



P.O. Box 12
Walsh, CO 81090

August 28, 2015

Mr. Ryan Costa
State of Colorado
Oil and Gas Conservation Commission
1120 Lincoln Street, Suite 801
Denver, CO 80203

RE: Schweizer #1
Yogi #1-33

Dear Mr. Costa:

My name is Karen McCall and I am the surface owner for the lands on which the above referenced plugged wells are located in Baca County, Colorado. My sons and I farm the lands over and around these wells. I have told Rocky Crane, representative for Cholla Production, LLC, that I DO NOT want Cholla to do any further work in or around these plugged wells. I do not want them to get out there with any equipment nor do I want them to spread any type of gypsum, soil enhancement, seed, etc on my lands. I have my own plans and I don't want any further interference with my farming.

I understand you have directed them to do work on my lands and I am telling you I do not want them doing anything to my lands so please stop.

Please respond to my letter to let me know you understand and accept my wishes.

Sincerely,

A handwritten signature in blue ink that reads "Karen McCall". The signature is fluid and cursive.

Karen McCall

Cc: Cholla Production, LLC



COLORADO

Oil & Gas Conservation
Commission

Department of Natural Resources

1120 Lincoln Street, Suite 801
Denver, CO 80203

October 22, 2015

Karen McCall
P.O. Box 12
Walsh, CO 81090

RE: Schweizer#1-9
Yogi#1-33

Dear Ms. McCall,

I received your letter regarding the Schweizer#1-9 and the Yogi#1-33 plugged wells located on your property. The Colorado Oil and Gas Conservation Commission (COGCC) regulates all aspects of oil and gas operations in Colorado, including final reclamation after plugging a well. I inspected the above locations on August 26th 2015 and have included my inspections with this letter.

The Schweizer#1-9 location has heavily compacted soils and no crop growth along the former access road or at the location. The compacted soils would likely need to be decompacted with a heavy piece of equipment capable of providing down-pressure to de-compact the soil. A farming implement pulled by a tractor will likely not be able to de-compact these soils. Additionally, the access road could be recontoured to a more level grade to improve your agricultural production operations. Soil samples taken by the operator from this site indicate that the sodium absorption ratio and the exchangeable sodium percent are slightly elevated. However, with a deep cross rip decompaction (18" by rule) and a good seedbed preparation below 8 inches this will likely be sufficient to increase the poor crop production documented on the most recent inspection. As indicated in my inspection I required the operator to perform the work per the landowner's agricultural activity schedule in order to not interfere with your farming operations. The work could be conducted after your crop is harvested and before you replant your next crop.

The Yogi#1-33 location did not have a crop planted at the time of inspection on August 26th. All equipment and debris had been removed, the site was leveled, and the soils appeared to be properly de-compact but this will not be apparent until the crop establishes. At this time nothing is required by the operator at this location. The COGCC regulations require that a uniform crop be reestablished and no subsidence occurs within 2 years of plugging the well. The COGCC does not necessarily require

P 303.894.2100 F 303.894.2109 www.colorado.gov/cogcc

Commissioners: Thomas L. Compton - Chairman, Richard Alward, John H. Benton, DeAnn Craig,

James W. Hawkins, Tommy Holton, Andrew L. Spielman, Mike King, Dr. Larry Wolk

John W. Hickenlooper, Governor | Mike King, Executive Director, DNR | Matthew J. Lepore, Director



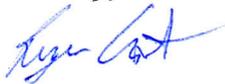
the operator to plant any seed or crop at a location if it is in active cropland production and can leave it to the surface owner to plant per farming requirements and per the surface use agreement. We will inspect the site once the crop has been planted and established to ensure that the location has been fully reclaimed.

All of these efforts following the COGCC regulations are performed to protect the land and to restore it to a functioning state. This work can be completed with no cost to the landowner. Some landowners are concerned with how the work will be performed by the operator and that conditions may be made worse. If this is your concern the COGCC can provide oversight during the required work to help ensure it is performed properly. I have extensive experience regarding reclamation and in agriculture and would be glad to be at the locations when the work is performed by Cholla Production.

If you have your own plans and want to do the work yourself, I am confident that a good faith effort can be made by Cholla Production to work with you to conduct the reclamation. If the Schweizer#1-9 location is left in its current state COGCC is concerned that it is unlikely to ever reach the same level of crop production compared to your undisturbed land.

My supervisor Denise Arthur and I would be glad to discuss further with you regarding reclamation at the referenced locations on your property. You can contact my supervisor at 303-894-2100 ext. 5195, or my office phone number 719-868-2047.

Sincerely,



Ryan Costa
Southeastern Reclamation Specialist



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Oil & Gas Conservation
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C [719.505.3245](tel:719.505.3245) | O [719.868.2047](tel:719.868.2047)
1120 Lincoln Street, Suite 801, Denver, CO 80203
ryan.costa@state.co.us | www.colorado.gov/cogcc