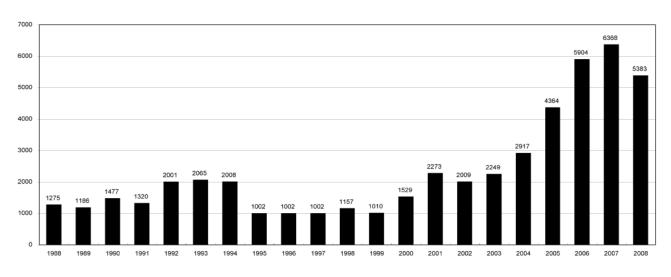
Incomplete are permits that have missing or inaccurate data and cannot be approved.



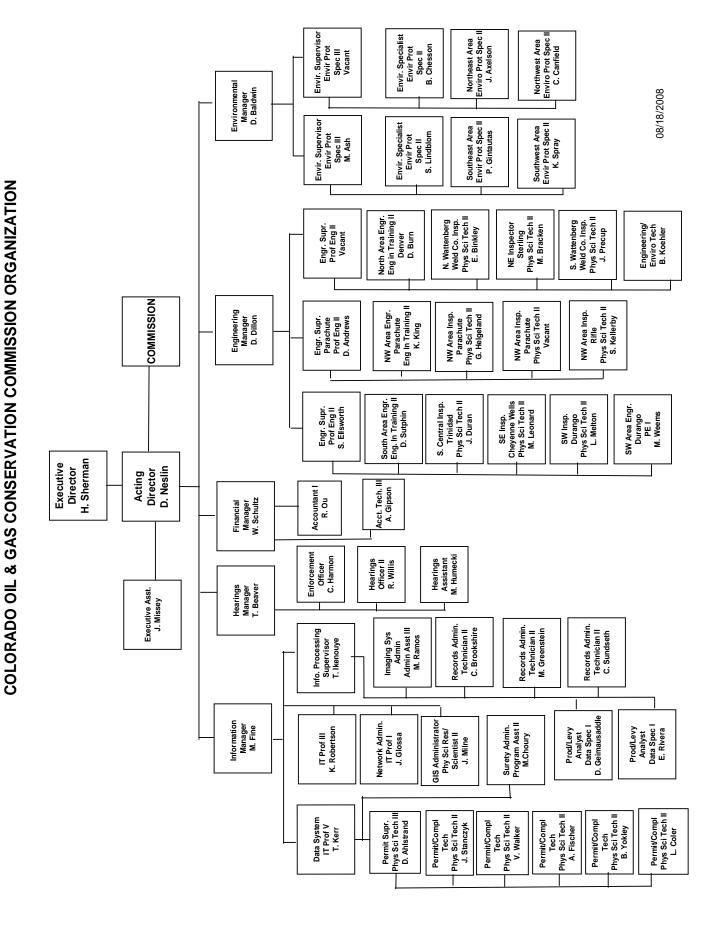


									AND GA												
						Α	<u> INN</u>	<u>JAL</u>	PEF	<u>RMIT</u>	<u>'S B`</u>	<u>Y CC</u>	<u>NUC</u>	<u>TY</u>							
																					Current Through 9/14/2008
COUNTY	<u>1988</u>	<u>1989</u>	<u>1990</u>	<u>1991</u>	1992	1993	<u>1994</u>	<u>1995</u>	<u>1996</u>	<u>1997</u>	1998	1999	2000	2001	2002	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	31
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	34
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	27
BROOMFIELD															2	7		1	1		2
CHEYENNE	203	149	102	93	71	58	48	55	43	31	41	7	3	3	3	3	3	10	21	15	18
COSTILLA												1									
CROWLEY	1		1	1																	
DELTA	1	1	2												7	4	5	10	9	2	
DENVER										5	3	3		3					19	25	23
DOLORES	2		4	1	2	1										1	1	1	6	10	12
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	7
GARFIELD	19	66	111	36	18	56	143	78	109	141	95	130	213	353	362	567	796	1509	1845	2550	2003
GRAND							1														
GUNNISON			2	2		1									5	10	1	9	19	7	9
HUERFANO	3	5		4	17	3	3	2	1	3	40	26	41	27	27		8	2			6
JACKSON	3	1	4	6	2	2	3	2	2	6	3		34	18	21	9	14	6	8	5	12
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	18
KIT CARSON	9	5	7	8	8	15	26	11	7	6	9	5			-	1	3	5	4	4	9
LA PLATA	302	218	388	128	120	40	40	20	71	40	82	107	127	156	104	162	102	115	235	251	255
LARIMER	4	4	3	6	13	7	3		1	3	1	107	2	100	1	102	102	1	200	5	17
LAS ANIMAS	10	30	36		- 10	9	32	95	134	136	195	195	268	400	259	180	332	413	500	362	218
LINCOLN	8	6	4	7	7	11	8	9	3	2	100	100	2	2	1	6	3	4	1	2	48
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	333
MOFFAT	13	25	27	19	40	52	43	40	41	28	21	15	35	52	62	63	63	60	120	68	47
MONTEZUMA	6	7	10	8	7	11	15	9	13	5	4	1	4	32	5	8	8	11	5	12	17
MONTROSE	0	- '	10	1	- '	- ''	13	9	13	1	-	- '	1	3	2	4	2	- ''	1	3	17
MORGAN	34	27	36	13	10	11	19	12	10	11	10	12	9	9	2	7	9	7	3	6	1
OTERO	54	21	50	2	10	- ''	13	12	10	- ''	10	12						- '		- 0	- '
PARK				1								1									
PHILLIPS			3	'	1	1						- '	1	2		7	13	17	12	69	49
PITKIN		1	3		2	'							'			- 1	1	- 17	12	1	49
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	338
RIO BLANCO	2	3		33	01	03		01	33	40	51	90		187	105		154	101	360	321	338
ROUTT		3	12	4	2	3	1	2	- 4		4		1	13	4	1		_			3
	4	3	12	4		3	- 1		1	1	1	4	20	13	1		4	6	9	8	3
SAGUACHE	1		_	_				2	-	-		_	2	40	2	40	40	45	05	2	4.4
SAN MIGUEL			2	2					1	1	4	2	11	13	27	18	42	45	35	23	14
SEDGWICK	40	00	00	1		00	0.5	3	46	2	46	_	00	4-		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	1475
YUMA	14	20	45	60	104	53	167	168	123	116	111	60	31	205	160	138	237	782	797	541	330
Total	1275	1186	1477	1320	2001	2065	2008	1002	1002	1002	1157	1010	1529	2273	2009	2249	2917	4364	5904	6368	5383













Page 1 of 2

Colorado Oil Gas Conservation Commission Monthly Statistics

3912 2699 86182 77886 98738 98585 118720 141191 Public Visits Unedited Records Historic 30185 30324 30613 30732 30805 30985 31378 31550 33204 33574 34695 35390 30397 31096 31897 32021 32135 33357 34341 35058 35686 29907 31691 Wells Rcvd Apvd Apvd 302 Apvd 525 514 601 96 94 98 109 107 107 Hughes ig count Total Total APR OCT NOV DEC MAR APR MAY AUG OCT NOV DEC MAR APR AUG SEP JAN FEB NOS N N N Ŋ П YEAR 2008 2007

Apvd = Approved, Rovd = Received, Ind = Individual, Blinkt = Blanket, Apps = Application for Hearing, NOAV = Notice of Alleged Violation, AOC = Administrative Order of Consent, OFV = Order Finding Violation, Cmplt = Complaint, Comp = Completed



Page 2 of 2

Colorado Oil Gas Conservation Commission Monthly Statistics

	Operators ew Inactive 145 72 15 5 16 2 13 5 14 8		<u>w</u>			Claim	2	Hearings	inds	37	oroito!o	T			Droipote	ų,	Field
Total JAN FEB MAR APR MAY JUL AUG SEP OCT NOV DEC Total JAN FEB MAR MAR MAR MAY	2005	11.				2				Š	Violations				2	2	ב ב ב
Total JAN FEB MAR APR JUN JUL AUG SEP OCT NOV DEC Total JAN FEB MAR MAR MAR MAY	15 16 13	ctive	Ind. E	Blnkt R	Replace	Ind.	Blnkt	Apps.	Order	NOAV	AOC	OFV	Cmplt	Spills	Rcvd C	Comp	lnsp
JAN FEB MAR APR JUN JUL AUG SEP OCT NOV DEC Total MAR MAR MAY	13 15	72	09	48	149	2	23	74	51	255	2	4	231	330	134	72	7497
MAR MAY JUL JUL AUG SEP OCT NOV DEC Total JAN FEB MAR MAY	6 5 4	2	17	2	13	0	0	14	10	9	2	1	21	31	80	18	1096
MAR MAY JUL JUL AUG SEP OCT NOV DEC Total JAN FEB MAR MAY	13	2	9	4	14	0	0	11	9	11	7	0	19	37	တ	7	922
APR MAY JUN JUL AUG SEP OCT NOV DEC Total JAN FEB MARY MAY MAY MAY	14	2	2	က	16	0	_	11	2	43	1	2	20	33	29	13	682
MAY JUN JUL AUG SEP OCT NOV DEC Total JAN FEB MARK MAY MAY	<u>+</u>	00	2	œ	13	_	0	တ	1	32	0	0	34	38	14	က	809
JUN JUL AUG SEP OCT NOV DEC Total JAN FEB MAR MAY	12	2	9	4	10	0	0	ΑĀ	Ϋ́	16	ΑĀ	¥	29	23	14	9	1033
JUL AUG SEP OCT NOV DEC Total JAN FEB MAR MAR	18	က	7	œ	18	0	0	18	15	7	7	0	20	34	17	10	814
AUG SEP OCT NOV DEC Total JAN FEB MARR MAY	10	0	7	7	80	0	0	17	7	12	_	2	31	31	13	œ	629
SEP OCT NOV DEC Total JAN FEB MARR MARY MAY	6	7	7	2	13	0	0	12	9	13	0	0	4	24	35	9	695
OCT NOV DEC Total JAN FEB MAR APR	10	4	က	2	7	0	0	12	7	37	7	0	30	13	7	∞	491
NOV DEC Total JAN FEB MAR MAR	6	2	က	2	21	0	0	12	7	30	0	0	23	26	59	တ	730
DEC Total JAN FEB MAR MAR MAY	12	7	က	2	20	0	0	17	16	23	2	0	21	23	14	12	1077
Total JAN FEB MAR APR	6	2	က	က	10	0	0	Ϋ́	Ϋ́	13	Ϋ́	¥	19	30	1	7	827
JAN FEB MAR APR MAY	147	64	62	62	167	-	-	133	86	247	12	2	308	343	200	26	2996
FEB MAR MAY	15	0	2	2	12	0	0	20	10	14	1	0	19	28	20	2	1330
MAR APR MAY	10	4	7	_	12	0	0	2	7	14	0	0	20	27	17	0	1197
APR	6	က	က	2	7	က	_	9	7	17	0	0	44	37	18	7	857
MAY	12	9	10	7	7	0	0	ΑN	ΑĀ	29	Ν	¥	35	40	7	7	1198
	13	က	က	4	1	0	0	9		33	-	0	38	28	œ	15	1157
NOC	15	_	2	7	6	0	0	Ϋ́		35	Ϋ́	¥	30	23	12	7	761
JUL	7	0	က	-	4	0	0	14		44	0	0	4	23	27	13	1007
AUG	17	4	4	က	13	0	0	14	10	4	2	0	24	19	14	13	773
SEP	10	က	9	က	10	0	0	Ϋ́		150	ΑĀ	¥	30	19	16	4	782
OCT	18	က	9	2	15	0	0	11	6	81	က	0	24	33	22	13	772
NOV	7	4	œ	9	14	0	0	œ	9	20	7	0	31	27	20	11	646
DEC	6	4	2	7	2	0	0	5	9	34	0	0	23	27	9	က	399
-	146	35	22	41	137	က	-	89	98	545	6	0	359	331	220	85 '	10879
JAN	16	7	8	9	15	0	0	7	9	28	1	0	12	98	25	9	614
FEB	10	2	9	4	7	0	0	5	2	44	_	0	32	40	27	4	749
MAR	10	2	4	7	16	0	0	12	9	37	0	0	17	24	=	∞	984
APR	7	2	∞	7	7	0	0	ΑĀ	Ϋ́	34	ΑĀ	¥	31	29	28	13	999
MAY	1	က	7	3	7	0	0	11	11	13	7	0	16	24	23	22	445
NUC	20	2	7	2	80	0	0	17	11	31	10	0	18	23	16	11	621
JUL	22	2	က	2	00	0	0	1	15	34	0	0	56	25	20	7	748
AUG	13	7	2	4	9	0	0	9	က	24	_	0	18	28	25	7	523
2008 Total 1	113	34	38	41	82	0	0	69	22	245	14	0	170	279	175	78	5350



		Remarks	Protest filed by EnCana Oil & Gas (USA) Application amended and continued from June, July, August and Sentember	Continued from September	Continued from September	Continued from September	Continued from September
		Matter	Request for an order allowing an exception to the permitted location for the Mancos Formation at a bottomhole location of 150 feet FSL and 440 feet FWL and the lles Formation to be produced at a bottomhole location of 184 feet FSL and 440 feet FWL in the Cotner 35-14D Well located in the SW ½ SW½ of Section 35, Township 7 South Range 96 West 6th P M	of one well sated no rtain lands outh, Range	Request for an order to allow the equivalent of one well per 10 acres, with the permitted well to be located no closer than 100 feet from the lease line or unit boundary for certain lands in Townships 5 and 7 South, Ranges 96 and 97 West, 6th P.M.	Request for an order to designate Barr Lake State Park as a Designated Outside Activity Area.	Request for an order to require Maralex Corporation to use a zero discharge closed loop pitless drilling system gnacio-Blanco to drill the proposed Keegan Patrick 33-7-11 #3C Well Fruitland coal seams located in the NW¼ SW¼ of Section 11, Township 33 La Plata North, Range 7 West, N.M.P.M.
		Field Formation County	Rulison Mancos/lles Gartield	Rulison Williams Fork/lles Garfield/Mesa	Grand Valley Williams Fork Garfield	Adams	Ignacio-Blanco Fruitland coal seams La Plata
BER 2008		Application Received	04/18/2008	08/05/2008	08/04/2008	12/05/2007	07/21/2008
HEARING DOCKET: OCTOBE		Applicant/Attorney or Representative	Noble Energy, Inc./	Noble Energy Inc./ Michael J. Wozniak/Susan Aldridge	Marathon Oil Company/ Scott Campbell	Colorado Board of Parks and Outdoor Recreation/ Timothy J. Monahan	La Plata County/ Jeffery P. Robbins
NG D(Cause Number	8,	139	510	1	-
HEAR	Preliminary 09/16/2008	Docket Number	0806-FX-04	0809-AW-26	0809-AW-28	0809-GA-01	0809-GA-03

September 22, 2008



E.	E.					
Continued from September	Continued from September					
Request for an order to pool all nonconsenting interests in the 629-acre drilling and spacing unit consisting of Section 30, Township 7 North, Range 80 West, 6th P.M.	Request for an order to vacate 80-acre drilling and spacing units established in Order No. 407-87 and establish a 320-acre drilling and spacing unit consisting of the W½ of Section 10, Township 5 North, Range 63 West, 6th P.M., and to pool all nonconsenting interests in the unit.	Request for an order to allow the equivalent of one well per 10 acres, with the permitted well to be located no closer than 100 feet from the unit boundary for the W% NW% of Section 21, Township 6 South, Range 91 West, 6th P.M.	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 with no setback to any interior ruitland coal seams quarter section line, for certain lands in Townships 34 La Plata and 35 North, Ranges 6 through 8 West, N.M.P.M.	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 with no setback to any interior the unit boundary and with no setback to any interior quarter section line, for certain lands in Township 32 La Plata and North, Ranges 5, 6 and 9 West, N.M.P.M. and Township Archuleta	Request for an order to establish an enhanced recovery unit and approve enhanced recovery operations for certain lands in Township 3 North, Range 62 West, 6th P.M.	Request for an order to pool all nonconsenting interests in the 320-acre drilling and spacing unit consisting of the S½ of Section 14, Township 6 South, Range 93 West, 6th P.M., and in the 160-acre drilling and spacing unit consisting of the SE¼ of Section 14, Township 6 South, Range 93 West, 6th P.M.
Niobrara Jackson	Wattenberg Sussex, Shannon, Codell-Niobrara, "J" Sand, Dakota Weld	Mamm Creek Williams Fork/lles Garfield	lgnacio-Blanco Fruitland coal seams La Plata	lgnacio-Blanco Fruitland coal seams La Plata and Archuleta	Center Pivot Dakota Weld	Mamm Creek Williams Fork/lles Garfield
08/04/2008	08/04/2008	09/08/2008	09/08/2008	09/08/2008	09/08/2008	09/08/2008
EOG Resources, Inc./ Michael J. Wozniak/Susan L. Aldridge	Petroleum Development Corporation/ Scott Campbell/Nick Swartzendruber	Bill Barrett Corporation/ William A. Keefe	BP America Production Company/ Michael J. Wozniak/Susan L. Aldridge	BP America Production Company and Red Willow Production Company/ Michael J. Wozniak/Susan L. Aldridge	Hilcorp Energy Company/ Susan L. Aldridge/Andrew A. Bremner	Antero Resources Piceance Corporation/ William A. Keefe
531	407	191	112	112	532	191
0809-UP-18	0809-UP-20	0810-AW-31	0810-AW-32	0810-AW-33	0810-UP-35	0810-UP-36



					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 NE¼ NE¼ of Section
					30, Township 2 North, Range 66 West, 6th P.M., the
					Counter #3 Well located in the SE1/4 NE1/4 of Section 30,
					Township 2 North, Range 66 West, 6th P.M., the
					Schneider #3 Well located in the NW1/4 NW1/4 of Section
					30, Township 2 North, Range 66 West 6th P.M., the Knox
					#1-23 Well located in the SW1/4 NW1/4 of Section 23,
					Township 2 North, Range 67 West, 6th P.M., and the
					Knox #22-23 Well located in the SE1/4 NW1/4 of Section
0810-OV-19	1\	Staff Recommendation	07/30/2008	Weld	23, Township 2 North, Range 67 West, 6th P.M.