

State of Colorado Oil and Gas Conservation Commission 1120 Lincoln Street, Suite 801, Denver, Colorado 80203 (303) 894-2100 Fax: (303) 894-2109

FOR OGCC USE ONLY

RECEIVED 264495 JUL 15 02 COGCC

EARTHEN PIT REPORT / PERMIT

This form is to be used for both reporting and permitting pits. Rule 903 describes when a Permit with prior approval, or a Report within 30 days, is required for pits. Submit required attachments and forms.

FORM SUBMITTED FOR: Pit Report X Pit Permit

Complete the Attachment Checklist

OGCC Operator Number: 06385 Name of Operator: EVERGREEN OPERATING CORPORATION Address: 1401 17th STREET, SUITE 1200 City: DENVER State: CO Zip: 80202 Contact Name and Telephone: GERALD JACOB No: 303-298-8100 Fax: 303-298-7800

Attachment Checklist table with columns for Oper and OGCC, and rows for Detailed Site Plan, Topo Map with Pit Location, Water Analysis (Form 25), Source Wells (Form 26), Pit Design Plan & Cross Sect, Design Calculations, Sensitive Area Determination, Mud Program Form 2A.

API Number (of associated well): 05-071-07550 OGCC Facility ID (of other associated facility): Pit Location (QtrQtr, Sec, Twp, Rng, Meridian) NW/SE, Sec. 6, T33S, R66W, 6th p.m. Latitude: N/A Longitude: N/A County: LAS ANIMAS Pit Use: X Production ___ Drilling (Attach mud program) ___ Special Purpose (Describe use): Pit Type: ___ Lined X Unlined Surface Discharge Permit: X Yes ___ No Offsite disposal of pit contents: ___ Injection ___ Commercial Pit/Facility Name: Monterey 33-6Tr Onsite Pit/Facility No: Attach Form 25 to provide Produced Water Analysis results. See COA

Existing Site Conditions

Is the location in a "Sensitive Area"? ___ Yes X No Attach data used for determination. Distance (in feet) to nearest surface water: 1000' ground water: 540' water wells: 1000' LAND USE (or attach copy of Form 2A, if previously submitted for associated well) Select one which best describes land use: Crop Land: ___ Irrigated ___ Dry Land ___ Improved Pasture ___ Hay Meadow ___ CRP Non-Crop Land: ___ Rangeland ___ Timber ___ Recreational ___ Other (describe): Subdivided: ___ Industrial ___ Commercial ___ Residential Form 2A Attached SOILS (or attach copy of Form 2A, if previously submitted for associated well) Soil map units from USNRCS survey: Sheet No: Soil Complex/Series No: Soils Series Name: Horizon thickness (in inches): A: B: C: Soils Series Name: Horizon thickness (in inches): A: B: C: Attach detailed site plan and topo map with pit location.

Pit Design and Construction

Size of pit (feet): Length: 70 Width: 30 Depth: 6 Calculated pit volume (bbls): 2,244 Daily inflow rate (bbls/day): UNKNOWN Daily disposal rates (attach calculations): Evaporation 3 bbls/day Percolation: 153 bbls/day Type of liner material: NONE Thickness: N/A Attach description of proposed design and construction (include sketches and calculations). Method of treatment of produced water prior to discharge into pit (separator, heater treater, other): SEPARATOR Is pit fenced? ___ Yes X No Is pit netted? ___ Yes X No

I hereby certify that the statements made in this form are, to the best of my knowledge, true, correct, and complete.

Print Name: GERALD JACOB Signed: [Signature] Title: ENVIRONMENTAL HEALTH & SAFETY MANAGER Date: 7-10-02 OGCC Approved: [Signature] Title: EPS Date: 8-19-02

CONDITIONS OF APPROVAL, IF ANY:

Representative water sample to be provided within sixty (60) days of first gas sales.

Facility Number: 264495

