



September 11, 2013

Cortez, LLC, A California Limited Liability Corporation
13202 Bruder Lane
Redlands, CA 92373

RE: Kinder Morgan Hovenweep HF-4, Montezuma County, Colorado; Proposed Kinder Morgan Groundwater Sampling under Statewide Rule 609.c. – **Request for Information**

Dear **Cortez, LLC**,

Recently the Colorado Oil and Gas Conservation Commission (COGCC) implemented Rule 609c mandating groundwater baseline sampling and monitoring at water wells and springs located near proposed fluid mineral wells. To comply with this new regulation, Kinder Morgan CO₂ CO LP (Kinder Morgan) is seeking additional information about water wells and springs near the Hovenweep HF-4 carbon dioxide (CO₂) well. The well is located in **Township 37N, Range 19W, Section 1; Latitude 37.48685, -108.89597**. The CO₂ well is planned for construction and drilling in late November 2013.

A records search indicated that there are **two water wells** on private land registered to you within the 0.5 mile radius of the proposed CO₂ well location: Colorado Division of Water Resources **Well Permit Numbers 30748 (Rodewald) and 116357 (Laymon)** (see attached Water Well Location Map). The designated use for the water wells was for “stock” and “domestic”, respectively.

In an effort to ensure that Kinder Morgan complies with the groundwater sampling requirements in COGCC Rule 609c, Kinder Morgan is requesting a formal response from you as the landowner regarding the current condition of the water well.

Kinder Morgan has retained Ecosphere Environmental Services, Inc. (Ecosphere), a third-party environmental firm, to assist with this process. In addition to providing information on your existing well, if you have any springs or seeps located at **T 37N, R 19W, S 1, Parcel ID # 535101100001** and shown on the attached figure, please indicate so on the forms attached to this letter titled **Property Access Agreement**, and the **Water Assessment Survey** by **Friday, September 20, 2013**. Under COGCC Rule 609c, Kinder Morgan is not required to sample non-operational water sources (e.g. wells with no pump or tap, non-functioning wells, intermittent springs, etc.) but documentation must be kept to exempt Kinder Morgan from the rule.

In the event your well is operational, any water samples collected will be sent to a certified testing laboratory to conduct the water quality analyses. The process for collecting samples will take approximately one hour per water well. You may request a split-sample for separate analysis at your own cost. Split-sampling is a method used for validation in which the collected sample is split into two

portions, and each portion is separately tested utilizing the same methods. If you consent to sampling, data will be made available to the public, including without limitation, posted on the COGCC website.

If you have a water well that is operational or active springs and seeps on your property and wish to obtain a baseline sample, a representative from Ecosphere will contact you soon to answer questions and schedule a water testing appointment. Samples will be collected before drilling operations commence and after completion. Copies of the laboratory analytical reports will be provided to you.

If you have a water well that is operational or active springs and seeps on your property, but **do not want** to have them sampled, please return the form titled ***Property Access Denial*** by **Friday, September 20, 2013**.

A postage-paid envelope has been included with this letter for your convenience, or you can return the forms via fax to Ecosphere at 970-382-7259, Attn: Ryan Unterreiner.

If you have any questions, please do not hesitate to contact me at 970-799-1103.
Thank you for your cooperation.

Sincerely,



Bob Clayton
Kinder Morgan CO2 Company, LP
Operations Superintendent

Attachments:

Water Well Location Map
Property Access Agreement form
Water Assessment Survey form
Property Access Denial form
Self-addressed/stamped return envelope