

DEPARTMENT OF NATURAL RESOURCES

Bill Owens, Governor

1120 Lincoln St. Suite 801 Denver, CO 80203 Phone: (303) 894-2100 FAX: (303) 894-2109

www.oil-gas.state.co.us

TO: **COGCC Commissioners**

Brian Macke FROM:

DATE: December 6, 2005 cc: Russ George Carol Harmon

Gale Shelley Alexis Senger Bill Levine

Dean Winstanley **David Beauton DNR Directors**

COGCC Employees

MEGA Board Representatives

General Email List

MONTHLY STAFF REPORT

I. **STATISTICS**

Our monthly statistics report is attached. Based on data available to date, 3,799 Applications for Permits-to-Drill ("APDs") were approved as of November 28, 2005. At that pace, it is estimated that approximately 4,180 APDs will be approved in calendar year 2005. This represents a 43% increase over the previous record high at 2,917 APDs approved in 2004, which was nearly 30% higher than the 2,249 APDs approved in 2003.

The 2005 drilling permit totals for the top six counties as of November 28th are:

County	2005 (% of Total)	2004	2003
Garfield	1245 (33%)	796	566
Weld	818 (21%)	832	757
Yuma	664 (17%)	237	138
Las Animas	367 (10%)	332	180
Mesa	149 (4%)	54	27
Rio Blanco	130 (3%)	154	179
La Plata	108 (3%)	102	162

II. NORTHWEST COLORADO

Attached are newspaper articles of local interest.

The next meeting of the Northwest Colorado Oil and Gas Forum will be held from 10:00 a.m. until 2:00 p.m. on Wednesday, December 7, 2005, at the Garfield County Fairgrounds in Rifle. The Forum, which is co-chaired by COGCC Director Brian Macke and Garfield County Commissioner Larry McCown, consists of representatives from federal, state, and local government, the oil and gas industry, and all interested citizens. The meetings are currently being held four times during the year. The meeting frequency may be adjusted if changing circumstances create a need to do so.

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

Mamm Creek Gas Field - West Divide Creek Gas Seep Investigation Update

EnCana continues to sample 28 domestic water wells, 2 irrigation wells, 4 ponds, 3 springs, 3 creeks, and 27 ground water monitoring wells (along West Divide Creek) as part of this investigation. With the exception of the ground water monitoring wells along the creek, none of the sampled features have had detections of benzene, ethylbenzene, or xylenes. EnCana continues to supply water to area residences.

◆ Local Project Status Update

URS Corporation (URS) is in the final stages of work on the Hydrogeological Characterization Project in Garfield County for an area south of Rifle and Silt, Colorado. They are currently preparing the initial draft report and figures which should be provided to Garfield County and COGCC staff for review in early-to-mid December. The report will integrate surface and ground water quality analyses with regional geologic structures, gas reservoir characteristics, locations and completions of gas wells, and lithologic and stratigraphic variations in the Wasatch Formation. Following review and comment on the draft report, Garfield County, COGCC and URS will conduct a public meeting in Garfield County to present the findings and recommendations. We anticipate that this meeting will be held in mid-to-late January 2006.

III. SOUTHWEST COLORADO

Ongoing Investigation, Reclamation, and Mitigation of Explosion in Bondad, Colorado Area

The old 16-inch steel conductor pipe in the Bryce 1-X Well was filled with cement and gravel, a 5½-inch steel pipe, and a wooden stake. Gas was detected seeping out of cracks in cement in the annular space between the conductor pipe and the smaller pipe. From November 2 through November 4, 2005 COGCC staff and contractors conducted additional investigation of the Bryce 1-X Well to determine the condition of the well borehole, and to determine whether the 5½-inch pipe extended some depth below the ground surface or was merely the dry hole marker, and to prepare the well for reentry and remediation with a drilling rig.

Activities included excavation of an approximately 40-foot by 30-foot by 20-foot deep pit around the well. The pit was dug through the gravel terrace deposit down to the sandstone bedrock, which was cleared completely off. To assess the conditions inside the old conductor pipe, it was hot-tapped. Using the hole cut into the conductor pipe, it was determined that the cement and 5½-casing only extended approximately 8 feet down from the top. The old

conductor pipe was cut off about 3 feet above bedrock, and new pipe was welded on to it. The hole was backfilled and the new conductor pipe extends up to the current ground surface. Unfortunately there is a bridge, comprised of cobbles and boulders, in the borehole at a depth of approximately 22 feet below the ground surface so any other investigation of the condition of the wellbore can not be made until the hole is cleaned out. Staff is currently contacting drilling contractors to determine rig availability and costs to conduct this work. In addition, staff is evaluating options for remediation of gas in the shallow bedrock, water wells, and gravel terrace.

Staff has notified Colorado Department of Transportation - Region 5, and has provided them with copies of the soil gas surveys. These surveys delineate the portions of the Highway 550 right-of-way which have high concentrations of methane in the soils.

◆ Coalbed Methane ("CBM") Stream Depletion Assessment Study

In October 2005, work performed on the San Juan Basin CBM produced water stream depletion study included the collection of electronic CBM well construction data, gas and water production data, and well pressure data. Production data assembled during the 3M modeling work conducted in 1999 was also obtained and appended to the COGCC dataset. A third party CBM production dataset, provided by COGCC, was compared to the working dataset assembled by SSP&A. After resolving differences between the datasets, SSP&A began the process of determining Fruitland Formation aquifer parameters for use in the Glover analysis. A public presentation providing information about the CBM stream depletion study was presented by representatives of DWR, COGCC, CGS, and SSP&A in Durango on October 24, 2005. A question and answer period held at the conclusion of the presentation allowed the project team an opportunity to collect feedback from the public about their concerns with the study and with various environmental issues relating to CBM production in the basin. Finally, preparation of the project report has been initiated and CGS has provided their draft figures and text to SSP&A for inclusion.

Gas and Oil Regulatory Team (GORT) Meeting

The next GORT meeting is scheduled for March 9, 2006, at 8:30 a.m. at the La Plata County Fairgrounds.

IV. SOUTHEAST COLORADO

Raton Basin

Red River Ranch (RRR) Holdings, LLC, located in the western part of Las Animas County has begun development of infrastructure to support drilling and production of up to 29 CBM wells. Gas gathering, water gathering and access structures are currently under construction and RRR anticipates the first phase of drilling to start in December 2005.

Land owners in the Raton Basin remain concerned about the affect of CBM development on water availability and quality in private water wells. The COGCC collected baseline water samples from five water wells and had production tests run on four of the wells. A produced water pit was also sampled to determine the quality of the water. This was done in response to a landowner's concern that the produced water might impact a spring on his property. This

spring provides water to several residential structures and is the headwaters to the stream in Reilly Canyon.

Brandon Field

In response to a complaint from a landowner in Kiowa County concerning conditions in the Brandon Field, thirty eight (38) site inspections were conducted that focused on environmental and reclamation issues. The inspections identified two (2) sites that had been impacted by releases of petroleum hydrocarbons and or produced water and that have not been properly re-vegetated. In addition to these 38 inspections, the Dawson A-1 tank Battery, where a release occurred on October 15, 2005, was inspected twice to ensure remedial measures are being conducted in a timely and effective manner. Overall site conditions in the Brandon Field are good. The primary issues of environmental concern are poorly maintained berms and some general housekeeping issues, such as weeds and unused equipment at tank battery facilities. An unreclaimed drill pit at an abandoned well site was also identified and will be properly reclaimed by the operator.

V. ORGANIZATION

Staff Organization

Our current organizational chart is attached.

The new position of field inspector for the Rifle area is still open. We contacted six applicants concerning this job and interviewed four of them. All applicants declined the position based on either location or salary. We are currently preparing to advertise this job again in other parts of the state to seek additional candidates for this position. This opening was originally advertised in only the Rifle – Grand Junction area.

VI. <u>PLANNING/ADMINISTRATION/OTHER</u>

Public Outreach Opportunities

Bob Chesson provided a presentation on oil and gas development and the COGCC regulations as part of the Oil and Gas Civic Forum at the Montrose County Public Lands Partnership November 17, 2005 meeting held at the Montrose Pavilion in Montrose, Colorado.

Brian Macke provided a presentation on oil and gas development in Colorado and COGCC regulation to the Plateau Valley Association in Collbran on November 9, 2005. Collbran is located on the Grand Mesa in Mesa County near increasing natural gas development. Other presenters included representatives of Western Colorado Congress, EnCana Oil and Gas, and a local landowner. There were approximately 50 people in attendance, including Mesa County Commissioner Craig Meis.

Brian Macke provided a presentation on oil and gas development in Colorado and an update on recent COGCC activities to a meeting of Occidental Oil Corporation regulatory and government affairs representatives from around the country on November 14, 2005.

COGCC FY 06-07 Budget "Change Requests"

Earlier this year, the Department of Natural Resources (DNR) provided a prioritized list of FY 06-07 budget requests for the various DNR agencies to the Colorado Office of State Planning and Budgeting ("OSPB") for their review. The OSPB has reviewed and approved the DNR FY 06-07 budget requests and has passed them along to the Legislative Joint Budget Committee for its consideration.

The COGCC budget "Change Requests" for FY 06-07 include the following:

"Adjusting To A Changing Colorado - \$848,689 cash funds and 9.0 FTE (Department #2 Priority)

This request is an expression of a comprehensive long-term vision to bring the COGCC staff resources to a level that can adequately meet the challenges of regulating an oil and natural gas industry that has vigorously grown over the last several years and is expected to continue strong growth into the foreseeable future. For over ten years the agency has been reluctant to grow staffing levels, focusing instead on improving efficiency. The COGCC has managed an increasing workload by streamlining business processes, revising reporting requirements, conducting document imaging and indexing projects, and making other information system advancements. These efficiency gains have kept staff growth at bay even as the workload continued to grow at a rapid pace. The agency has reached the point, however, that these incremental improvements are not enough to meet the growing needs of the public and industry without a significant infusion of staff.

This change request is for \$848,689 to fund nine additional full-time employees and one contractor to address the continued high levels of oil and gas development activity in the State. In order to meet this increased demand on the COGCC, funding is requested for the following positions, listed in priority order:

- 1.0 FTE Legal Assistant I Hearings Assistant
- 1.0 FTE Engineering/Physical Science Technician II Engineering/Environmental Technician
- 1.0 FTE Engineering/Physical Science Technician II Well Permit Technician
- 1.0 FTE Environmental Protection Specialist II Northwest Area Environmental Protection Specialist
- 1.0 FTE Engineer-in-Training II Northwest Area Field Inspector
- 1.0 FTE Engineer-in-Training II Central Area Field Inspector
- 1.0 FTE Environmental Protection Specialist II Southwest Area Environmental Protection Specialist
- 1.0 FTE General Professional VI Enforcement Officer
- 1.0 FTE Professional Engineer II Supervising Engineer
- 1.0 Application Programmer Contract Position (2000 hours)

Funding for this change request is as follows: \$498,678 is requested from the Operational Account of the Severance Tax Trust Fund and \$350,011 is from the Oil and Gas Conservation and Environmental Response Fund (Fund 170), of which \$5,936 would be appropriated to the

Executive Director's Office for four vehicle leases. Funding for all COGCC's potted items comes from Fund 170.

<u>Phase II Raton Basin Gas Seep Investigation, Las Animas and Huerfano Counties - \$188,625 cash funds (Department #10 Priority)</u>

This change request is for \$188,625 to fund a second phase of gas seep mapping in the Raton Basin over the two year period FY 2006-07 through FY 2007-08. The results of the proposed study will be compared to the results from the FY 2000-01 and FY 2001-02 baseline seep mapping to determine whether changes in location, aerial extent, and/or volume of gas seepage are occurring.

The study will include the following activities and associated estimated costs:

Ground survey to locate methane seeps using an

infrared spectrometer (IRS) instrument: \$94,050

Detailed mapping of identified seep areas with

potential to impact public health safety and welfare: \$56,250

Analysis of seeping gas: \$17,075

Water well sampling: \$21,250

Grand Total: \$188,625

Funding for this change request is from the Oil and Gas Conservation and Environmental Response Fund (Fund 170).

<u>Increase Appropriation for the Environmental Assistance Projects Line - \$202,000 (Department #21 Priority)</u>

This request is for an increase of \$202,000 to the annual appropriation for the Environmental Assistance Projects of the COGCC. The current appropriation for this Long Bill line item is \$255,000, with \$180,000 of that amount used for ongoing environmental projects and complaint responses and \$75,000 reserved for response to, and investigation and short-term mitigation of environmental emergencies. The requested funding increase of \$202,000 would be split between these two categories, with \$70,000 added to the funding for environmental projects and complaint response, and \$132,000 added to the funding for emergency response. This would result in a total line item amount of \$457,000, with \$250,000 allocated for environmental projects and complaint response and \$207,000 for emergency response.

The COGCC's annual appropriation for Environmental Assistance has not increased in eight years, except for the additional \$75,000 of funding in FY 2005-06, which is earmarked for emergency response. Over this time there have been substantial cost increases for travel, laboratory analyses, and third-party contractors. It is anticipated that the current trend of needing more than \$180,000 per year for responding to landowner complaints and concerns in addition to documenting existing and baseline conditions is going to continue. The \$75,000 in emergency funding is also projected to be inadequate.

These COGCC budget change requests were also presented to the Colorado Minerals, Energy and Geology Policy Advisory (the "MEGA") Board earlier this year, who voted to recommend to the DNR Executive Director that they be forwarded to the Office of State Planning and Budgeting.

The COGCC participated with the other DNR agencies in providing presentations to the Legislative Joint Budget Committee ("JBC") on November 29, 2005 regarding the FY 06-07 budget requests as well as other issues facing the agency.

2005 Outstanding Oil and Gas Operations Awards

We would like to encourage all parties to begin to submit nominations for the ten-year anniversary COGCC 2005 Outstanding Operations Awards, which will be presented in the summer of 2006. These nominations should be for oil and gas operations that occurred during calendar year 2005. The nomination form for the awards is available on the COGCC web site http://oil-gas.state.co.us/Library/OperationsAwardsForm 2005.pdf.

◆ <u>Stormwater Regulations for Oil and Gas Construction Activities</u>

The COGCC environmental staff continues to work with the CDPHE-WQCD staff in support of their proposed revisions to the Colorado Discharge Permit System Regulations, Regulation #61 (5 CCR 1002-61) for construction activities at oil and gas sites that disturb one acre and less than five acres or less. The proposed revisions will be considered by the Water Quality Control Commission (WQCC) at their January 9, 2006 hearing. COGCC has been involved in the pre-hearing process, but did not seek party status. COGCC environmental staff assisted in the development of WQCD's Proponent Statement through review and comment on the following documents:

- Pre-hearing Summary
- Pre-hearing Testimony
- Attorney General's Legal Analysis
- Oil and Gas Site Observations
- Comparison of COGCC Rules and WQCD Requirements

The remaining steps in the process include:

- December 6: Responsive pre-hearing statements to be submitted.
- December 14: Pre-hearing Conference.
- December 28: Written rebuttals.
- January 9, 2006: Hearing

If the proposed modifications are accepted by WQCC at the January 9, 2006 hearing, then COGCC and WQCD will develop a Memorandum of Agreement outlining the implementation and enforcement process.

The Colorado Oil and Gas Association ("COGA") has submitted a Notice of Rule Making to revise COGCC Rule 1002.e. to include additional language concerning stormwater management. COGA's proposed revisions add gathering lines to facilities covered in Rule

1002. e. and include a statement that "Best Management Practices (BMP) to minimize erosion and offset sedimentation by controlling stormwater runoff be implemented". The proposed revisions include a list of standard construction BMPs. The proposed revisions will be heard at the December 6, 2005 COGCC hearing.

If both or either the revisions to Rule 1002.e. as proposed by COGA or to the state stormwater regulations as proposed by WQCD are adopted, then additional training of COGCC operations staff will be required. This training will ensure that COGCC staff are qualified to identify stormwater construction impacts and the most practical and effective BMPs.

Onsite Inspection Policy

Under the recently adopted Policy For Onsite Inspections On Lands Where The Surface Owner Did Not Execute a Lease Or Is Not A Party To A Surface Use Agreement, which was effective for Applications for Permits-to-Drill ("APD") submitted after February 15, 2005, the COGCC has received to date a total of thirty (30) requests for onsite inspections. Fourteen (14) requests were withdrawn, seven (7) onsite inspections have been conducted, and nine (9) 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.

January 2006 Hearing Docket

A preliminary docket for the January 2006 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 by clicking on the Applicant and the Docket Number, respectively.

To sign up for e-mail notification of hearing notices and applications please see the announcement and instructions on our main web page.

COGCC Forms Changes

To meet the requirements of the new Survey Rules and other requested changes, the Application for Permit-to-Drill, Form 2, the Sundry Notice, Form 4, the Drilling Completion Report, Form 5, the Completed Interval Report, Form 5A, and the Well Abandonment Report, Form 6, have been modified. The new versions of the forms are available as Adobe™ PDF files and Excel spreadsheets, and can be downloaded from the COGCC website (http://www.oil-gas.state.co.us) on the "Forms" page. Forms will be mailed upon request by calling (303) 894-2100 extension 100.

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 to the Commission's orders. The search by location is still under construction as we create the map layer for all spacing orders.

o 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. Eventually, online forms will be available here, but the exact time frame is unknown.

Staff Report

Current and previous staff reports, with attachments, are viewable here.

Permits

This application shows the last 12 months of approved permits and current pending permits; it may be filtered by county.

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.

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 users 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 ("GPS") data.
- The GIS Administrator creates daily updates for the Internet map data downloads.

COGIS Tools

 This set of applications allows 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

New Survey Rules Implementation Project

The forms used by operators to submit information on location of wells and completion reports have been modified to accept latitude and longitude data. The form processor applications and database tables have been updated to handle these changes to the forms. The online maps and GIS download files have been updated to switch the datum used to NAD 1983.

Hearing and Environmental File Indexing Project

Indexing of the hearing files has been completed and the files have been archived. The indexing of the environmental files continues. The reclamation project files have been scanned and indexed. The spill and complaint reports are 100% completed and the pit data is 70% complete.

LAS File Upload

This project provides operators with a technique to submit digital well logs to the COGCC over the Internet. The application is available from the "Forms" page on COGCC web site http://www.oil-gas.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 digital logs are starting to show up on the web; the type of file precedes the log type in the document name. In addition to LAS files, there are PDS and PDF files which provide an easy-to-view graphical representation of the logs; these graphical files do not eliminate the LAS file requirement.

Delinquent Operations Report

The 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.

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. COGCC will start working to establish a format for electronic submission of directional survey data. Included in this process, COGCC will be surveying the logging companies with proposed formats for their review. Once a format is established, an application will be created to submit 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.

Spacing Orders Project

The spacing orders are being evaluated and posted on the maps, with over seventy-five percent (75%) 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 once additional funding is approved.

US Standard XML Reporting Project

COGCC, GWPC, BLM, MMS, API and agencies from several other states have been working together to establish an XML file format for permitting wells and reporting well completions. The group has completed a business case for this project and a DOE grant request has been submitted to fund the development. A similar project is currently being tested in California with a prototype standard, and is in the review process prior to becoming part of the national standard.

Reports Online Project

This project has been delayed due to security configuration issues related to server access, most of which have now been resolved. The remaining issues are with communications between applications used to deliver the reports.

VII. VARIANCES

The following Williams Production RMT Company wells were granted a Rule 502.b. variance on November 1, 2005. These wells were drilled in technical violation of applicable setbacks and the affected parties have all accepted settlements.

GM 269-3 Well	SE1/4 NE1/4	Section 3,	Township 7 South, Range 96 West, 6 th P.M.
GR 32-34 Well	SW1/4 NE1/4	Section 34,	Township 6 South, Range 96 West, 6 th P.M.
RMV 132-18 Well	NE1/4 SE1/4	Section 18,	Township 6 South, Range 94 West, 6 th P.M.
RWF 334-28 Well	SW1/4 SE1/4	Section 28,	Township 6 South, Range 94 West, 6 th P.M.
RMV 223-22 Well	SE1/4 SW1/4	Section 22,	Township 6 South, Range 94 West, 6 th P.M.
RMV 209-20 Well	SE¼ SW¼	Section 20,	Township 6 South, Range 94 West, 6th P.M.
RWF 334-22 Well	SW1/4 SE1/4	Section 22,	Township 6 South, Range 94 West, 6th P.M.
RMW 138-21 Well	SW1/4 NE1/4	Section 21,	Township 6 South, Range 94 West, 6 th P.M.

Colorado Oil Gas Conservation Commission Monthly Statistics

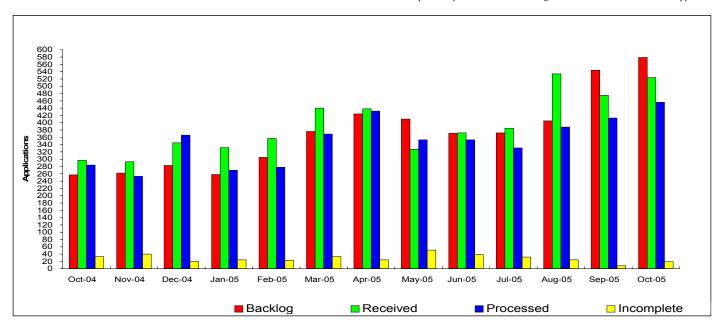
March Marc			Pokor				200	ife					Inoditod				W/ell
TOTAL APMA RAPIC APMA APMA <td>YEAR</td> <td></td> <td>Hughes</td> <td>Drill</td> <td>ing</td> <td>Recomp</td> <td>letion</td> <td></td> <td>lion</td> <td>Pit</td> <td>s</td> <td>Active</td> <td>Historic</td> <td>۵</td> <td>ublic Visit</td> <td>S</td> <td>Oper</td>	YEAR		Hughes	Drill	ing	Recomp	letion		lion	Pit	s	Active	Historic	۵	ublic Visit	S	Oper
Total CONS CONS TOTAL T			rig count	Apvd	Rcvd	Apvd	Rcvd	Apvd	Rcvd	Apvd	Rcvd	Wells	Records	Data	Office	Internet	Change
JAM 31 11 2 3 15 23693 82 88 16623 MAR 32 145 163 21 18 11 2 3 15 23418 62 77 1902 MAR 35 167 180 163 21 4 1 2 16 9 2418 65 7 1802 7 1802 7 1802 7 1802 7 1802 7 1802 7 1802 1802 7 1802 1802 7 1802<	2002	Total		2008	2051	174	177	30	22	252	229			718	874	175690	4555
FFE 3.2 118 6.6 7.1 118.0 6.7 1.1 </td <td>2003</td> <td>JAN</td> <td>31</td> <td>177</td> <td>183</td> <td>8</td> <td>11</td> <td>2</td> <td>2</td> <td>3</td> <td>15</td> <td>23963</td> <td></td> <td>82</td> <td>88</td> <td>16623</td> <td>506</td>	2003	JAN	31	177	183	8	11	2	2	3	15	23963		82	88	16623	506
MARY 30 175 184 4 1 2 15 2 24452 61 51 55 1892 MAY 35 176 184 18 1 23 2 24453 61 55 68 153 153079 JUN 37 184 186 12 2 2 2 24458 56 68 22007 2		FEB	32	158	163	21	18	-	0	-	က	24118		62	77	19140	191
APP 35 172 173 173 174 7 2 7 5 245 65 65 65 21679 MAY 37 1184 196 14 40 0 0 22 21 24489 65 65 2083 JUL 40 24 40 0 2 2 24489 65 65 2083 SEC 48 209 188 26 32 2 24866 55 6 4 180 20 2 17 24896 40 20 2 2 2 2 4 20 6 10 2 2 2 2 2 4 20 6 10 2 2 2 2 2 4 20 2 2 2 2 2 4 20 6 10 2 2 2 2 2 2 2 2 <td< td=""><td></td><td>MAR</td><td>30</td><td>167</td><td>180</td><td>5</td><td>4</td><td>-</td><td>2</td><td>15</td><td>6</td><td>24212</td><td></td><td>51</td><td>52</td><td>18922</td><td>177</td></td<>		MAR	30	167	180	5	4	-	2	15	6	24212		51	52	18922	177
MAY 37 184 189 18 23 5 0 29 132 24445 55 65 <t< td=""><td></td><td>APR</td><td>35</td><td>172</td><td>179</td><td>4</td><td>7</td><td>2</td><td>7</td><td>2</td><td>24</td><td>24363</td><td></td><td>63</td><td>123</td><td>21679</td><td>198</td></t<>		APR	35	172	179	4	7	2	7	2	24	24363		63	123	21679	198
JUN 37 170 190 24 40 0 32 21 2489 50 50 26 2083 JUL 430 120 20 26 21 2465 50 48 220 48 220 485 50 24608 50 48 220 48 20 440 41 30 22178 400 50 24608 50 44 41 30 22178 40 400 50 20 2400 41 41 30 2400 41 41 30 2400 41 41 30 2400 41 41 30 2400 41 41 30 2400 41 41 30 2400 40 20		MAY	37	184	198	18	23	2	0	29	132	24445		52	66	22307	477
UUL 400 201 20 28 21 0 4 106 416 416 416 416 416 416 416 416 416 416 416 416 416 411 31 22786 418 2278 418 228 418 228 418 228 418 228 418 226 426 418 419 411 41 418 426 418 419 411 41 428		NOC	37	170	190	24	40	0	0	32	21	24489		69	65	20883	339
AUG 43 166 266 9 12 0 2 32 24665 65 34 1790 SEP 48 208 168 26 32 2 2 2 44 38 27961 NOV 44 142 224 226 32 2 2 5 44 14 38 27961 NOV 44 142 224 226 32 2 2 5 24911 41 38 27961 NOV 44 142 224 142 12 17 16 1 15 24911 41 36 27 2502 37 2602 37 2602 37 48 37 3602 37 48 37 48 37 3602 37 48 37 3602 37 48 37 48 37 48 37 48 37 37 48 37		JUL	40	201	200	28	21	0	4	136	17	24589		50	48	22779	417
SEP 446 209 188 26 32 2 13 3466 41 31 22718 NOCY 44 142 224 228 28 13 2491 38 29413 NOCY 44 142 224 128 28 13 2491 41 38 29413 NOCY 44 142 204 18 27 17 1 2 2692 381 2892 381 2892 381 2892 381 2892 381 2892 381 2892 381 2892 381 2892 381 2892 381 2892 381		AUG	43	166	226	တ	12	0	2	2	32	24655		53	43	17900	245
OCT 46 244 228 38 2 5 5 4991 41 38 29413 NOV 44 142 228 28 31 2604 4 4 11 1 6 13 2604 36 2765 2769 NOV 44 259 183 229 18 22 36 381 2604 34 36 2769 JAN 45 200 240 12 10 1 36 2568 37 49 31296 36 2641 37 49 31296 36 2641 36 2641 36 2641 36 2666 37 41 36 31366 36 31366 36 31366 36 31366 36 31366 36 36 36 36 36 36 36 36 36 36 36 36 36 36 36 36 36		SEP	48	209	188	56	32	2	2	13	30	24808		41	31	22718	234
NOV 44 142 204 4 11 1 0 6 13 2491 22 34 27961 DEC 44 259 183 27 1 2 11 1 2 240 259 183 27 1 2 36 36 2786 36 2786 36 2786 37 49 31292 37 49 31292 37 49 31292 38 2786 37 49 31292 38 2786 38 2786 37 49 31292 38 2786 38 31292 38 31292 38 31292 38 31292 38 31292 38 31292 38 31292 38 31292 38 31292 38 31292 38 31292 38 31292 38 31292 38 31292 38 31292 38 31292 31292 31292 31292 31292		OCT	46	244	228	28	33	2	2	5	54	24901		41	38	29413	389
DEC 44 259 163 27 17 2 11 115 31 25042 34 50 21635 31 ANA 456 2206 2302 220 220 12 12 3643 37 361 37 361 36 31736		NOV	44	142	204	4	Ξ	-	0	9	13	24911		22	38	27961	208
Total 45 2249 2229 18 22 361 610 755 261956 36 JAN 45 200 244 12 10 0 1 36 7 25283 37 49 31236 MAR 50 206 217 12 10 0 1 36 256 37 49 31236 MAR 50 224 104 10 6 2 3 2 566 56 31928 MAY 52 106 240 9 17 1 2 4 2556 56 3241 3 3241 MAY 52 106 2 3 4 26017 4 4 3254 4 32414 MAY 52 206 24 3 4 26017 4 4 4 2656 36417 4 32547 4 32547 4 4 <td>_</td> <td>DEC</td> <td>44</td> <td>259</td> <td>183</td> <td>27</td> <td>17</td> <td>2</td> <td>-</td> <td>115</td> <td>31</td> <td>25042</td> <td></td> <td>34</td> <td>50</td> <td>21631</td> <td>256</td>	_	DEC	44	259	183	27	17	2	-	115	31	25042		34	50	21631	256
JAN 45 200 240 12 10 0 1 36 7 25283 37 49 31236 FEB 46 206 217 7 13 4 1 25423 37 49 31236 APR 51 256 24 36 2666 6 6 2 34 36 2566 58 64 32241 MAY 52 196 240 10 8 6 2 34 36 2566 58 64 32241 MAY 52 196 24 6 4 2607 4 36 3266 38 4 36 3666 38 4 4 4 2607 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4 4 2607 4 4 2607 4 4 2607	-	Total		2249	2322	202	229	18	22	362	381			610	755	261956	3637
FEB 46 206 217 7 13 4 1 1 25423 44 30 31292 MAR 50 243 302 8 25 2 3 2566 58 68 303 302 30 302 30 302 30 4 4 17 25732 41 50 32931 303	2004	JAN	45	200	240	12	10	0	-	36	7	25283		37	49	31236	378
MAP 50 243 302 8 25 3 2 9 25561 51 70 32931 APP 51 224 194 10 8 6 2 34 36 2566 58 64 32241 MAV 51 254 194 10 8 6 2 34 36 2566 58 64 32241 JUL 52 206 236 6 6 0 3 7 4 26017 40 41 32233 JUL 52 26 14 19 0 1 4 26017 40 41 40 42 3033 SEP 29 16 17 6 4 26 26 6 4 4 26017 40 41 3033 AUG 60 20 1 4 6 4 26017 40 41 40		FEB	46	206	217	7	13	4	-	-	_	25423		44	30	31292	239
APP 51 254 194 10 8 6 2 34 36 2566 58 64 32241 MAY 52 196 240 9 17 25732 4 25732 41 56 31938 JUN 52 196 240 9 17 25732 41 56 31938 JUN 52 268 286 18 13 4 26017 40 41 56 3223 32 36 36 37 36 36 37 36 36 37 36		MAR	50	243	302	∞	25	2	3	2	6	25561		51	70	32931	358
MAY 52 196 240 9 17 1 2 4 15 2532 4 5532 4 2573 4 2573 4 25870 38 46 32273 JUN 51 258 228 18 13 4 26877 38 46 32273 JUL 52 208 228 14 19 0 3 4 26017 4 3893 46 32273 SEP 258 258 28 14 19 0 4 36017 40 61 38247 1 SEP 258 286 18 16 17 6 4 33 47 26421 40 61 38247 1 OCT 59 286 16 17 6 4 33 47 26421 40 61 38247 1 DOCT 59 286 18 1 <td></td> <td>APR</td> <td>51</td> <td>254</td> <td>194</td> <td>10</td> <td>8</td> <td>9</td> <td>2</td> <td>34</td> <td>36</td> <td>25666</td> <td></td> <td>28</td> <td>64</td> <td></td> <td>214</td>		APR	51	254	194	10	8	9	2	34	36	25666		28	64		214
JUN 51 258 228 18 13 3 4 6 4 25870 38 46 3273 JUL 52 208 228 14 15 6 6 0 3 7 4 26010 33 40 433 40 26108 33 36080 SEQ 228 286 16 17 6 4 33 4 26610 40 43 36080 OCT 59 268 281 16 16 1 54 29 26657 65 31 42089 OCT 59 286 281 16 16 2 1 54 26 26657 66 30 44 33 46089 31 42089 OCT 59 286 11 9 1 42 2686 66 30 4448 33 4448 OCT 59 286 <td>_</td> <td>MAY</td> <td>52</td> <td>196</td> <td>240</td> <td>တ</td> <td>17</td> <td>-</td> <td>7</td> <td>4</td> <td>17</td> <td>25732</td> <td></td> <td>41</td> <td>56</td> <td></td> <td>252</td>	_	MAY	52	196	240	တ	17	-	7	4	17	25732		41	56		252
JUL 52 208 236 6 6 9 3 7 4 26017 40 43 30939 AUG 60 236 268 14 19 0 1 8 42 26108 33 39 3600 SEP 59 268 16 17 6 4 33 47 26421 60 61 38 3600 OCT 59 268 284 11 16 16 2 4 26968 43 42069 30 42438 NOCT 64 348 335 18 11 0 42 19 26968 43 42069 30 42438 DEC 64 348 335 18 11 0 42 29 26688 43 30 41488 DEC 64 36 16 25 22 242 29 60 41 4269	-	NOS	51	258		18	13	က	4	9	4	25870		38	46	32273	249
AUG 60 236 26e 14 19 0 1 8 42 26108 33 39 35060 SEP 59 268 296 16 17 6 4 33 47 26421 40 61 38247 1 OCT 59 268 286 16 17 6 4 33 47 26421 40 61 38247 1 NOV 61 242 284 11 9 16 2 1 54 268 665 31 42069 NOV 61 242 284 11 9 15 4 266 34 267 36 44 367 36 4448 36 JAN 65 263 263 26 26 24 27262 36 464 471 47148 HEB 70 33 27 27 27262 36 <td></td> <td>JUL</td> <td>52</td> <td>208</td> <td></td> <td>9</td> <td>9</td> <td>0</td> <td>က</td> <td>7</td> <td>4</td> <td>26017</td> <td></td> <td>40</td> <td>43</td> <td></td> <td>278</td>		JUL	52	208		9	9	0	က	7	4	26017		40	43		278
SEP 59 258 295 16 17 6 4 33 47 26421 40 61 38247 1 OCT 59 268 281 16 16 16 2 1 54 29 26657 65 31 42069 NOV 61 242 284 11 9 1 6 42 19 26657 65 31 42069 DEC 64 348 335 18 11 0 15 4 26968 65 31 42069 DEC 64 348 335 18 11 0 15 26 278 0 65 30 41448 20 41448 20 41448 20 41448 20 41448 20 41448 20 41448 20 41448 20 41448 20 41448 20 41448 20 41448 20 414	-	AUG	09	236		14	19	0	-	ω.	42	26108		33	39	35060	363
OCT 59 268 281 16 16 2 1 54 29 26657 65 31 42069 NOV 61 242 284 11 9 1 42 19 26819 60 30 42433 NOV 61 242 284 11 9 1 4 26968 60 30 42433 DEC 64 348 335 16 25 22 242 219 60 4 44448 Total 65 263 296 7 36 2 242 219 7 27262 0 60 41 49839 2 JAN 65 26 27 242 27 27262 0 41 49839 2 APR 73 333 413 41 41 41 41 41 41 41 41 41 41 41 41 <td></td> <td>SEP</td> <td>59</td> <td>258</td> <td></td> <td>16</td> <td>17</td> <td>9</td> <td>4</td> <td>33</td> <td>47</td> <td>26421</td> <td></td> <td>40</td> <td>61</td> <td>38247</td> <td>1919</td>		SEP	59	258		16	17	9	4	33	47	26421		40	61	38247	1919
NOV 61 242 284 11 9 1 0 42 19 26819 60 30 42433 DEC 64 348 335 18 11 0 15 4 26968 60 30 42433 DEC 64 348 335 18 11 0 15 4 26968 43 30 41448 Total 25 263 296 7 360 4 43839 2 JAN 65 263 296 7 360 6 41 49839 2 APR 70 249 34 29 14 1 1 1 1 1 44 44 41 49839 2 APR 73 336 413 33 27 2 2 2 27262 0 60 44 71 4148 MAY 46 321		OCT	59	268			16	2	-	24	53	26657		65	31		498
DEC 64 348 335 18 11 0 15 4 26968 43 30 41448 Total 2017 3120 145 164 25 22 242 219 60 41 49839 2 JAN 65 263 296 7 36 0 2 8 7 27262 0 60 41 49839 2 FEB 70 249 343 296 7 37262 0 60 41 49839 2 FEB 70 249 343 296 14 1 1 1 1 44 71 51277 56 MAP 69 418 413 14 25 1 27 27223 0 44 71 51277 7 APR 69 340 321 18 0 2 25 325 27853 0 44		۸ کو	61	242			တ	-	0	42	19	26819		09	30		327
Total 65 2917 3120 145 164 25 242 219 7 27262 60 550 549 423127 55 JAN 65 263 263 296 7 36 0 6 7 27262 0 60 41 49839 2 FEB 70 249 343 29 14 1 1 1 1 44 71 49839 2 MAP 69 418 413 14 25 1 1 24 27 27263 0 44 71 51277 APR 69 418 413 14 25 1 24 27 27263 0 46 43 52806 1 1 1 24 27 27263 0 66 43 62906 2 28032 0 44 71 51072 1 1 1 1 1		DEC	64	348		18	=	0	0	15	4	26968		43	30		731
JAN 65 263 296 7 36 0 2 8 7 27262 0 60 41 49839 22 FEB 70 249 343 29 14 1 1 1 10 27427 0 44 71 51277 MAR 73 336 413 33 27 2 32 2753 0 59 34 60298 APR 69 418 413 14 25 1 24 27 27723 0 58 52006 2 MAY 65 340 321 13 8 0 2 27 27723 0 46 43 5881 5 52006 2 5 25 52006 43 5681 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5 5		Total		2917	3120	145	164	25	22	242	219			550	549	423127	5806
FEB 70 249 343 29 14 1 17 10 27427 0 44 71 51277 MAR 73 336 413 33 27 2 3 36 26 27595 0 59 34 60298 APR 69 418 413 14 25 1 1 24 27 27723 0 58 56 52606 MAY 65 340 321 13 8 0 2 25 32 27853 0 46 43 58811 JUN 69 312 363 19 23 25 27853 0 58 62 28032 0 46 43 58811 JUN 69 27 27 27853 0 58 5 25 75 28364 0 67 50 68526 SEP 78 48 1	2002	JAN	9			7	36	0	2	8	7	27262			41	49839	2346
MAR 73 336 413 33 27 2 3 36 26 27595 0 59 34 60298 APR 69 418 413 14 25 1 1 24 27 27723 0 58 56 52606 MAY 65 340 321 13 8 0 2 25 32 27853 0 46 43 5881 JUL 69 312 363 19 22 3 58 62 28032 0 58 33 51402 JUL 69 312 36 27 5 28164 0 5		FEB	20				14	-	-	17	10	27427			71		378
APR 69 418 413 14 25 1 1 24 27 27723 0 58 56 52606 MAY 65 340 321 13 8 0 2 25 32 27853 0 46 43 5881 JUN 69 312 363 19 23 2 39 30 28164 0 58 33 51402 AUG 75 377 504 9 2 3 58164 0 50 33 59322 SEP 75 28364 0 67 50 68526 50 <td< td=""><td></td><td>MAR</td><td>73</td><td></td><td></td><td></td><td>27</td><td>2</td><td>က</td><td>36</td><td>56</td><td>27595</td><td></td><td></td><td>34</td><td></td><td>429</td></td<>		MAR	73				27	2	က	36	56	27595			34		429
MAY 65 340 321 13 8 0 2 25 32 27853 0 46 43 5881 JUN 69 340 360 13 9 2 3 58 62 28032 0 58 33 51402 JUL 69 312 363 19 23 2 3 30 28164 0 50 33 51402 AUG 75 377 504 9 27 5 25 75 28364 0 67 50 68526 SEP 78 389 460 24 16 1 1 99 60 28631 0 67 48 71123 OCT 86 437 505 19 0 26 67 28720 0 51 47 74016 Total 3461 3978 180 20 20 20 20		APR	69		413		52	-	-	24	27	27723			26		396
JUN 69 340 360 13 9 2 3 58 62 28032 0 58 33 51402 JUL 69 312 363 19 23 2 3 39 30 28164 0 50 33 59322 AUG 75 377 504 9 27 5 25 75 28364 0 67 50 68526 SEP 78 389 460 24 16 1 1 99 60 28631 0 67 48 71123 OCT 86 437 505 19 19 60 28631 0 51 47 74016 Total 3461 3978 180 204 14 21 357 396 550 456 597290 66		MAY	65		321	13	8	0	2	52	32	27853			43		300
JUL 69 312 363 19 23 3 39 30 28164 0 50 33 59322 AUG 75 377 504 9 27 5 5 5 75 28364 0 67 50 68526 SEP 78 389 460 24 16 1 1 99 60 28631 0 57 48 71123 OCT 86 437 505 19 19 0 26 67 28720 0 51 47 74016 Total 3461 3978 180 204 14 21 357 396 550 456 597290 60		NDS	69	.	360		တ	2	က	28	62	28032			33		397
AUG 75 377 504 9 27 5 5 25 75 28364 0 67 50 68526 SEP 78 389 460 24 16 1 1 99 60 28631 0 57 48 71123 OCT 86 437 505 19 19 0 26 67 28720 0 51 47 74016 Total 3461 3978 180 204 14 21 357 396 550 456 597290 60		JUL	69		363		23	7	က	33	တ္တ	28164			33		329
SEP 78 389 460 24 16 1 1 99 60 28631 0 57 48 71123 OCT 86 437 505 19 19 0 26 67 28720 0 51 47 74016 Total 3461 3978 180 204 14 21 357 396 550 456 597290 60		AUG	75		504		27	2	5	25	75	28364			20		655
OCT 86 437 505 19 19 0 26 67 28720 0 51 47 74016 Total 3461 3978 180 204 14 21 357 396 550 456 597290 60		SEP	78		460		16	-	-	66	00	28631			48		496
Total 3461 3978 180 204 14 21 357 396 550 456 597290	-	OCT	98		505		13	0	0	26	29	28720			47	74016	263
	2005	Total		3461	3978	180	204	14	21	357	396			550	456	597290	6019

Colorado Oil Gas Conservation Commission Monthly Statistics

YEAR MO Operators 2002 Total 63 97 2003 JAN 8 6 8 EEB 10 7 MARB 6 8 4 APR 6 4 4 APR 6 7 6 JUN 3 6 7 SEP 8 12 OCT 10 7 NOV 5 10 FEB 5 4 MAR 5 10 RAPR 5 4 MAY 12 8 APR 5 4 MAR 7 8 MAY 12 3 JUN 13 6 JUN 13 6 JUN 13 6	Hele (10 10 10 10 10 10 10 10 10 10 10 10 10 1	予 ® 6 0 4 1 0 8 0 1 − 0 1 8 0 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	Replace II	Claim 2 Bli 0 0 0	포	⊣ ≿ ⊢ ⊢	<u>~</u>	Vio	⊣ ທ⊟	OFV.	Cmplt	Spills	K -=	ects Comp	Field
Total 63 97 10 12 10 10 10 10 10 10 10 10 10 10 10 10 10	8 2 2 8 8 2 2 8 8 8 8 8 8 8 8 8 8 8 8 8	世 0001000000000000000000000000000000000			본드	; ———	ъ,	JOAV		OFV	Cmplt	Spills		Comp	5
Total 63 8 10 8 8 10 8 8 10 8 8 10 8 10 8 10 8 10 8 8 10 10	8 8 8 8 8 8 8 8 8 8 8 8 8 8 8 8 8 8 8 8		98 13 10 10 10 10 10 10 10 10 10 10 10 10 10	000		63	ľ	000		1			г		dsu
JAN 8 FEB 10 MARR 6 APR 6 MAY 5 JUN 5 AUG 6 SEP 8 OCT 10 NOV 5 DEC 9 Total 81 JAN 5 FEB 5 MAR 7 MAPR 7 JUN 13 JUN 8		8 4 1 2 8 8 7 1 0 7 8 0 1	2 1 1 1 1 1 2 1 2 1 2 1 2 1 2 1 2 1 2 1	0 0			25	780	2	21	176	206	an	58	6499
FEB 10 MARR 6 APR 6 MAY 3 JUN 3 JUL 5 AUG 6 SEP 8 OCT 10 NOV 5 DEC 9 Total 81 JAN 5 FEB 5 MAR 7 MAY 12 JUN 13 JUL 8		2 4 1 2 8 2 1 0 7 8 0 1	01	0		3	4	30	-	0	5	50	9	1	522
APR 6 APR 6 MAY 3 JUN 3 JUL 5 AUG 6 SEP 8 OCT 10 NOV 5 DEC 9 Total 81 JAN 5 HEB 5 MAR 7 JUN 13 JUN 13		4 1 2 8 2 1 0 7 8 0 1	6 1 1 2 2 3 4 4 5 6 6 7 8 8 9 10 <t< td=""><td>•</td><td></td><td>4</td><td>2</td><td>10</td><td>-</td><td>0</td><td>6</td><td>16</td><td>က</td><td>ω</td><td>590</td></t<>	•		4	2	10	-	0	6	16	က	ω	590
APR 6 MAY 3 JUN 3 JUL 5 AUG 6 SEP 8 OCT 10 NOV 5 DEC 9 Total 81 JAN 5 HEB 5 MAR 7 JUN 13 JUN 13		1 2 3 3 3 2 1 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0	7 01 8 15 8 01 12 12 12 12 12 12 12 12 12 12 12 12 12	5		7	3	8	_	0	13	17	4	1	655
MAY 3 JUN 3 JUL 5 AUG 6 SEP 8 OCT 10 NOV 5 DEC 9 Total 81 JAN 5 HEB 5 MAR 7 JUN 13		5 3 7 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0	01 8 21 21 21	0		7	2	24	0	_	22	17	9	_	645
JUN 3 JUL 5 AUG 6 SEP 8 OCT 10 NOV 5 DEC 9 Total 81 JAN 5 HEB 5 MAR 7 MAR 7 JUN 13		31 0 0 1 2 3 1 1 2 3 3 1 1 1 2 3 3 1 1 1 1 1 1	8 12 8 12 2	0		NA	NA	8	NA	NA	14	17	9	3	857
JUL 5 AUG 6 SEP 8 OCT 10 NOV 5 DEC 9 Total 81 JAN 5 FEB 5 MARR 3 JUN 13 JUN 13		2 1 0 2 2 0 1 1 2	15 8 17 12	က		7	4	2	-	0	20	20	5	6	765
AUG 6 SEP 8 OCT 10 NOV 5 DEC 9 Total 81 JAN 5 HEB 5 MAR 7 MAR 7 JUN 13		3 3 3 3 3 3 3 3 4 3 5 5 5 5 5 5 5 5 5 5	12 18	0	0	-	0	17	0	0	17	23	က	-	529
SEP 8 OCT 10 NOV 5 DEC 9 JAN 5 FEB 5 MAR 3 APR 7 JUN 13 JUL 8		0 0 0 0 0 0	10	0		9	7	12	2	0	6	14	2	7	631
OCT 10 NOV 5 DEC 9 JAN 5 FEB 5 MAR 3 APR 7 JUN 13 JUL 8		31 31	12	0		က	2	16	0	0	13	21	4	1	702
NOV 5 DEC 9 JAN 5 FEB 5 MAR 3 APR 7 MAY 12 JUN 13 JUL 8	1 11	31 0		0		N	2	6	0	-	14	24	13	7	589
DEC 9 Total 81 JAN 5 FEB 5 MAR 7 MAR 7 JUN 13 JUN 13	111	31	12	0		ΑĀ	NA	6	ΑA	ΑN	8	18	21	8	514
Total 81 JAN 5 FEB 5 MAR 7 MAY 12 JUN 13	j I	31	14	0		5	2	13	-	0	13	15	ဗ	3	505
ω το σο	ı		124	က	0	45	31	161	7	2	157	222	79	45	7504
ro 60 1 7 7 60 80		_	5	0	L	6	8	11	4	0	15	23	3	3	622
8 13 12		က	=	0	0	7	က	17	2	0	50	22	င	2	745
7 113		ω	7	ó		16	16	15	13	0	23	56	6	က	902
12 13 8		4	11	0		4	4	53	-	0	15	22	ဗ	0	268
13	l	0	10	0		8	7	27	2	0	10	23	9	8	984
8		0	10	0		NA	NA	24	NA	NA	14	17	3	7	716
		2	12	0		6	4	15	4	0	F	16	9	-	566
16		9	10	0		4	က	16	က	-	1	24	2	က	662
		0	12	0		4	4	19	0	0	16	17	9	22	209
OCT 8 3		2	13	0		0	0	6	0	0	6	19	4	-	623
10		-	တ	0	0	-	-	9	0	7	9	80	0	-	398
DEC 10 3	Ì	က	ω	0	0	ΑN	Ϋ́	19	ΑN	¥	4	13	ω	9	417
2004 Total 105 63		36	118	0	2	62	50	235	29	3	154	230	53	09	7716
2005 JAN 10 3		7	10	0	-	7	3	18	0	-	12	20		45	620
FEB 8 6		7	<u>က</u>	0	-	9	9	9	0	0	=	23	2	17	529
		က	12	0	0	က	2	9	0	0	19	21		2	726
APR 10 5		4	13	0	0	7	4	16	0	-	24	21		20	425
		2	14	0	Z -	<u>-</u>	ΝA	15	ΑA	¥	10	34		က	692
15	7	2	14	0	0	7	7	20	က	0	12	39		0	650
14		2	14	0	0	9	4	37	0	0	21	27		0	536
		7	9	0	0	4	2	8	0	0	15	27		0	563
SEP 17 5	7	2	12	0	0	က	7	4	0	0	21	28		0	637
OCT 14 4		2	12	0	0	7	9	29	0	0	27	Ŧ	7	0	407
2005 Total 115 60	25	40	120	0	ო	20	39	195	3	2	172	251	22	06	5785

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

	Backlog	Received	Processed	Withdrawn	Rejected	Incomplete	In-Process	Remaining
Drilling	J				•	•		
Oct-04	245	281	268	8	0	32	218	250
Nov-04	250	284	242	18	0	39	235	274
Dec-04	274	334	348	4	0	20	236	256
Jan-05	256	296	263	13	0	24	252	276
Feb-05	276	343	249	8	0	23	339	362
Mar-05	362	413	336	21	0	33	385	418
Apr-05	418	413	418	19	0	24	370	394
May-05	394	319	340	13	0	42	318	360
Jun-05	360	364	340	18	0	38	328	366
Jul-05	366	362	312	20	0	31	365	396
Aug-05	396	507	379	6	0	24	494	518
Sep-05	518	460	389	26	Ö	8	555	563
Oct-05	563	505	437	20	0	19	592	611
Recompletion	000	000			ŭ		002	0
Oct-04	12	16	16	0	0	1	11	12
Nov-04	12	9	11	1	Ō	1	8	9
Dec-04	9	11	18	0	0	0	2	2
Jan-05	2	36	7	2	Ö	Ö	- 29	29
Feb-05	29	14	29	0	0	0	14	14
Mar-05	14	27	33	2	Ō	0	6	6
Apr-05	6	25	14	1	0	0	16	16
May-05	16	8	13	0	Ō	9	2	11
Jun-05	11	8	13	0	0	1	5	6
Jul-05	6	23	19	1	0	1	8	9
Aug-05	9	27	9	1	0	0	26	26
Sep-05	26	15	24	1	Ō	0	16	16
Oct-05	16	19	19	0	0	0	16	16
Total								
Oct-04	257	297	284	8	0	33	229	262
Nov-04	262	293	253	19	0	40	243	283
Dec-04	283	345	366	4	Ö	20	238	258
Jan-05	258	332	270	15	0	24	281	305
Feb-05	305	357	278	8	Ö	23	353	376
Mar-05	376	440	369	23	0	33	391	424
Apr-05	424	438	432	20	0	24	391	410
May-05	410	327	353	13	0	51	320	371
Jun-05	371	372	353	18	Ö	39	333	372
Jul-05	372	385	331	21	0	32	373	405
Aug-05	405	534	388	7	Ö	24	520	544
Sep-05	544	475	413	27	0	8	571	579
Oct-05	579	524	456	20	0	19	608	627
00.00	3.3	- ·	.55		-	that have missing or i		



Drilling on Roan seems more likely

Friday, November 11, 2005 By Gary Harmon The Daily Sentinel

Federal officials looking to craft the future of the Roan Plateau should take into account a compromise proposal drafted by Colorado officials, an advisory group said.

The Northwest Resource Advisory Council to the U.S. Bureau of Land Management approved the proposal that could allow drilling atop the plateau under certain conditions.

The council's unanimous advisory will be taken into account as the bureau drafts its resource management plan for the area.

The vote "was not a huge surprise, given the membership of that particular body," said Pete Kolbenschlag of the Colorado Environmental Coalition, which prefers to see the top of the Roan untouched by the drill bit.

Still, he said, "Some people on the RAC had to move away from their preference to support the (compromise) proposal, and that's something that should be noted, for sure."

The crafting of the compromise puts the onus on development to limit damage, said Larry McCown, a member of the council and a Garfield County commissioner.

The deal requires that only 1 percent of the 35,000 acres can be disturbed at any given time. Once a well is producing, it still counts against the total, so the amount of land available for exploration and production is "ever decreasing," McCown said. "That puts the incentive on industry to create less disturbance with development and certainly do a better job of reclamation."

The proposal also provides for development in an "orderly, flowing fashion," he said.

The BLM would manage the lands in a way that gives officials greater control and eliminates redundancies of multiple operators, each with separate contractors for various services, he said.

The compromise still needs tweaking, Kolbenschlag said, noting the Colorado Department of Natural Resources "needs to be more specific about the areas that deserve protection" against drilling. "We think the entire top deserves it."

The agreement moves the bureau closer to activity on what is one of the largest unleased gas fields in the nation and one of the most wild, said Greg Schnacke, executive vice president of the Colorado Oil and Gas Association.

With 150 miles of roads already on the plateau, the industry "can develop gas resources and still maintain those values in a very positive way," Schnacke said.

It likely will take several months for the bureau to draft its resource management plan, so observers said they didn't expect to see it until spring or early summer.

Gary Harmon can be reached via e-mail at gharmon@gjds. com.

County triples fees for well permits Commissioners to hire employee to help with increased drilling

November 15, 2005 By Jesse Harlan Alderman Durango Herald Staff Writer

La Plata County more than tripled the fee it charges gas companies to process permits for new wells on Monday in an effort to brace itself for a flurry of increased natural-gas drilling in the months ahead. The board of county commissioners unanimously approved a measure that raises the permitting fee for a new well from \$385 to \$1,300. The resolution also raises the permit fee for major facilities, such as compression and water-injection stations, from \$1,280 from \$3,000.

"Hopefully now, we'll have a quicker turnaround time and better enforcement of our regulations too," said Commissioner Wally White. "This increase in fees, while it may seem large, our fees may have been too small to begin with."

The new rates will take effect Dec. 1. Nancy Lauro, the county's community development director, said the fee increase is necessary to handle the flood of new applications that gas companies already have begun filing.

The commissioners also said they will include funding in next year's budget to hire another staff member who will concentrate on oil and gas issues. Currently, county planner Angie Buchanan devotes half of her time to new well permitting and other gas matters.

White lobbied for the creation of two new gas staffers, but commissioners Sheryl Ayers and Bob Lieb scuttled a second employee, saying the county should not outpace the industry in planning for the new wells.

In the past two months, gas giant BP and Tulsa, Okla.-based Samson Resources both won approval from the Colorado Oil and Gas Conservation Commission to double the number of coal-bed methane wells on large tracts of county land.

BP expects to file for permits for 100 new wells by the end of 2006 and drill about 75 of those, said spokesman Dan Larson. Currently, the company operates about 1,100 coal-bed methane wells in the county.

The increased well density coupled with an industry-wide rush to capitalize on skyrocketing naturalgas prices spurred the county to reassess its old fees, Lauro said.

Lauro called the former fees "artificially low." The county never tinkered with the rates in the past decade, except to adjust for inflation, she said.

Last week, representatives from BP and Samson told the county they supported the increased fees. BP understands the increase will ensure permits are granted in a timely manner, Larson said. The new rates also will allow the county to confirm that the company is complying with the terms of an expansion agreement, which BP and La Plata County signed this summer, he said.

On Monday, at least one company, Burlington Resources of Houston, registered its displeasure with the higher fees.

"We're opposed to increases in fees primarily because we weren't understanding how they were coming up with their numbers," said Peggy McWilliams, a manager for the company in the San Juan Basin.

Most Burlington wells in Southwest Colorado are outside county boundaries on the Southern Ute Indian Reservation, McWilliams said. The company drills lightly in La Plata County, but is the largest operator in San Juan County, N.M.

Across the border, San Juan County does not require a permit. Neighboring Archuleta County charges \$385 to process a new well permit, while Delta County bills just \$150. Gas-rich Garfield County takes a \$400 base fee and then charges an hourly rate for all permit-related work.

In another decision, county commissioners unanimously approved the creation of a new lieutenant's position in the detention division of the Sheriff's Office to help manage the burgeoning jail population.

Gas permits drive need for BLM positions

Friday, November 25, 2005 By Mike McKibbin The Daily Sentinel

GLENWOOD SPRINGS — "Help wanted: Petroleum engineers, natural resource specialists and biologists, among others. Workers will help federal land managers in Glenwood Springs deal with a crush of natural-gas-well drilling applications. Contact the Bureau of Land Management Glenwood Springs Field Office."

That might be how the want ad reads from Field Office Manager Jamie Connell, thanks to \$2 million in extra funds and 16 new full-time positions her office wants to fill around March.

Environmentalists warn the extra hands might mean quicker and insufficient permit reviews.

Recent studies have found many BLM offices buried in paperwork and not able to conduct on-site inspections of drilling sites. In the Glenwood Springs office, Connell said drilling permits have increased nearly 10 times from five years ago.

The office processed 300 permits this fiscal year and expects a 25 percent increase next year, she said. Connell said the gas drilling overseen by her office contributes \$1 million a month in state and federal royalties.

This year was a struggle, Connell said. Contract employees plus Grand Junction BLM staffers were used to help keep pace.

"This represents a tremendous workload," said Connell. "It is important that we be able to conduct our routine business as well as perform the in-depth study required in the environmental analysis process."

That process may suffer despite the new employees, said Colorado Mountain Club Western Slope Conservation Coordinator Claire Bastable.

"The Bush administration has not been shy with its intention to increase domestic drilling and expedite the permit approval processes," she said. "I think this pilot project is a reflection of that intention to drill more in the Rockies."

The Glenwood Springs office is one of seven named in the Energy Policy Act of 2005 to take part in a pilot project with other federal land managers to better coordinate, process and monitor oil and gas activities on the public lands they manage. The BLM, U.S. Fish and Wildlife Service, Forest Service and Army Corps of Engineers will be included.

The new employees will mean a 50 percent increase in office staff, Connell said.

Up to seven master development plans that outline a company's long-range drilling plans for hundreds of wells could be under environmental review by the office in the next two years, Connell said.

If oil shale returns to the area, that would mean more work.

The office oversees the oil shale area around Rifle and Parachute, along with the Roan Plateau, where a controversial management plan that will designate how much gas drilling will be allowed is scheduled for release next year.

Some of the positions to be filled are for petroleum engineering technicians, natural resource specialists, biologists, botanists, hydrologists, archeologists, a recreation specialist, realty specialists and a legal assistant.

Information on applying for the positions is available online at www.usajobs.gov and search on keyword "BLM."

Rockies drilling now tops nation, newsletter says

Saturday, November 26, 2005 By Gary Harmon The Daily Sentinel

Drilling in the Rocky Mountains now equals and likely exceeds the drilling in the Permian Basin of west Texas, making the highest region the hottest one as well, according to a drilling-industry newsletter.

The Permian Basin in Texas was for more than 45 years "the most intensively drilled region in the U.S. in terms of footage," said the Land Rig Newsletter, published out of Lubbock, Texas.

Bit by bit, though, drill footage in the Rockies has increased 156 percent since the first quarter of 2003, but risen only 44 percent over the same time period in the Permian Basin, the newsletter said.

Both regions have logged more than 11 million drilled feet since 2003, but figures surveyed by the Oct. 31 newsletter suggest that drilling in the Rockies has nosed just a bit deeper, "so a new king sits atop the throne" among the drilling regions, the newsletter said. "This rapid change in regional footage is a clear indicator that unconventional gas is gaining share as a target for the drill bit."

By "unconventional," the newsletter means those tight formations that require treatment by well-services companies such as Halliburton, Schlumberger and others. One of them, CalFrac, recently spent \$2.3 million to establish a Grand Junction headquarters.

Overseas drilling interests have taken notice of the demand for drilling in the Rockies, with Chinese, Russians and Italians scrambling to provide everything from rigs to crews to both.

"The background theme is that we are exhausting conventional gas resources and now must move into unconventional geology such as coal-bed methane, tight sands and tight shales in the future," said Richard Mason, publisher of Land Rig Newsletter. "The Rockies is on the leading edge of this transition."

Land Rig Newsletter's measurement tends to highlight a national trend, said Greg Schnacke, executive vice president of the Colorado Oil and Gas Association. "Our region is growing, and other regions are in decline. It's an indication of what's going on. The Rockies are a growing gas-supply region."

Larry Kent, district manager for Halliburton in Grand Junction, said he wasn't necessarily impressed that the Rockies now outstrip the Permian Basin.

The mountainous region comprises a huge geographical area encompassing several states, while the Permian Basin remains in Texas, Kent said.

Still, fewer than 700 wells were drilled in Colorado through the 1990s, "and there will be 700 wells drilled this year," he said.

The numbers suggest the Rockies are being drilled more frequently, if less deeply.

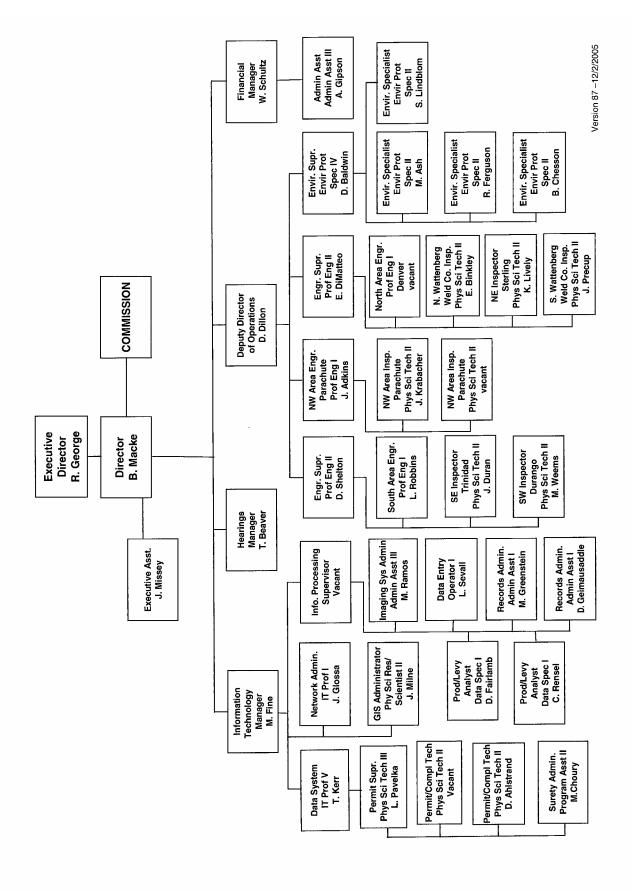
Wells in the Permian Basin, where he grew up, tend to go 6,000 to 15,000 feet down, while most of those in the Rockies range between 4,000 and 7,000 feet, Kent said.

The Rockies region indeed is larger, "but the drilling is concentrated in several basins like the Piceance, Uinta, Green River, San Juan, etc., with large distances in between," Mason said. "In the Permian Basin, drilling occurs nearly everywhere."

The Permian Basin also tends to be an oil-rich province, while the Rockies tend to be gas rich, Mason said.

As such, the Permian generally produces 25 percent of the nation's domestic oil, "but the future lies with natural gas," Mason said. "And it is this gas play in the Rockies that symbolizes the transition."

COLORADO OIL & GAS CONSERVATION COMMISSION ORGANIZATION



HEARING DOCKET: JANUARY 2006

Zei
Application Received
West Evans Commercial Invest., LLC. & Blue Chip Oil, Inc./ Keith M. Crouch 8/8/2005
10/17/2005
Piceance Gas Resources, LLC & Petroleum Development Corporation/ Michael Wozniak
11/18/2005
11/22/2005
BP America Production Company/ Michael J. Wozniak
11/22/2005

Request for an order to establish a 320-acre drilling and spacing unit consisting of the S1/2 of Section 13 and a 260-acre drilling and spacing unit consisting of the S1/2 of Section 13 and a 260-acre drilling and spacing unit consisting of the S1/2 of Section 13 and a 260-acre drilling and spacing of the S1/2 of Section 13 and a 260-acre drilling and spacing of the S1/2 of Section 13 and a 260-acre drilling and spacing unit consisting of the S1/2 of Section 13 and a 260-acre drilling and a 260-acre drilling and spacing unit consisting of the S1/2 of Section 13 and a 260-acre drilling and spacing unit consisting of the S1/2 of Section 13 and a 260-acre drilling and spacing unit consisting of the S1/2 of Section 14.2 of Section 14.2 of Section 18.2 of Secti	Request for an order to establish 320-acre drilling and spacing units consisting of the N1/2 of Sections 13 & 14, Township 6 South, Range 93 West, 6th P.M., and to allow the equivalent of one well per 10 acres, with the permitted Williams Fork well to be located no closer than 100 feet from the unit boundary.	Request for an order to establish 320-acre drilling and spacing units consisting of the N1/2 and S1/2 of Section 11, Township 6 South, Range 93 West, 6th P.M., and to allow the equivalent of one well per 10 acres, with the permitted Williams Fork well to be located no closer than 100 feet from the unit boundary.	Request for an order to establish a 320-acre drilling and spacing unit consisting of the N1/2 of Section 32, Township 5 Mamm Creek South, Range 92 West, 6th P.M., and to allow the equivalent of one well per 10 acres, with the permitted well to be located Nilliams Fork Garfield no closer than 100 feet from the unit boundary.	Request for an order to establish a 320-acre drilling and spacing unit consisting of the S1/2 of Section 32, Township 5 Mamm Creek South, Range 92 West, 6th P.M., and 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.	And State of the control of the cont	Mamm Creek Williams Fork 11/17/2005 Garfield	Wattenberg Meld
oration/	oration/	oration/	oration/	Antero Resources Corporation/ William A. Keefe	XTO Energy Inc./ Michael J. Wozniak	Antero Resources Corporation/ William A. Keefe	Staff Recommendation
191	191	191	191	191	112	191	2
0601-SP-03	0601-SP-04	0601-SP-05	0601-SP-06	0601-SP-07	0601-AW-01	0601-AW-02	10 VO 104

AOC-Failure by United States Exploration, Inc. to comply with Rule 317.i and Form 2 Permit Conditions of Approval to provide 200' of 800 psi cement above the Sussex Formation for the B & M #12-5 Well located in the SW1/4 NW1/4 of	Section 5, Township 2 North, Range 65 West, 6th P.M.
Wattenberg	Weld
	11/25/2005
	Staff Recommendation
	1
	601-OV-02