



Department of Energy
Washington, DC 20585

February 8, 2016

Sent via Email
Permitting Department
Colorado Oil and Gas Conservation Commission
1120 Lincoln Street, Suite 801
Denver, CO 80203

Subject: U.S. Department of Energy Office of Legacy Management Preliminary Review of Proposed Wells near the Rulison, Colorado, Site

Permitting Department:

The U.S. Department of Energy Office of Legacy Management (DOE-LM) has performed a preliminary review of the new wells proposed by Caerus Oil and Gas LLC, and the well location information provided by the Colorado Oil and Gas Conservation Commission (COGCC). The table below indicates the planned surface, and bottom hole locations for gas wells to be drilled near the Rulison, Colorado, site. DOE-LM reviewed the proposed location information and determined that all of the wells are within Section 8 of the COGCC Tier II sampling areas.

AP I		APDS in Processing				Bottom	Hole Location	Prescreen DOE Notice	DOE Notice	DOE Notice
05-045	Refile	Operator	Well Name	Well #	SHL Location	N Latitude	W Longitude	Date	Date Operator	
	No	Caerus	Battlement Mesa	35L SWD	NWSW Sec 35 7S 95W	39.3925574	107.9712748	-		
	No	Caerus	Battlement Mesa	13B-35-795	NWSW Sec 35 7S 95W	39.3924395	-107.971383	-		
	No	Caerus	Battlement Mesa	13D-35-795	NWSW Sec 35 7S 95W	39.3923515	107.9714637	-		
	No	Caerus	Battlement Mesa	23A-35-795	NWSW Sec 35 7S 95W	39.3925751	107.9712152	-		
	No	Caerus	Battlement Mesa	23D-35-795	NWSW Sec 35 7S 95W	39.3925239	107.9713056	-		
	No	Caerus	Battlement Mesa	33B-35-795	NWSW Sec 35 7S 95W	39.3925742	107.9712594	-		
	No	Caerus	Battlement Mesa	33C-35-795	NWSW Sec 35 7S 95W	39.3925583	107.9712306	-		
	No	Caerus	Battlement Mesa	33D-35-795	NWSW Sec 35 7S 95W	39.3925415	-107.971246	-		

Abbreviations:

API =American Petroleum Institute. The API well numbers are assigned by the appropriate state or federal regulatory agency.

All surface drill pad locations are within NWSW Sec 35 7S 94W, with bottom hole locations within Section 35. The proposed Battlement Mesa well location BM 33B-35-795 (API #05-045) would be the closest to the Rulison site; that bottom hole location is approximately 1.18 mile from the site.

At this time, DOE-LM is not requesting any additional information, but requests that COGCC place general language in the permit requiring that the company accommodate DOE-LM sampling requests in the future. DOE-LM will continue to review the proposed locations and subsurface orientations of the proposed drilling to look for any potential problems involving future DOE-LM sampling at the Rulison site.

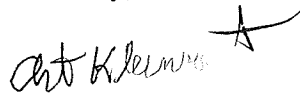


February 8, 2016

Thank you for the opportunity to comment on these well permit applications. Please contact me at (970) 248-6034, or Art.Kleinrath@doe.lm.gov, if you have any questions. Please address any correspondence to:

U.S. Department of Energy
Office of Legacy Management
2597 Legacy Way
Grand Junction, CO 81503

Sincerely,

A handwritten signature in black ink, appearing to read "Art Kleinrath", followed by a stylized star or asterisk symbol.

Art Kleinrath
NVOS Project Manager

cc:

R. Finlay, Navarro (e)

File: RUL 0125.05 (rc-grand junction)