

### Staff Report

**November 5, 2007** 

### I. STATISTICS

- Our monthly statistics report is attached. As of October 26, 2007, there have been 5,142 Applications for Permits-to-Drill ("APDs") approved. At this pace, it is estimated that approximately 6,280 APDs will be approved in calendar year 2007. This represents a 4% increase over the previous record high of 5,904 APDs approved in 2006, which was more than double the 2,915 APDs approved in 2004.
- ◆ The 2007 drilling permit totals for the top seven counties as of October 26<sup>th</sup> are:

County	2007 (% of Total)	2006	2005	2004
Garfield	2002 (39%)	1844 (31%)	1508	796
Weld	1296 (25%)	1418 (24%)	901	832
Yuma	436 (9%)	798 (14%)	782	237
Las Animas	299 (6%)	500 (8%)	413	332
Mesa	259 (5%)	265 (4%)	136	54
Rio Blanco	239 (4%)	360 (4%)	161	154
La Plata	168 (3%)	235 (4%)	117	102

♦ The following table shows a summary of oil and gas well permits requiring new well locations that have been approved by the COGCC in 2005 and through October 26, 2007. 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
2005	4,323	2,936 (68%)	1,387 (32%)	742 (17%)	645 (15%)	636 (15%)	7 (<1%)	2 (<1%)
2006	5,848	3,933 (67%)	1,915 (33%)	1,223 (21%)	692 (12%)	689 (12%)	3 (<1%)	0 (0%)
2007	5,118	3,065 (60%)	2,053 (40%)	1,265 (25%)	788 (15%)	787 (15%)	1 (<1%)	0

### ♦ Farewell to COGCC Director Brian Macke

Brian Macke has taken an early retirement from service as Director of the Colorado Oil & Gas Conservation Commission effective October 31, 2007. Brian had served the COGCC for 17 years, first as a field engineer in Grand Junction beginning in 1990, as Deputy Director in Denver beginning in 1994, and as Director since 2004. Brian has requested that the following statement be placed in this staff report on his behalf.

"I would like to sincerely thank the many fine men and women on the COGCC staff and Commission Board with whom I have had the honor and pleasure of serving during my many interesting and eventful years with the agency. Your kindness, friendship, and assistance with my career will be forever appreciated."

### II. NORTHWEST COLORADO

### Northwest Colorado Oil and Gas Forum

The next Northwest Colorado Oil and Gas Forum is scheduled for December 6, 2007, from 10:00 a.m. until 2:00 p.m. at the Garfield County Fairgrounds in Rifle, CO.

The NW CO Oil and Gas 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 a COGCC Representative and Garfield County Commissioner Larry McCown.

All parties wishing to be placed on the meeting agenda should contact Jaime Adkins at 970-285-9000 or via email at: jaime.adkins@state.co.us.

### ♦ 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. Water samples have been collected from 66 water wells and submitted for laboratory analysis. Representatives of COGCC, Garfield County, and S. S. Papadopulos & Associates met on September 25, 2007 to discuss the status of and future activities for this project. Subsequent to this meeting, locations for Task 2 sampling were selected. Production gas and produced water samples will be collected from gas wells in areas where domestic well sampling results indicate elevated concentrations of methane or higher than expected total dissolved solids concentrations. This sampling will assistance conducted with the of area operators in the latter half of November 2007.

### ◆ <u>Colorado Greater Sage-Grouse Conservation</u> <u>Plan</u>

Chris Canfield, Northwest Area Environmental Protection Specialist, continues to work with the Parachute, Piceance, Roan Creek (PPR) Local Working Group on a review of the Draft Colorado Greater Sage-Grouse Conservation Plan. Separately, Chris is also working with the PPR Local Working Group on the development of a PPR-Specific Greater Sage-Grouse Conservation Plan and associated Best (BMPs) Management Practices landowners, land users, and land managers in an effort to lessen the impact of oil and gas development activities on Greater Sage-Grouse.

### III. SOUTHWEST COLORADO

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

On behalf of the COGCC, LT Environmental (LTE) conducted a soil gas survey of the Bondad

area in late September 2007 to determine whether the presence of methane in the soil is still limited to the area immediately adjacent to the Bryce 1-X Well. The September survey did not detect any methane in the soil at any of the monitoring points and methane was not detected within the Fire Station building. Frost-proof hydrants are being installed on the nearby water wells and groundwater samples will be collected and analyzed to evaluate potential changes in methane concentrations in the groundwater. Additional soil gas surveys will be conducted throughout the year to verify the lack of methane in the shallow soils.

LTE installed new methane monitoring devices in the nearby residences and Fire Station during the week of October 15, 2007. The units are more efficient, less intrusive and do not require monthly calibration by an outside contractor.

### ◆ Gas and Oil Regulatory Team (GORT) Meeting

The next GORT meeting is scheduled for December 5, 2007 in the Pine Room at the La Plata County Fairgrounds from 8:30 AM until noon. Topics for this meeting will include an update on the Fruitland Formation Outcrop Mitigation and Monitoring projects in La Plata and Archuleta Counties. All parties wishing to be placed on the meeting agenda should contact either Karen Spray at 970-259-1619 or karen.spray@state.co.us, or Debbie Baldwin at 3 0 3 - 8 9 4 - 2 1 0 0 e x t . 1 1 0 r debbie.baldwin@state.co.us .

### <u>Fruitland Formation Outcrop Mitigation and Monitoring Projects</u>

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.

Preliminary work to identify locations for monitoring wells is being conducted in both La Plata and Archuleta Counties. Mapping of the Fruitland-Pictured Cliffs contact has been conducted at several locations along the outcrop in Archuleta County and several proposed well locations were inspected by COGCC and USFS staff in September. Surface access agreements with federal agencies and private property owners are in the process of being negotiated and memorialized.

A date for the next Technical Working Group meeting is being discussed. COGCC and USFS staffs are preparing a draft mission statement for review by the Technical Working Group. In addition, COGCC staff are preparing Scopes of Work that will be reviewed by the Technical Working Group and then used in the COGCC Request(s) for Proposals (RFPs) to procure the services of third-party contractors.

### IV. NORTHEAST COLORADO

### ♦ Fort Morgan Gas Storage Field

The Fort Morgan Gas Storage Field (Field) is located approximately 5 miles south of Fort Morgan, Colorado, in Morgan County and is operated by Colorado Interstate Gas (CIG), an El Paso Corporation. On October 22, 2006, COGCC staff were notified of a casing leak on Well #26 that had necessitated the evacuation of nearby residents. The gas flow from the well was safely shut off on October 22, 2006, and there were no personal injuries. estimates that between 650 and 700 MMcf were based on inventory analysis, calculations, and chart measurement. Two nearby residences remain evacuated; residence H100 located approximately 1,000 feet east of the compressor facility, and residence H101 located approximately 1,400 feet southeast of the facility.

CIG has collected samples from over 50 domestic water wells within a 3-mile radius of Well #26. Residence H100 is the only domestic water well where dissolved methane was detected at concentrations greater than 2 milligrams per liter (mg/l), which is a theoretical threshold concentration at which there exists a potential for methane to accumulate to potentially explosive levels in unventilated areas.

A total of 85 cone penetrometer test (CPT) borings were advanced across the field area. Seventy-eight (78) of these were completed in the shallow aguifer zone and 7 were completed in the deep aquifer zone. Benzene was detected in CPT #41D at a concentration of 6.0 µg/I during the June 2007 sampling event. The Colorado Basic Standards for Ground Water for benzene is 5.0 µg/l. As a result, COGCC staff issued a Notice of Alleged Violation to CIG on August 31, 2007, for exceeding the benzene standard for ground water. Corrective action required the submittal of a supplemental work plan for the remediation and abatement of the dissolved methane and benzene contaminant plume in the shallow aquifers.

The supplemental work plan was received by the COGCC on October 15, 2007. COGCC staff is in the process of reviewing this supplemental work plan.

### ♦ O-Sand Investigation

Limited subsurface investigations were performed by the COGCC at seven historic O-Sand/heavy oil sites in Logan County in May 2007. The purpose of the investigations was to evaluate the extent of hydrocarbon-impacted soil associated with the historic use of earthen production pits at these sites. The information will be used to determine rough order of magnitude estimates of the volume of hydrocarbon-impacted material at each site. In addition to the site assessments, a feasibility study is being prepared to evaluate potential remediation options. The draft site assessment and feasibility study have been prepared by URS and reviewed by COGCC staff. The final report will be submitted in early November 2007.

### ♦ <u>Little Hoot Gas Plant Reclamation Project</u>

In May 2007 reclamation work began at the former Little Hoot Gas Plant in Logan County. COGCC staff and contractors performed the work at this orphaned facility. Surface piping was removed and a historic pit was reclaimed at that time. Work resumed at the site during the week of October 15, 2007, to complete the reclamation project. A Quonset hut building was demolished and all concrete was buried on

site with the landowners permission. Debris from the building demolition was transported to the Logan County Landfill for disposal. The site has been regraded to match existing topography, and seeding is scheduled to take place in early November 2007.

### V. SOUTHEAST COLORADO

### Phase II Raton Basin Methane Seep Mapping Project - Las Animas and Huerfano Counties

LT Environmental, Inc. (LTE) is preparing letters and maps of the soil gas surveys to be submitted to the surface owners and tenants where methane gas seeps were identified and mapped during Task 2 of the Raton Basin Methane Seep Mapping Project. Soil gas surveys were conducted at 37 seeps, 13 plugged and abandoned oil and gas wells, and 2 water wells.

LTE has completed Tasks 3 and 4 which involved collecting water samples from domestic water wells and gas samples from identified methane seeps. The final report which is Task 5 of the project will be completed once laboratory data are received. The project is on schedule and should be completed by December 31, 2007.

### ◆ Las Animas County House Explosion

COGCC staff continue to work with the City of Trinidad and its representatives to resolve the NOAV that was issued in response to an explosion caused by gas emanating from the Trinidad MGP #1 Well (API 05-071-06045). The August 29, 2007, soil gas survey of the area, which was conducted by the LT Environmental on behalf of the COGCC, showed elevated concentrations of methane only in a small area immediately adjacent to the well. The City, in consultation with other interested parties, has determined that various downhole tests should be conducted prior to plugging and abandoning the well to determine the cause of the leak. The COGCC staff believe that the site is relatively safe, based on the soil gas survey results and the City's commitment to maintain security fencing and warning signs around the site as required by the NOAV, and has agreed to allow the City additional time.

On October 12, 2007, COGCC staff noticed that the fence around the well had been removed. No one has been able to determine who or why the fence was removed. On October 18, 2007, the City secured the well site with a new, smaller but adequate, fence. Although the City has complied with COGCC requests, it disputes that it is the operator of the well.

### Investigation of Huerfano County Water Wells Venting Methane

On behalf of the COGCC, Buys and Associates, Inc. (B&A) conducted 8 methane screening events at 39 water wells in a 14 square-mile area centered around the area where water wells have been impacted by thermogenic methane. Petroglyph Energy Inc. has agreed to continue this screening on a biweekly basis using their consultant Norwest Applied Hydrology (NAH). NAH will screen these wells in addition to the wells they were previously monitoring for Petroglyph.

Petroglyph provided a PowerPoint presentation to COGCC staff on October 5, 2007, that summarized the work conducted to date and provided an overview of the proposed monitoring and testing plan that they will implement when and if they resume pumping the wells and producing gas. COGCC staff provided input and comment on the plan and continue to work with Petroglyph to ensure that the resource can be developed without creating significant impacts to public health, safety and the environment.

On October 16, 2007, the COGCC Director issued a Cease and Desist Order to Petroglyph requiring their wells to remain shut-in for 30 days. COGCC staff will continue discussion with Petroglyph during this time to determine appropriate conditions and precautions that might allow for gas production while protecting the domestic water wells from impacts by oil and gas operations.

On October 20, 2007, Peter Gintautas attended a meeting with River Ranch Subdivision and other affected residents and Petroglyph at which Petroglyph presented their proposed monitoring and testing plan. In addition, Margaret Ash and Peter Gintautas attended a meeting with the Huerfano County Commissioners on October 24, 2007, at which Petroglyph made a similar presentation.

### **VI. ORGANIZATION**

Department of Natural Resources Assistant Director of Energy, Dave Neslin, became Acting Director of the COGCC staff effective November 1, 2007.

The COGCC is pleased to announce the addition of Leslie Melton to our staff as an Engineering/ Physical Sciences Technician II. Leslie has been hired as the field inspector for southwest Colorado, filling the position vacated by the promotion of Mark Weems. Leslie has a degree in Resource and Environmental Management and has extensive experience in the oil and gas industry, including industry experience in the Durango area. She will be based out of Durango, providing the COGCC with a third employee living and working in the southwest Colorado area.

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

### VII.PLANNING/ADMINISTRATION/OTHER

### ◆ Annual Underground Injection Control (UIC) Directors Meeting

David Dillon represented the COGCC at the annual EPA Region VIII, UIC directors meeting in Deadwood, South Dakota. The meeting was held from October 2<sup>nd</sup> through October 4<sup>th</sup> and was attended by representatives of the EPA and the Montana, North Dakota, South Dakota, and Wyoming Oil and Gas Commissions. This group discussed a variety of injection issues and provided a venue to exchange information and ideas with the EPA concerning the individual injection programs of each state.

Topics discussed during the meeting included participation in the national UIC database, tighter review of aquifer exemptions, injection of drill cuttings and pit fluids, and injection at pressures above formation fracturing pressure.

### ♦ 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. cited 4 locations with USFWS's 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 October 19, 2007 (not including the original 4 NOAVs referenced above), NOAVs related to pit violations have been issued for locations in Adams County (5), Arapahoe County (7), Elbert County (2), Larimer County (14), Logan County (3), Morgan County (2), Washington County (25), and Weld County (1), for a total of 59 NOAVs.

### ♦ New Mill Levy Rate

The COGCC conducted a rulemaking hearing on August 28, 2007, to increase the mill levy rate. The Commission passed COGCC staff's recommendation to increase the rate from 0.5 mils to 0.7 mils to cover the costs associated with Senate Bill 07-198, which requires the

transfer of \$4.45 million from the Oil and Gas Conservation and Environmental Response Fund to the Coalbed Methane Seepage Cash Fund over a 3-year period. The new rate became effective on July 1, 2007, and will impact third quarter levy payments due December 1, 2007.

### ♦ Fiscal Year 2008-09 Budget Request

of The Department Natural Resources submitted its Fiscal Year 2008-09 budget request to the General Assembly on November 1, 2007. Included in the request is a decision item for 9 additional full-time employees (FTE) for the COGCC. Four of those FTE would be Environmental classified as Protection Specialists I's, stationed in the field to conduct inspections; 4 would environmental Environmental Protection Specialists focused on the environmental review of drilling permits; and one would be an environmental technician to assist with the data management and enforcement activities of a growing environmental staff. The total cost of this request, which includes 5 new vehicles, is \$778,768 cash funds from the Oil and Gas Conservation and Environmental Response Fund.

### ♦ Conductor Casing Requirement

Effective immediately, the COGCC requires operators to include information concerning the amount and size of conductor casing to be used on each new well. This information should be included on the Application for Permit-to-Drill, Form 2, and should be entered in the labeled "Drilling Plans section and Procedures". The conductor pipe should be described in the casing table showing "String", "Size of Hole", "Size of Casing", etc. If conductor casing is not being run, this should be indicated under "Comments" in line 31 as "No conductor casing will be used". APDs that do not include conductor casing information may require additional processing time.

### ♦ Guidance Document for Re-filing on Expired Permit

The COGCC issued a guidance document to assist operators and COGCC staff with the requirements to file for a new drilling permit

where a previous permit for the well had expired. Please see page 16 for the complete document, or visit our policies section on the agency website at: <a href="http://cogcc.state.co.us/RR\_Docs/Policies/APDRefilingGuidanceDoc.pdf">http://cogcc.state.co.us/RR\_Docs/Policies/APDRefilingGuidanceDoc.pdf</a>.

### ♦ <u>COGCC/Colorado Department of Public Health</u> and Environment

COGCC and DNR-EDO staff continue to meet with representatives of the different divisions of the Colorado Department of Public Health and Environment (CDPHE) to develop our strategy for implementing requirements of HB 07-1341.

### ♦ COGCC/Division of Wildlife

COGCC, DNR-EDO, and DOW staff continue to meet to develop our strategy for implementing the requirements of HB 07-1298. Subcommittees were organized and additional meetings are being conducted.

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

S.S. Associates, Papadopulos & Inc. (Papadopulos) is continuing their work with the Colorado Geological Survey (CGS) on the Coalbed Methane Stream Depletion Assessment Study of the Raton and Piceance Basins. The purpose of this study 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 CBM producing basins of Colorado. Peer review comments have been incorporated into the Raton Basin Report and the report will be posted on the Division of Water Resources website soon. Peer review comments are in the process of being incorporated in the Piceance Basin Report. This study is being performed in cooperation with the Division of Water Resources and the 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 <a href="www.cdphe.state.co.us/op/aqcc">www.cdphe.state.co.us/op/aqcc</a>.

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

### ◆ Plugging and Well Reclamation Fund - Soil Gas Survey and Inspection Project

An investigation of oil and gas wells abandoned under the supervision of the COGCC Plugging and Well Reclamation (PAWR) Fund program has been completed. The investigation was intended to screen for potentially hazardous environmental conditions in the vicinity of these wells. The field investigation phase was completed during the week of June 11, 2007. Final reports were submitted to the COGCC in July 2007. Funding for this project comes from the Oil and Gas Conservation and Plugging and Well Reclamation (PAWR) Fund (Fund 170) appropriation for Special Environmental Projects.

Methane was detected in the soil in the vicinity of 4 of the wells. A scope of work was developed for a follow-up investigation for each of the 4 locations to map in more detail the extent of the area with methane concentrations above background, to collect water samples from any nearby water wells, to collect gas samples from the subsurface for isotopic analysis, and to conduct soil gas surveys around any nearby buildings. LT Environmental was selected to conduct the follow-up work based upon their experience with the locations and the estimate of costs. Landowners have been identified and contacts. for access have been initiated.

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

Margaret Ash and Peter Gintautas are participating in the Colorado Water Quality Forum - Agricultural Diversion work group. The

work group includes representatives from the WQCC, WQCD, agriculture, and surface water discharge permit holders, including several Raton Basin operators.

On May 17, 2007, WQCD staff provided a *Draft Policy for Implementing the Narrative Standard for the Protection of Agriculture Uses* for review and comment. The policy would be used by WQCD staff in preparation of permits for discharges to state waters and could result in more stringent conditions with respect to concentrations of salt allowed in discharges to surface waters.

COGCC staff attended the October 18, 2007, workgroup session. At this meeting several ranchers and farmers from Las Animas County spoke about their use of coalbed methane (CBM) produced water for crops livestock. All had produced water pits or CDPS discharge permitted outfalls on their property or irrigated downstream of an outfall. Those ranchers who spoke believed they had benefited over several years and had not noticed any deleterious effects associated with their use of CBM produced water.

The WQCD is working on a revised draft policy document. Comments from interested parties are due to the WQCD by November 14, 2007. The next meeting of the work group will be on November 15, 2007, for discussion of the draft. WQCD plans on releasing a revised draft for public comment by the end of November 2007 and presenting the plan to the WQCC at its January 15, 2008, meeting.

### Public Outreach Opportunities

On October 5, 2007, Dennis Ahlstrand and Randall Ferguson joined staff from the Colorado State Board of Land Commissioners during an orientation session for Michele "Mike" Bloom, a newly appointed commissioner with the State Land Board. The permitting process and other COGCC functions were discussed. Erica Crosby with the Division of Reclamation, Mining and Safety was also in attendance.

### ♦ 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 94 requests for onsite inspections.

Twenty-one (21) onsite inspections have been conducted, 50 requests for inspections have been withdrawn, and 23 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 94 requests for Onsite Inspection, 49 were for locations in Weld County, 17 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 for Archuleta County and 1 each for Baca, Kiowa, Logan, and Morgan Counties.

### ◆ Plugging and Well Reclamation (PAWR) Fund Status

Attached on page 13 is an Excel spreadsheet listing both completed and pending PAWR projects for Fiscal Year '06-'07. Pending projects only show funds appropriated or spent to date.

### ♦ December 2007 Hearing Docket

A preliminary docket for the December 2007 hearing has been provided. Hearing dockets are available on our website by clicking on "Hearings". Links to the hearing applications and notices 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: <a href="http://cogcc.state.co.us/COGIS\_Help/Help.asp">http://cogcc.state.co.us/COGIS\_Help/Help.asp</a>

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 Iongitude where latitude and 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

### LAS File Upload

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

The COGCC has become aware of numerous operators who have not been complying with the digital submission of well logs. Effective May 1, 2007, 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. A project to create the final format has begun, and once the format is approved, an 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.

### 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 will be the development of the application within the agencies to handle the submission of the XML files for processing.

### <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.

### **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 eighty-five percent (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 28,000 well records left to be updated. Additional funding has been approved and a new one-year project started July 1, 2007.

### <u>Production Information Update</u>

The project to incorporate the production data prior to 1999 into the COGIS database environment continues. This project will deliver new web pages for Production Data inquires. The data for the years before 1999 is associated by lease instead of by well requiring new types of queries to be created. A new feature of these pages will be the ability to download the detail information that is displayed.

### VIII. VARIANCES

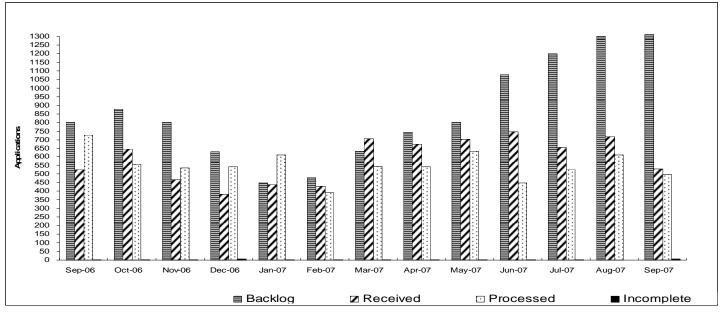
No new variances have been requested since the October 2, 2007, staff report.

		FISCAL YEAR 2007 - 2008				SCAL YEAR	2007 - 2008				
PLANNED											
				<b>ESTIMATED FYE2008 COSTS</b>	YE2008 CO	STS	ACTL	ACTUAL FYE2008	8 EXPENDITURES	URES	
ADAMS	TYPE REC.	PROJECT NAME MONAGHAN #1 AND #2 RECLAMATION	BOND \$0	<b>PAWR</b> \$9,800	SPECIAL \$0	\$9,800	BOND \$0	PAWR \$0	SPECIAL \$0	TOTALS \$0	DESCRIPTION  Monaghan #1: Remove gathering line, steel posts and weeds.  Regrade and place grass seed over disturbed areas.  Monaghan #2: Remove and dispose of junk and trash on site.  Demolish, transport and dispose of unit concrete pad. Re-grade
ARCHULETA	PLUG.	SIERRA OIL & GAS CO. BOND CLAIM	\$30,000	0\$	\$0	\$30,000	0\$	\$	0\$	0\$	Plug and abandon Schick, Mizar #1 and reclaim the surface at Binkley #2. Reclamation at Binkley #2 must be performed in May or June because of access issues.
BOULDER	PLUG.	MCKENZIE 1-21X ABANDONMENT	\$0	\$25,000	\$0	\$25,000	\$0	\$0	0\$	\$0\$	
GARFIELD	PLUG.	STARBUCK #1 ABANDONMENT	\$0	\$	\$200,000	\$200,000	\$	0\$ \$	\$0	0\$	
RIO BLANCO	PLUG.	RANGELY MANCOS ORPHANS ABANDONMENT	\$	\$25,000	0\$	\$25,000	0\$	0\$	0\$	<b>0</b> \$	Fill each well with Mancos shale to within 50' of surface and top off with Redi-Mix concrete, install dry hole markers with well information, remove all cable, junk and debris on location, no concourted more than the match surrounding terrain.
		TOTALS =>	\$30,000	\$59,800	\$250,000	\$339,800	\$	0\$	0\$	0\$	
IN PROGRESS			l		10000	9		2000		0	
COUNTY	TYPE	PROJECT NAME	BOND	STIMATED FYE2008 COSTS	SPECIAL SPECIAL	TOTALS	ACTU	JAL FYE2008	ACTUAL FYE2008 EXPENDITURES ID   PAWR   SPECIAL   TOT	TOTALS	DESCRIPTION
BOULDER	PLUG.	MAXWELL#5 ABANDONMENT	0\$	\$25,000	0\$	\$25,000	\$0	\$1,500	0\$	\$1,500	Project commenced in FYE2007: Hot tapped valve on well in to monitor pressure. Remaining tasks for FYE 2008: Perform soil gas survey around well (completed) and plug and abandon well.
LOGAN	REC.	LITTLE HOOT GAS PLANT RECLAMATION	\$0	\$15,000	0\$	\$15,000	\$0	0\$	0\$	0\$	Project commenced in FYE 2007. Remaining work is in progress. Remove concrete, piping and anchor posts; demolish building; grade disturbed areas to match existing topography; and resed to match existing vegetation.
MOFFAT	PLUG.	BELNAP #1 ABANDONMENT	\$0	\$30,000	0\$	\$30,000	\$0	0\$	0\$	0\$	A Purchase Order has been issued for the work. Well was plugged and abandoned by the State in FYE2007. Remaining task for FYE 2008: Reclaim surface and clean up pit.
WASHINGTON	PLUG.	JOLLY RANCH WELLS ABANDONMENT	\$0	\$75,000	0\$	\$75,000	O\$	\$9,157	0\$	\$9,157	Phases 1 through 3 are complete. Bids are being evaluated for Phase 4. Phase 1: Dig up, cut and dress casings. Prepare surface and dig work over pits. Phase 2: Gas sampling. Phase 3: Tag plugs with wireline and evaluate plugging orders. Phase 4: Re-enter, plug and abandon three wells. Phase 5: Reclaim locations.
WELD	EN.	WINTER #1 GROUNDWATER MONITORING	0\$	\$1,000	0\$	\$1,000	0\$	0\$	0\$	0\$	Project commenced in FYE 2007: Installed and sampled groundwater monitoring wells to evaluate potential groundwater impact from the Winter #1 well. Impact was not observed. Anamaining task for FYE2008: Abandon monitoring wells.
VARIOUS	REC.	BLACKWOLF UNIT AND CAUSEY UNIT RECLAMATION	\$0	\$15,000	0\$	\$15,000	0\$	\$2,124	0\$	\$2,124	Causey Unit reclamation is complete. Blackwolf Unit reclamation will be performed, pending contractor availability. Clean up locations and remove junk. Bury concrete blocks, level surface, and re-seed affected areas.
		TOTALS =>	\$0	\$161,000	0\$	\$161,000	\$0	\$12,781	0\$	\$12,781	
COMPLETED											
			E	STIMATED FYE2008 COSTS	YE2008 CO	STS	ACTU	JAL FYE200	ACTUAL FYE2008 EXPENDITURES	URES	
CHEYENNE	PLUG.	BARTHOLOMEW #1 ABANDONMENT	SOND SOND	\$5,000	SPECAL \$0	\$5,000	900g	\$2,622	SPECIAL \$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.
VARIOUS	PLUG.	HOFFMAN AND STATE PYLE WELLS ABANDONMENT	0\$	\$8,500	0\$	\$8,500	9	\$8,500	0\$	\$8,500	Project commenced in FYE2007: Plugged and abandoned two wells. Tasks completed in FYE 2008: Removed junk and reclaimed surface at both locations.
			3	9	3	9	3		3		
		BOND GRAND TOTALS => \$30,000	BOND \$30,000	ESTIN PAWR \$234,300	ESTIMATED VR SPECIAL ,300 \$250,000	TOTALS \$514,300	BOND \$0	ACTUAI PAWR SP \$23,903	SPECIAL \$0	TOTALS \$23,903	
Project Types: "Pl	UG." indi	Project Types: "PLUG." indicates plugging and abandonment, "REC."		eclamation,	and "ENV."	reclamation, and "ENV." indicates environmental.	ironmental.				
Updated October 19, 2007	9, 2007										

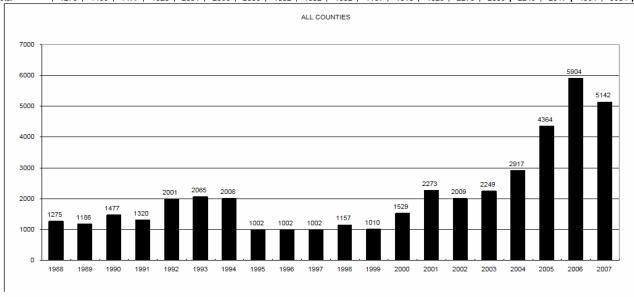
### Colorado Oil & Gas Conservation Commission <u>Monthly Breakout of Drilling and Recompletion Permits</u>

	Backlog	Received	Processed	Withdrawn	Rejected	Incomplete	In-Process	Remaining
Drilling	J				•			· ·
Sep-06	978	498	698	9	0	4	765	769
Oct-06	769	620	532	15	0	3	839	842
Nov-06	842	451	512	7	0	2	772	774
Dec-06	774	374	516	10	0	7	615	622
Jan-07	622	422	605	8	0	3	428	431
Feb-07	431	426	376	4	0	3	474	477
Mar-07	477	659	529	9	0	3	595	598
Apr-07	598	653	519	22	0	3	707	710
May-07	710	686	598	12	0	2	784	786
Jun-07	786	728	446	17	0	2	1049	1051
Jul-07	1051	643	514	9	0	2	1169	1171
Aug-07	1171	688	589	1	0	1	1268	1269
Sep-07	1269	507	474	17	0	5	1280	1285
Recompletion								
Sep-06	35	29	30	0	0	0	34	34
Oct-06	34	26	25	0	0	0	35	35
Nov-06	35	17	25	0	0	0	27	27
Dec-06	27	7	26	0	0	0	8	8
Jan-07	8	18	7	2	0	0	17	17
Feb-07	17	2	16	0	0	0	3	3
Mar-07	3	46	15	0	0	0	34	34
Apr-07	34	20	23	0	0	0	31	31
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	28	23	2	0	0	32	32
Sep-07	32	22	23	2	0	0	29	29
Total								
Sep-06	1013	527	728	9	0	4	799	803
Oct-06	803	646	557	15	0	3	874	877
Nov-06	877	468	537	7	0	2	799	801
Dec-06	801	381	542	10	0	7	623	630
Jan-07	630	440	612	10	0	3	445	448
Feb-07	448	428	392	4	0	3	477	480
Mar-07	480	705	544	9	0	3	629	632
Apr-07	632	673	542	22	0	3	738	741
May-07	745	703	633	13	0	2	800	802
Jun-07	802	744	449	18	0	2	1077	1079
Jul-07	1079	655	525	9	0	2	1198	1200
Aug-07	1200	716	612	3	0	1	1300	1301
Sep-07	1301	529	497	19	0	5	1309	1314

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



					(								MISSIO	N						
						<u> </u>	<u>AUV</u>	<u>L PE</u>	<u> RM</u>	<u>TS</u>	<u>3Y C</u>	<u> </u>	<u>NTY</u>	ı						
																				2007 a
																				of
OOLINTY.	4000	4000	4000	4004	4000	4000	4004	1005	4000	4007	4000	4000	2000	0004	0000	0000	2004	2005	2222	10/26/0
COUNTY	<u>1988</u>	<u>1989</u>	<u>1990</u>	<u>1991</u>	<u>1992</u>	<u>1993</u>	<u>1994</u>	<u>1995</u>	<u>1996</u>	<u>1997</u>	<u>1998</u>	<u>1999</u>	2000	<u>2001</u>	2002	2003	2004	<u>2005</u>	2006	2007
ADAMS	46	34	44	53	92	58	137	34	9	33	24	19	38	28	9	26	39	34	37	82
ARAPAHOE	5	5	15	14	11	4	20	12	2	9	1	2	0	2	1	2	5	7	11	10
ARCHULETA	8	5	18	5	2	1		3	_	3		1	7	9	6	10	8	13	14	18
BACA	6	4	15	10	23	9	12	24	10	7	13	15	22	6	2	3	7	8	2	7
BENT				1		2	2	4	2	5	3	5	2				5	3	8	1
BOULDER	1		1	13	38	159	38	5	8	2	5		1	5	6	7	17	13	21	32
BROOMFIELD	202	140	100	02	74		40		42	24	44	7	2	2	2	7	2	1 10	1	15
CHEYENNE COSTILLA	203	149	102	93	71	58	48	55	43	31	41	7	3	3	3	3	3	10	21	15
CROWLEY	1		1	1								-				l -				<del>                                     </del>
DELTA	1	1	2	<u>'</u>											7	4	5	10	9	2
DENVER										5	3	3		3					19	25
DOLORES	2		4	1	2	1										1	1	1	6	10
ELBERT	9	12	8	5	3		2	13	16	11	1		2						4	
EL PASO	_	5	6	7	4	2	2	4	2	4					1		4	2	2	4
FREMONT GARFIELD	9 19	66	111	7 36	1 18	56	143	78	109	141	95	130	213	353	362	567	796	1509	1845	2001
GRAND	15	00	- 111	36	10	50	143	70	103	141	33	130	213	333	302	567	730	1505	1045	2001
GUNNISON			2	2		1									5	10	1	9	19	5
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
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	6
KIT CARSON	9 302	5 218	7 388	8 128	8 120	15 40	26 40	11 20	7 71	6 40	9 82	5 107	127	156	104	1 162	102	5 115	235	168
LA PLATA LARIMER	302	4	300	120	13	7	3	20	1	3	1	107	2	100	104	162	102	1 15	235	5
LAS ANIMAS	10	30	36	-	13	9	32	95	134	136	195	195	268	400	259	180	332	413	500	299
LINCOLN	8	6	4	7	7	11	8	9	3	2		100	2	2	1	6	3	4	1	2
LOGAN	18	21	23	13	14	30	15	13	6	12	7		4	7	3	3	6	13	17	12
MESA	1	12	29	20	22	2	22	6	11	10	2	6	13	27	30	27	54	136	265	259
MOFFAT	13	25	27	19	40	52	43	40	41	28	21	15	35	52	62	63	63	60	120	57
MONTEZUMA MONTROSE	6	7	10	8 1	7	11	15	9	13	5	4	1	4	3	5 2	8	8 2	11	5	2
MORGAN	34	27	36	13	10	11	19	12	10	11	10	12	9	9	2	7	9	7	3	5
OTERO	54	21	30	2	10	- 11	13	12	10	- 11	10	12	3	3		- '	3	,		<del></del>
PARK				1								1								
PHILLIPS			3		1	1							1	2		7	13	17	12	48
PITKIN		1			2												1			1
PROWERS	19	9	5	10	14	7	3	5	5	3	9	3	2	5	4	L	7	5	7	4
RIO BLANCO	34	83	77	33	81	83	126	81	33	40	51	95	89	187	105	179	154	161	360	239
RIO GRANDE ROUTT	2	3	12	4	2	3	1	2	1	1	1	4	20	13	1	1	4	6	9	8
SAGUACHE	1	3	12	4		3	- 1	2	- 1			4	20	13	2		4	ď	9	2
SAN MIGUEL	'		2	2					1	1	4	2	11	13	27	18	42	45	35	22
SEDGWICK				1				3		2	- 1					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	40
WELD	424	357	366	656	1224	1319	1030	254	305	285	392	288	509	702	760	757	832	901	1418	1296
YUMA	14	20	45	60	104	53	167	168	123	116	111	60	31	205	160	138	237	782	797	436
Total	1275	1186	1477	1320	2001	2065	2008	1002	1002	1002	1157	1010	1529	2273	2009	2249	2917	4364	5904	5142



### Colorado Oil and Gas Conservation Commission Form 2 Application for Permit to Drill (APD) Re-filing Guidance Document March 20, 2007

A Permit to Drill is at times not exercised before the expiration of the permit. In order to drill a well that has had its permit expire, the operator must first re-file the Application For Permit to Drill (APD). If this occurs, the re-filed APD will be reviewed to ensure that the APD is in compliance with any new or previously existing Colorado Oil and Gas Conservation Commission (COGCC) rules and orders. The COGCC will give all re-filed APDs the highest priority in processing but will not approve any APD before the minimum ten (10) day Local Governmental Designee comment period required by COGCC Rule (303) (d.) (3.) or the minimum thirty (30) day time period for Surface Owner Notification required by Rule (305) (b.) (1.) has expired.

Re-filed APDs must be complete and on the most current version of the COGCC Application for Permit to Drill, Form 2. The operator shall provide on the form the current applicable spacing order for the well, if any, and reflect any changes to the original APD that were submitted via sundry notice, such as location changes and surface casing setting depths. The operator shall state the following in the comments field on the re-filed APD:

- Any changes to the surrounding land use (changes in land use, new buildings, etc.),
- Any changes to the well construction plan,
- Any changes to the mineral lease description upon which the proposed well site is located,

Whether or not the proposed well site has been built and if so, is any drilling currently taking place on the well site.

Below are the attachment requirements for submitting a re-filed APD under various circumstances:

If the location of the proposed well has not been moved, then a re-filed APD is not required to include the following:

- Drill Site/Access Road Reclamation Form, Form 2A
- Color Pictures
- Plat
- Topographic Map
- Directional Plan

If the location of the proposed well has been moved and no Sundry Notice, Form 4 was previously filed to change the well location, then a re-filed APD <u>is</u> required to include the following:

- Drillsite/Access Road Reclamation Form, Form 2A
- Color Pictures
- Plat
- Direction Plan

If the well site and access road for the proposed well has not been built, then the re-filed APD is required to include the following:

Confirmation of a New Rule 305 Thirty (30) day Surface Owner Notice

New COGCC Director Exception Location Request and Surface Owner and/or Mineral Owner Waivers (if the location is an exception location)

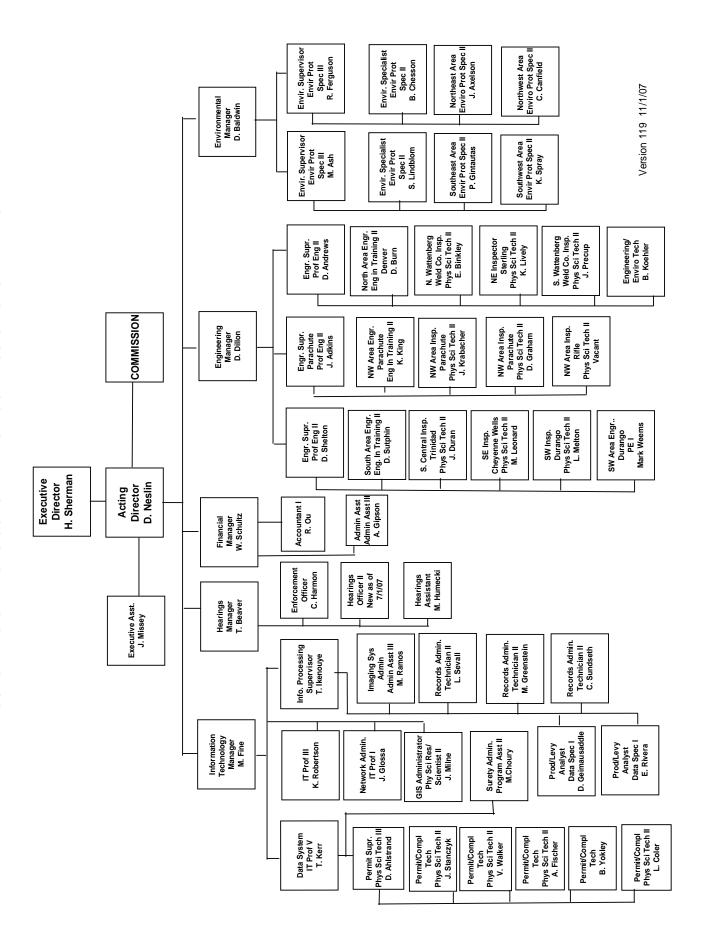
If the well site and access road for the proposed well has been built, then the re-filed APD is required to include: Confirmation of a New Rule 305 Thirty (30) day Surface Owner Notice

If the well site and access road has been built and there is a rig actively drilling on the well site, then the re-filed APD **is not** required to include:

Confirmation of a New Rule 305 Thirty (30) day Surface Owner Notice

It shall be the operator's responsibility to insure that the Rule 306 onsite consultation has taken place. It is also the operator's responsibility to ensure that the surface owner consultation date as well as an indication as to whether or not a surface owner's agreement is still in force is correctly indicated on the Application for Permit-To-Drill, Form 2.

# **COLORADO OIL & GAS CONSERVATION COMMISSION ORGANIZATION**



### Colorado Oil Gas Conservation Commission Monthly Statistics

		Baker -				Permits	iits					Unedited				Well
YEAR	Ø	Hughes	Drilling	ling	Recompletion	oletion	Injection	tion	Pits	S	Active	Historic	ъ	Public Visits	ts	Oper
		rig count	Apvd	Rcvd	Apvd	Rcvd	Apvd	Rcvd	Apvd	Rcvd	Wells	Records	Data	Office	Internet	Change
2004	Total		2917	3120	145	164	22	22	242	219			220	549	423127	5806
2002	JAN	9	263	299	7	36	0	3	8	7	27262	0	09	41	49839	2357
	FEB	70	251	343	29	4	-	-	17	10	27427	0	44	71	51277	378
	MAR	73	339	416	33	27	4	4	36	26	27595	0	29	34	60298	432
	APR	69	420	414	4	25	-	-	26	27	27723	0	28	99	52606	394
	MAY	65	340	319	13	00	0	က	25	35	27853	0	46	43	58881	308
	NOS	69	340	365	13	∞	7	က	28	63	28032	0	28	33	51402	403
	JUL	69	314	362	19	23	က	2	20	39	28164	0	20	33	53182	365
	AUG	75	379	508	တ	27	5	5	25	9/	28364	0	29	20	56820	629
	SEP	78	391	461	24	15	က	_	101	09	28631	0	22	48	62058	513
	OCT	86	437	499	19	21	-	0	27	70	28720	0	51	47	66542	462
	NOV	85	368	534	4	15	0	4	72	25	28866	0	61	40	62880	627
	DEC	83	531	390	15	26	3	0	33	47	28952	0	28	44	61024	770
2005	Total		4373	4910	209	245	23	30	478	485			699	540	68889	7688
	JAN	84	420	396	21	28	2	-	21	က	29181	0	69	61	73154	678
	FEB	84	266	501	27	20	0	7	4	2	29384	0	25	58	73190	458
	MAR	81	392	208	56	31	0	7	က	-	29751	0	35	92	105602	533
	APR	88	501	594	27	13	7	7	34	23	29907	0	30	152	88082	811
	MAY	89	398	532	26	29	2	4	19	22	30185	0	52	09	88825	620
	NOC	06	563	548	15	38	3	_	43	47	30324	0	64	61	88661	1229
	JUL	92	482	571	36	38	7	4	45	29	30397	0	71	44	85027	911
	AUG	93	626	218	31	26	3	_	27	33	30613	0	40	102	78339	476
	SEP	94	698	498	30	59	7	_	21	33	30732	0	78	48	79705	749
	OCT	92	532	620	25	56	က	2	36	45	30805	0	20	89	89950	609
	NOV	88	512	451	25	17	က	~	19	19	30985	0	37	91	75569	412
	DEC	91	516	374	56	7	0	0	15	က	31096	0	10	09	86182	310
2006	Total		9069	6171	315	302	37	40	314	293			531	897	1012286	7796
	JAN	96	605	422	7	18	က	_	21	27	31297	0	20	79	100089	578
	FEB	94	376	426	16	2	3	3	13	12	31378	0	34	94	77886	201
	MAR	98	529	629	15	46	7	2	22	22	31550	0	26	81	98738	517
	APR	109	519	653	23	20	4	_	28	26	31691	0	26	95	99974	504
	MAY	107	598	989	35	17	4	2	2	9	31897	0	17	82	98585	640
	NOC	108	446	728	က	16	5	2	2	00	32021	0	29	112	170945	837
	JUL	107	514	643	1	12	-	_	က	32	32135	0	29	93	173428	473
	AUG	113	589	688	23	28	2	11	10	တ	33204	0	34	103	118720	265
	SEP	116	474	202	23	22	2	3	28	209	33357	0	34	40	97384	779
2007	Total		4650	5412	156	181	32	26	135	351			249	779	1035749	5094

### Colorado Oil Gas Conservation Commission Monthly Statistics

Ope	Operators	Rele	Release		Claim	<u>=</u>	Hea	Hearings	Vio	Violations				Projects	cts	Field
New	Inactive	Ind.	Blnkt	Replace	Ind.	Blnkt	Apps.	Order	NOAV	AOC	OFV	Cmplt	Spills	Rcvd (	Comp	lnsp
105	63	55	36	118	0	2	62	20	235	59	က	154	230	_	09	7716
10			7	10	0	_	ω		18	0	-	12	20	6	က	623
~	8		2	13	0	_	9	9	9	0	0	7	23	6	7	530
	8 10	∞	က	12	0	0	က		9	0	0	21	21	12	14	725
10	2	7	4	13	0	0	80	4	16	0	_	26	22	15	တ	428
0	9	7	2	14	0	_	Ϋ́	¥	15 N	¥	¥	10	34	က	-	697
1,	11	2	2	14	0	0	10	7	20	က	0	13	39	15	7	651
14	6	7	2	14	0	0	œ	4	37	0	0	22	28	4	7	538
10	2	_	2	9	0	0	4		36	0	0	19	28	10	4	566
17	7	7	5	12	0	0	4	က	15	0	0	24	31	14	œ	709
14	4	9	2	12	0	0	00		34	0	0	35	23	က	œ	499
7	6	က	9	12	-	16	Α	Ą	14	¥	¥	25	22	18	1	780
12	3	5	2	17	-	4	15	ω	38	2	7	13	39	12	က	751
145	72	9	48	149	2	23	74	51	255	2	4	231	330	134	72	7497
15	5 5	17	5	13	0	0	14	10	9	2	-	21	31	8	18	1096
16	3	9	4	14	0	0	11		1	2	0	19	37	6	7	955
13	3	5	က	16	0	_	11	5	43	~	2	20	33	59	13	682
7	80	2	∞	13	-	0	0	7	32	0	0	34	38	14	က	809
12	2	9	4	10	0	0	ΑĀ	¥	16 N	¥	ΑĀ	29	23	14	9	1033
18	3	2	80	18	0	0	18		11	2	0	20	34	17	10	814
1(	6	2	7	8	0	0	17	11	12	7	7	31	31	13	80	629
5,	9	7	2	13	0	0	12	9	13	0	0	41	24	35	9	695
10	4	3	5	1	0	0	12		37	2	0	30	13	7	œ	491
5,	9	က	2	21	0	0	12	7	30	0	0	23	26	59	တ	730
12	2	က	2	20	0	0	17	16	23	2	0	21	23	14	12	1077
٠,	9	က	က	10	0	0	¥	Ą	13 N	AA	Ą	19	30	7	2	827
147	64	62	62	167	-	-	133	86	247	12	2	308	343	200	26	2996
1,	5 0	2	2	12	0	0	20	_	14	7	0	17	26	20	2	1324
10	4	2	_	12	0	0	5	7	14	0	0	20	27	17	0	1192
3,	9	3	5	7	က	_	9	7	15	0	0	44	35	18	7	854
12	2	10	7	1	0	0	ΑĀ	Ν	29 N	ΝΑ	AA	35	31	9	7	1161
¥	3	က	4	7	0	0	9	7	33	-	0	38	28	∞	15	1080
1,	1	2	2	6	0	0	ΑĀ	ΑĀ	34	¥	¥	28	20	10	7	733
1	0	3	_	14	0	0	14		44	0	0	41	23	25	13	1000
17	4	4	က	13	0	0	14		41	2	0	24	17	14	13	697
10	3	9	က	10	0	0	¥	Ą	146 N	A A	A	22	19	15	4	547
110	2	00	00	200	c	7	9	u u	370	-	c	260	000	7	C	0010

## **HEARING DOCKET: December 2007**

PRELIMINARY 10/31/2007						
<b>Docket</b> <b>Number</b>	Cause Number	Applicant/Attorney or Representative	Applicatio n Received	Field Formation County	Matter	Remarks
0705-AW-11	-	Kerr-McGee Oil & Gas Onshore LP./ David R. Little/Christopher G. Hayes	03/20/2007	Wattenberg Cretaceous Age Weld	Request for an order to vacate Order No. 1-41, which established a high density area for the N½ of Section 8, Township 1 North, Range 68 West, 6th P.M. and place the lands under the provisions of the Rules & Regulations of the Commission and applicable orders in Cause Nos. 232, 407, 493, 496 and 499, or in the alternative, for an order to grant variances from the high density setback requirement for 4 wells to be drilled.	Continued to January 2008
0711-AW-23	166	Plains Exploration & Prod. Co./ Scott M. Campbell	09/14/2007	East Plateau Williams Fork/ Rollins/Cozzette/ Corcoran Mesa	Request for an order to allow the equivalent of one (1) well per 10 acres, with the permitted well to be located no closer than 100 feet from the lease line for certain lands in Sections 3, 10, 11,14, and 15 of Township 10 South, Range 94 West, 6th P.M.	
0711-AW-25	429	Plains Exploration & Prod. Co./ Scott M. Campbell	09/14/2007	East Plateau Williams Fork/ Rollins/Cozzette/ Corcoran Mesa	low the equivalent of one (1) e permitted well to be located no the lease line in certain lands of 93 West, 6th P.M.	
0712-AW-24	113	Robert L. Bayless, Producer LLC/ David R. Little	10/19/2007	Craig-North Lewis Moffat	in the 320- and N½ of st, 6th P.M., r than 600	
0712-AW-26	334	Robert L. Bayless, Producer LLC/ David R. Little	10/19/2007	Great Divide Middle Lewis Moffat	Request for an order to allow up to four wells in the 320-acre drilling and spacing unit consisting of the S½ of Section 33, Township 10 North, Range 93 West, 6th P.M., with the permitted well to be located no closer than 600 feet from the outside boundary.	

	Withdrawn	
Request for an order allowing an exception to the permitted location in Rule 318.a. for the drilling of the proposed Young 33-27350 Well with a surface location of 2,310 feet FSL and 2,220 feet FEL, in Section 27, Township 3 South, Range 50 West, 6th P.M.	Request for an order allowing an exception to the permitted location in Order No. 112-197 for the drilling of the proposed Zellitti 34-9 #33-1A Well with a surface location of 1285 feet FNL and 1280 feet FWL, resulting in the well being less than 150 feet from the closest property line in Section 33, Township 34 North, Range 9 West, N.M.P.M.	Request for an order to establish a 160-acre drilling and spacing unit consisting of the SE¼, an 80-acre drilling and spacing unit consisting of the S½ SW¼, and a 40-acre drilling and spacing unit consisting of the NE¼ SW¼ of Section 25, Township 6 South, Range 95 West, SWison & Parachute 6th P.M., and allow the equivalent of one (1) well per 10 acres, with the permitted well to be located no closer than Garfield 100 feet from the outside boundary.
Pod "J" Sand Washington	Ignacio-Blanco Fruitland coal seams La Plata	Rulison & Parachute Mesaverde Garfield
10/19/2007	10/22/2007	10/16/2007
Delta Petroleum Corp./ Susan L. Aldridge/Michael J. Wozniak	ConocoPhillips Co./ Susan L. Aldridge/Michael J. Wozniak	Williams Production RMT Co./ William A. Keefe
418	112	139 & 440
0712-EX-10	0712-EX-11	0712-SP-34