

Kubeczko, Dave

From: Kubeczko, Dave
Sent: Wednesday, August 18, 2010 4:15 PM
To: Kubeczko, Dave
Subject: FW: Red Mesa Holdings O&G, F #1 34-1, NESE Sec 34 T33N R12W, La Plata County, Form 2A (#400079334) Review

Scan No 2033311 CORRESPONDENCE 2A#400079334

From: Chandler Marechal [mailto:chandler@finneyland.com]
Sent: Tuesday, August 03, 2010 2:30 PM
To: Kubeczko, Dave
Cc: Rich Larson
Subject: RE: Red Mesa Holdings O&G, F #1 34-1, NESE Sec 34 T33N R12W, La Plata County, Form 2A (#400079334) Review

I just spoke with Rich Larson on this Form 2A and he wanted me to reply to you on his behalf. Red Mesa is still in agreement with Item #1 of your email. On Item #2, the reference area will be adjacent to and north of the proposed wellpad and the previously submitted location photos show it. Please make the appropriate changes and thank you for your help on this.

From: Rich Larson [mailto:rlarson@redmesa1.com]
Sent: Tuesday, August 03, 2010 2:21 PM
To: Chandler Marechal
Subject: FW: Red Mesa Holdings O&G, F #1 34-1, NESE Sec 34 T33N R12W, La Plata County, Form 2A (#400079334) Review

FYI

Rich Larson
Madison Capital Management, LLC
Red Mesa Holdings / O&G, LLC
Vice President, Energy Asset Management -Geologist
Direct 970-588-3302 | Cell: 970-769-4841
rlarson@madisoncap.com

From: Rich Larson
Sent: Tuesday, August 03, 2010 1:57 PM
To: 'Kubeczko, Dave'
Subject: RE: Red Mesa Holdings O&G, F #1 34-1, NESE Sec 34 T33N R12W, La Plata County, Form 2A (#400079334) Review

Dave, Yes we are in agreement and concur with the changes in Item #1. For Item #2 we will locate the reference area just to the north of the proposed pad location. Were going to be out there this week with DOW so I'll pick the reference location and get pictures as well.

Rich Larson
Madison Capital Management, LLC
Red Mesa Holdings / O&G, LLC
Vice President, Energy Asset Management -Geologist
Direct 970-588-3302 | Cell: 970-769-4841
rlarson@madisoncap.com

From: Kubeczko, Dave [mailto:Dave.Kubeczko@state.co.us]
Sent: Tuesday, August 03, 2010 10:53 AM
To: Rich Larson
Subject: Red Mesa Holdings O&G, F #1 34-1, NESE Sec 34 T33N R12W, La Plata County, Form 2A (#400079334) Review

Rich,

I have been reviewing the F #1 34-1 **Form 2A** (#400079334). COGCC requests the following clarifications regarding the data Red Mesa Holdings O&G has submitted on or attached to the Form 2A prior to passing the Oil and Gas Location Assessment (OGLA).

1. **Construction (Section 6):** Mud Disposal: Although Red Mesa has indicated that air drilling will be used, some mud may be generated, even during air drilling, when encountering groundwater and formation water; therefore, any mud generated during drilling would need to be disposed of either onsite or offsite, and a method needs to be selected on the Form 2A. Based on our previous conversation (April 29, 2010 for the Red Mesa Holdings O&G, Harris 5S, SWSW Sec 22 T33N R12W, La Plata County, Form 2A [#400048469] Review), I will mark "offsite" for mud disposal and "disposal facility" for the method.
2. **Rule 303.d.(3).F.ii.aa and bb:** Since the current and future land uses are Non-Crop Land (Rangeland), a reference area needs to be indicated either on a topographic map or in the comments section if the reference area is adjacent to the proposed pad. In addition, four (each of the cardinal directions) color photographs taken during the growing season of the reference area are required within 12 months of the Form 2A permit application date (07/23/2010) unless the reference area is adjacent to the proposed pad and vegetation can be seen on the location pictures. Red Mesa Holdings O&G needs to provide COGCC with a statement indicating in which direction from the proposed pad the reference area is located. I can make the change if you send an email with this request.

COGCC would appreciate your concurrence with the proposed change (item 1). The other issue (item 2) also needs to be addressed prior to permit approval. If you have any questions, please do not hesitate to call me at (970) 309-2514 (cell), or email. Thanks.

Dave

David A. Kubeczko, PG
Oil and Gas Location Assessment Specialist

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