

September 13, 2005

Mr. Joshua Thomason
Petro-Canada Resources
1099 18th St Ste 400
Denver CO 80202-1904

Re: Tigges #19-13, SWNE 19, 6N 66W

Dear Mr. Thomason:

The COGCC has received your letter of September 2, 2005 detailing that Petro-Canada has concluded that there is actually 672' KB of surface casing in the Tigges #19-13 well, and that the surface casing depth discrepancy is due to the logging company being off-depth on the Dual Induction log. While COGCC staff concedes that there is a small possibility that the log is off- depth and Petro-Canada is correct, a review of shallow log tops in the area leads COGCC staff to conclude that Petro-Canada is incorrect in their analysis. The COGCC still believes that your drilling contractor was off-tally or left out one joint of surface casing and only 628' KB of surface casing as recorded by the DIL was actually set in the well.

A consistent shallow formation marker shows up on the Dual Induction logs in the area. This marker occurs at 833' KB in the Tigges #19-13. Enclosed is a plat showing the above sea level elevation from KB of the marker in offset wells. Notice that this marker shows a consistent downward dip to the east, and that as logged the marker occurs right in line with what would be predicted for the Tigges #19-13. Your letter did not mention any attempt by Petro-Canada to correlate log tops in support of your conclusion, thus COGCC staff must assume that Petro-Canada did not perform this basic geological research prior to reaching their conclusion.

While COGCC staff does not doubt that your drilling contractor thought that they set 672' KB of surface casing in the Tigges #19-13 and that Petro-Canada was billed for 660' GL of surface casing by your drilling contractor, by itself this information is not sufficient to prove the actual amount of surface casing that was run in the well. It appears that no one representing Petro-Canada was actually on site to verify the amount of surface casing actually set in the well. This, combined with the fact that no one from Petro-Canada noticed the discrepancy between the assumed surface casing setting depth

and the surface casing depth recorded on the Dual Induction log, leads me to believe that Petro-Canada did not have adequate quality control during the drilling and logging of this well. Regardless of whether the mistake was made by the drilling contractor or the logging company, a discrepancy such as this should have been discovered by Petro-Canada staff rather than COGCC staff.

At this time COGCC staff does not feel that Petro-Canada has adequately performed the required abatement actions specified in the NOAV of 8/19/2005. The NOAV is being returned and the COGCC expects a more thorough response from Petro-Canada detailing measures to prevent future problems of this nature.

You may contact me at 303-894-2100 x 108 if you have any questions.

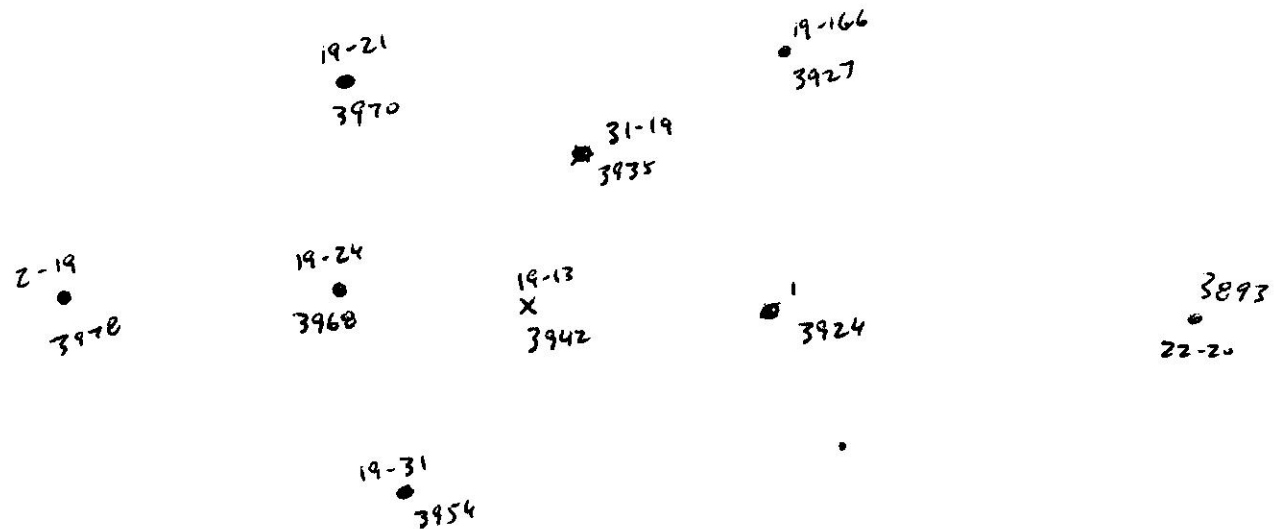
Sincerely,

A handwritten signature in black ink, appearing to be 'DS' or similar initials, written in a cursive style.

Dave Shelton
Professional Engineer II, COGCC

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		CODEL		MARKER	ASL
TIGGES 19-13		7129	4775' GL	833'	3942
1985 FN 2106 FE		2354 SUR SEA			
WILKINSON 19-24		7129	4770 GL	802'	3968
1797 FN 2257 FW		7121 2351 SS			
TIGGES 31-19		7159	4795 GL	860'	3935
1210 FN 1980 FE		2364 SS			
HALL 1		7159	4792 GL	868'	3924
2062 FN 660 FE		2367 SS			
THAYER 19-31		7098	4752 GL	798	3954
1932 FS 2506 FW		2346 SS			
KESSLER 19-21		7168	4791 GL	821	3970
663 FN 2199 FW					



2307 E CMV Rd 14
LOVELAND CO. 80537
PAUL BUKOWSKI

POPE 19-166 7160 4792 GL 865 3927

661 FN 538 FE

WINDER 2-19 7119 4760 782 3978

1982 FN 599 FW

LINDSAY 22-20 7130 4743 850 3893

1915 FN 2267 FW
(20 6 66)