



RECEIVED

APR 15 05

550 15th Street, Suite 900

Denver, Colorado 80202

COGCC

April 15, 2005

Colorado Oil and Gas Conservation Commission Staff
Suite 801
1120 Lincoln St
Denver, CO 80203

Quarterly Report of Closure Activities and Monitoring of the Leyden Gas Storage Facility.

Dear OGCC Staff:

This is the seventh quarterly report of activities and accomplishments in the effort to close the Leyden Gas Storage Facility and covers the period from January 1, 2005 to March 31, 2005.

During January, February and March, the City of Arvada injected minimal amounts of water into Well #12 to prevent freezing of the water lines. Cumulative injection into the cavern to date has been 1495 acre feet.

Reports of all soil gas measurements are included. No new soil gas sampling locations have been added in the last quarter. Good sample data was obtained from 78 of our 83 sample locations. Sampling wells at three locations were damaged beyond use, one location was not found by the field crews, and one location was saturated with water. The maximum methane concentration found at any location was 2.9 parts per million. Included on the enclosed disk is a copy of the database containing all of the soil gas sampling data.

Field pressure is now being measured monthly at well #5. When this well is shut in it no longer builds pressure. Updated plots of Leyden Pressure vs. Volume, Leyden Water Injection History and the two trace plots showing Field Pressures vs. Time and the Volume of Gas in Storage vs. Time are presented in their previous format. These plots are also included in pdf files on the enclosed disk.

Venting of gas from Well #36 continues. During the quarter 17 MCF was produced for a total of 215 MCF from the well. Venting of gas is continuing from well #5. Well #31 stopped producing gas the first of November.

RECEIVED

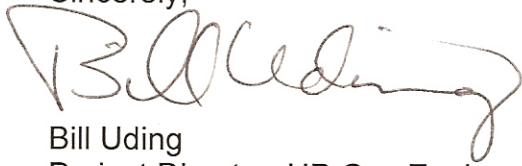
APR 15 05

The only remaining wells are #5, 7, 8, 10, 11, 12, 18, 21, 31, 33, 34, 35, 36. The Consolidated Mutual Water well in sec. 23, T2S, R70W, Remains shut in until a pipeline can be installed from the well to the Denver distribution system to allow the produced gas to flow back into the distribution system. Cumulative production for this well is 1683 mcf.

A small grass fire burned the surface south of Leyden road on January 18 burning approximately 300 acres. No damage was done to any of the Xcel facilities still in place.

If you would like to discuss any of this information, please don't hesitate to contact me at 303 571-7383.

Sincerely,



Bill Uding
Project Director, HP Gas Engineering