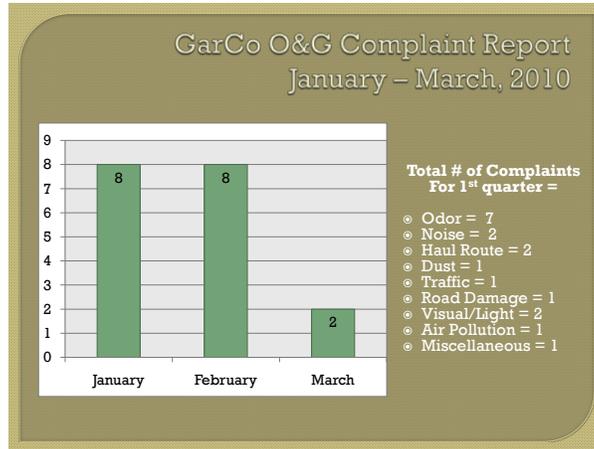


## MEMORANDUM

TO: BOCC  
 FROM: Judy Jordan  
 RE: O&G 1<sup>st</sup> Quarter Report: January – March 2010  
 DATE: April 19, 2010  
 CC: Ed Green, Department Heads, Elected Officials

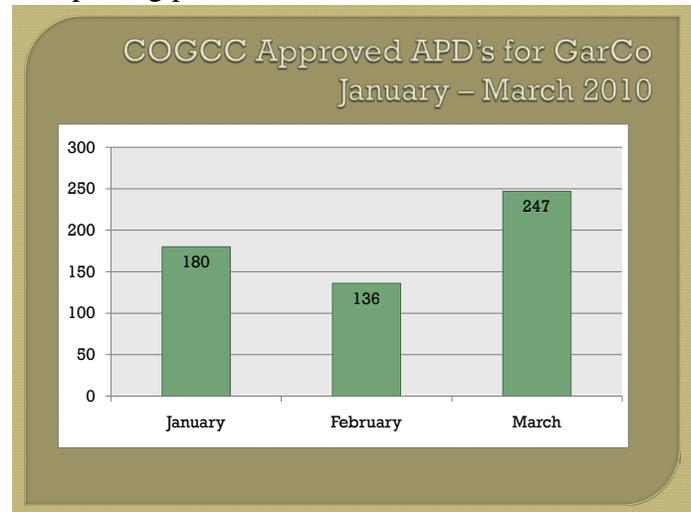
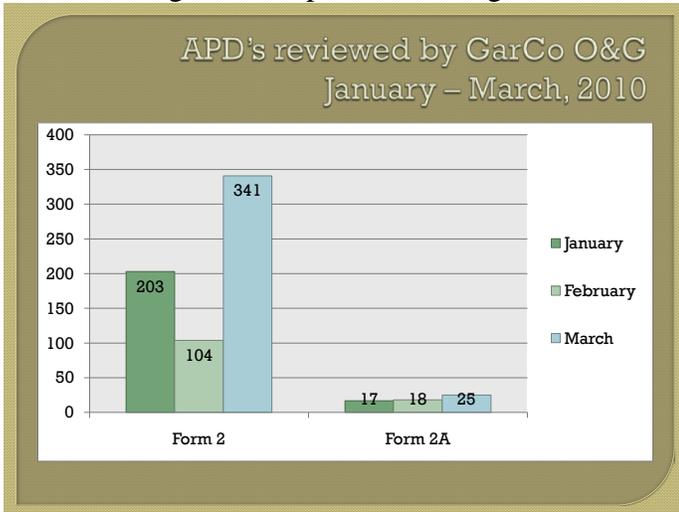
### Complaints

The following chart shows the complaints received by the O&G Department in each month of this reporting period.

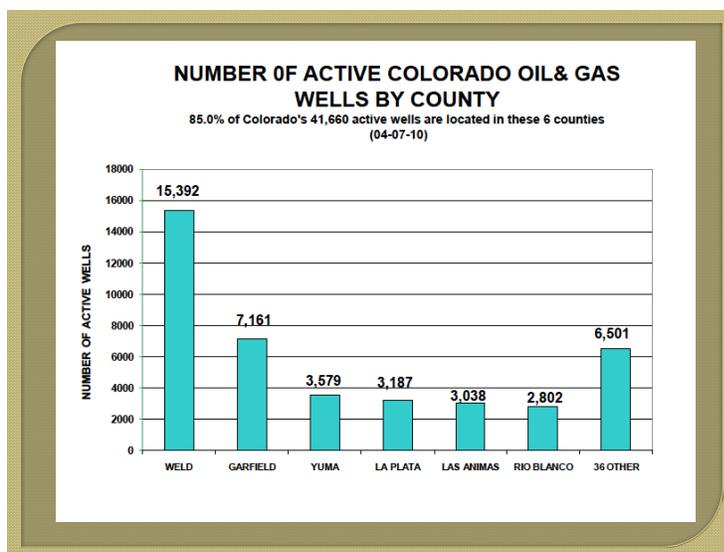
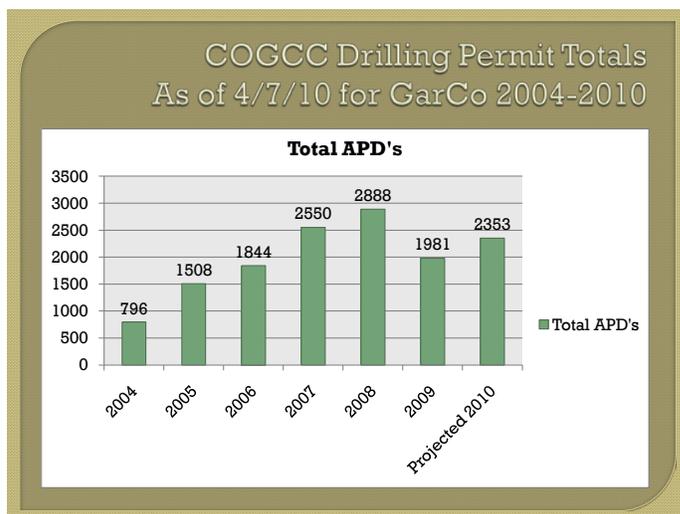
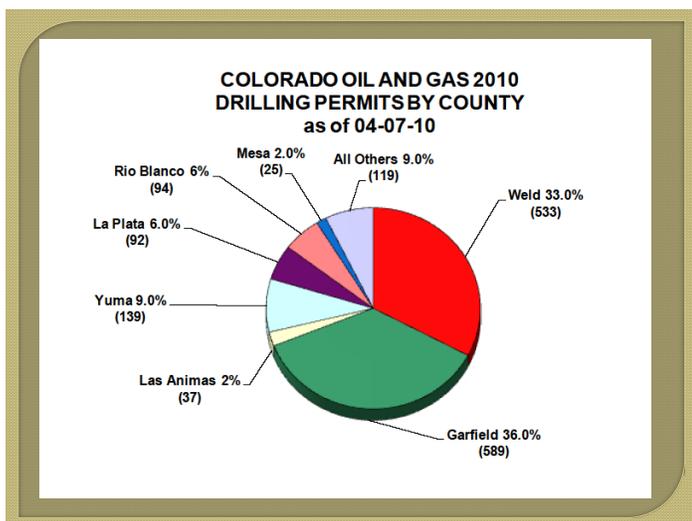


### Drilling Activities

The following charts depict the drilling activities over the reporting period.



January 2010 Permit Review	Form 2	Form 2A	Total of Form 2+2A	Form 2 Notice of Decision	Form 2A Notice of Decision	Total of Form 2+2A Notices	Permit Review Time
<b>Total</b>	203	17	<b>220</b>	49	0	<b>49</b>	<b>11.00</b>
February 2010 Permit Review	Form 2	Form 2A	Total of Form 2+2A	Form 2 Notice of Decision	Form 2A Notice of Decision	Total of Form 2+2A Notices	Permit Review Time
<b>Total</b>	104	18	<b>122</b>	90	9	<b>99</b>	<b>15.5</b>
March 2010 Permit Review	Form 2	Form 2A	Total of Form 2+2A	Form 2 Notice of Decision	Form 2A Notice of Decision	Total of Form 2+2A Notices	Permit Review Time
<b>Total</b>	341	25	<b>366</b>	180	17	<b>197</b>	<b>28.5</b>



## Activity Level

According to the Oil & Gas Journal of April 1, 2010, "The number of rotary rigs working in the US continued to climb with 1,465 units drilling this week, 21 more than the previous week and up from 1,043 during the comparable period a year ago when activity was waning, Baker Hughes Inc. reported." Colorado gained 2 rigs for a total of 52, compared to 119 in Oklahoma, 37 in Wyoming, and 22 in West Virginia. Pennsylvania lost 1 rig to 76, North Dakota lost 1 rig to 94, New Mexico lost 2 rigs to 46, and Arkansas lost 2 rigs to 41. The latest rig count for Garfield County is 21, per the COGCC. The Nymex natural gas price as of 4/13/10 = \$4.090/kcf.

## Special Reports/Studies

Discussions with property owners regarding possible monitoring well sites are continuing, but we need firm commitments for two more sites before committing the rig to a drilling schedule. My conversations are in process and drilling is on hold until we can get these commitments.

## Site Visits

- In January, Nikki attended site visits to the 76-27 pad, PA 41-12 pad, Kokopelli KP 34-18 & 43-8 pads, and the SG 34-28 pad.

- In February, Nikki attended site visits to the W43-28 and DOE 1-W-20 pads, which are located in the Cottonwood Gulch area.
- In March, Nikki attended site visits to the PA 22-21 pad, located in Cottonwood Gulch and the KP 33-18, KP 33-17, and the KP 24-17, located in the Kokopelli Master Development Plan.

### **Conferences/Workshops**

#### **Jordan or Reckles attended:**

- Judy attended the EPA Natural Gas STAR's Producers Technology Transfer Workshop in Vernal, Utah from March 23 to 24.
- Nikki attended the Oil and Gas Operators Group presentation on the Geology of Oil and Gas Exploration on March 24.
- Judy and Nikki attended the BLM's Northwest Resource Advisory Council on February 25.
- Judy attended an Energy Advisory Board mediation seminar on February 4.

### **Waivers**

- Between January and April 2010, Judy processed/granted 5 waiver requests. The majority were from Antero.

### **Other Agency Information**

- The COGCC began restructuring its organization, as well as increasing their staff. The COGCC Northwest Office has received two Field Inspectors, one Location Specialist, one Environmental Inspector, and one Environmental Protection Specialist.
- Judy met with DOLA to discuss 2009/2010 severance taxes.
- COGCC provided notice to Judy on April 2 that Encana and BBC had each reported finding thermogenic methane in domestic well water that they sampled. Judy requested follow up information from COGCC and was informed that the agency is developing additional information that will be made available to the public.
- The agenda for the next COGCC hearing on April 29-30 includes discussion of releases and enforcement actions against Oxy for releases from their site located north of Debeque.

### **Severance/Employee Residence Reports**

- Operators have begun submitting their 2009 Employee Residence reports and Wendy has begun checking addresses. Challenges are due to DOLA on June 4 and we will be continuing to review submissions until that date.

### **Other**

- The Oil and Gas department reviewed the West Mamm Master Development Plan submitted by Laramie II Energy for BLM.
- COGCC received a petition from the Colorado Petroleum Association asking to change the disposal rules to allow for burial of pit liners on site. The County Attorney's office filed a request for party status in the matter, per BOCC's direction.
- Judy sent a letter on April 8 to Dave Neslin asking for a response to Lisa Bracken's request to reinstate the drilling moratorium in the area of the West Divide Creek seep.
- At the April Operators meeting, the operators informed Judy that they would like to accept her offer to arrange a meeting with COGCC to discuss problems with the E-permit process. That meeting has now been scheduled for May 11 and the operators have been invited to attend.
- Following Ed's request that we work with the operators on worker safety, Judy has been invited to participate in CDPHE's Occupational Health survey, and will attend 4 monthly meetings to assist in the development of their program.