FINAL HEARING AGENDA



Suite 801, The Chancery Building 1120 Lincoln Street Denver, Colorado 80203

<u>Monday, January 9, 2006</u>

© 9:00 a.m. Roll Call of Commissioners

Approval of Proceedings

- © 9:05 a.m. Report from the Executive Director's Office
- 9:20 a.m. <u>Report from the Director</u> Written report provided
- 10:00 a.m. Report from the Assistant Attorney General
- 10:15 a.m. <u>Commissioner Comments</u>
- © 10:30 a.m. <u>Audience Comments</u>
- © 11:00 a.m. La Plata County Commissioners and Staff Discussion on 3M Study
- © 11:30 a.m. Consent Agenda

Cause No. 143, Docket No. 0601-SP-02, Divide Creek Field, Mesa/Garfield CountiesApplicant:Laramie Energy, LLCAttorney:Carleton Ekberg

- Subject: Request for an order to vacate certain lands in Township 7 South, Range 91 West, 6th P.M. from the provisions of Cause No. 143 and place the lands under the Rules and Regulations of the Commission.
- Comments: Application withdrawn; hearing cancelled.

Cause No. 112, Docket No. 0601-UP-02, Ignacio-Blanco Field, La Plata CountyApplicant:Burlington ResourcesAttorney:Carleton Ekberg

- Subject: Request for an order to pool the interests of SG Interests, Inc. and Red Willow Production Company in the 320-acre drilling and spacing unit consisting of the W½ of Section 4, Township 32 North, Range 11 West, N.M.P.M., for the production of gas and associated hydrocarbons from the Pictured Cliffs/Mesaverde Formation.
- Comments: Continued to February hearing.

Cause No. 191, Docket No. 0601-SP-07, Mamm Creek Field, Garfield County Applicant: Antero Resources Corporation

Attorney: William A. Keefe

- Subject: Request for an order to establish a 320-acre drilling and spacing unit consisting of the S¹/₂ of Section 32, Township 5 South, Range 92 West, 6th P.M., and to allow the equivalent of one well per 10 acres, with the permitted well to be located no closer than 100 feet from the unit boundary, for the production of gas and associated hydrocarbons from the Williams Fork Formations.
- Comments: Continued to February hearing.

Cause No. 510, Docket No. 0512-SP-12, Grand Valley Field, Garfield CountyApplicant:Piceance Gas Resources Corp. & Petroleum Development
Corp.

- Attorney: Michael J. Wozniak
- Protestant: Jelco G.V., Inc. Attorney: Gretchen VanderWerf
- Subject: Request for an order to allow to establish 320-acre drilling and spacing units, to allow the equivalent of one well per 10 acres, with the permitted well to be located no closer than 100 feet from the unit boundary, for certain lands in Townships 5 and 6 South, Ranges 96 and 97 West, 6th P.M., for the production of gas and associated hydrocarbons from the Williams Fork Formation.
- Comments: Continued from December 2005 hearing. Stipulation between parties to bifurcate the Jelco wells so that an administrative hearing could be held for remainder of application.

Cause No. 477, Docket No. 0512-UP-06, Harker Ranch, Cheyenne County

- Applicant:RDT PropertiesAttorney:William A. Keefe
- Protestant: Las Animas Minerals, Ltd. Attorney: David Little
- Protestants: Donald Finch/Paul Finch
- Subject: Request for an order to approve the Harker Ranch Morrow Sand Unit Agreement and the Harker Ranch Morrow Sand Unit Operating Agreement as a plan for unitized operations and development for the Morrow Sand Formation and providing for the pooling of all interests within various lands in Township 13 South, Range 43 West, 6th P.M., for the production of gas and associated hydrocarbons from the Morrow Sand Formation.
- Comments: Continued from December 2005 hearing.

Subject: Request for an Order finding Sierra Oil and Gas Company and its entities in violation of Rule 1004.a., failure to reclaim wellsite for the Binkley #2 Well located in the NE¼ SW¼ of Section 8, Township 32 North, Range 3 East, N.M.P.M. and Rule 319.b., failure to plug and abandon a well shut-in for 6 months for the Mizar Schick #1 Well located in the NE¼ SE¼ of Section 32, Township 36 North, Range 1 West, N.M.P.M.

CONSENT AGENDA

No protests/interventions were received on the matters listed below and administrative hearings were held for these matters. Appropriate testimony accompanied by required exhibits was presented to the Hearing Officers in support of the applications. The Hearing Officer recommendations were provided and exhibits are available upon request. The Applicants agreed to be bound by oral Order of the Commission.

<u>Cause No. 191, Do</u> Applicant: Attorney:	<u>cket No. 0601-SP-03, Mamm Creek Field, Garfield County</u> Antero Resources Corporation William A. Keefe
Subject:	Request for an order to establish a 320-acre drilling and spacing unit consisting of the S ¹ / ₂ of Section 13 and a 260-acre drilling and spacing unit consisting of the S ¹ / ₂ of Section18, both in Township 6 South, Range 93 West, 6 th P.M., and to allow the equivalent of one well per 10 acres, with the permitted well to be located no closer than 100 feet from the unit boundary, for the production of gas and associated hydrocarbons from the Williams Fork Formation.
Hearing Officers:	David Dillon/Tricia Beaver
Comments:	Heard by Hearing Officers who recommend approval.
<u>Cause No. 191, Do</u> Applicant: Attorney:	<u>cket No. 0601-SP-04, Mamm Creek Field, Garfield County</u> Antero Resources Corporation William A. Keefe
Subject:	Request for an order to establish 320-acre drilling and spacing units consisting of the N½ of Sections 13 & 14, Township 6 South, Range 93 West, 6^{th} P.M., and to allow the equivalent of one well per 10 acres, with the permitted well to be located no closer than 100 feet from the unit boundary, for the production of gas and associated hydrocarbons from the Williams Fork Formation.
Hearing Officers:	David Dillon/Tricia Beaver
Comments:	Heard by Hearing Officers who recommend approval.
Cause No. 191, Docket No. 0601-SP-05, Mamm Creek Field, Garfield CountyApplicant:Antero Resources CorporationAttorney:William A. Keefe	

- Subject: Request for an order to establish 320-acre drilling and spacing units consisting of the N¹/₂ and S¹/₂ of Section 11, Township 6 South, Range 93 West, 6th P.M., and to allow the equivalent of one well per 10 acres, with the permitted well to be located no closer than 100 feet from the unit boundary, for the production of gas and associated hydrocarbons from the Williams Fork Formation.
- Hearing Officers: David Dillon/Tricia Beaver
- Comments: Heard by Hearing Officers who recommend approval.

Cause No. 191, Docket No. 0601-SP-06, Mamm Creek Field, Garfield CountyApplicant:Antero Resources CorporationAttorney:William A. Keefe

- Subject: Request for an order to establish a 320-acre drilling and spacing unit consisting of the N½ of Section 32, Township 5 South, Range 92 West, 6th P.M., and to allow the equivalent of one well per 10 acres, with the permitted well to be located no closer than100 feet from the unit boundary, for the production of gas and associated hydrocarbons from the Williams Fork Formation.
- Hearing Officers: David Dillon/Tricia Beaver

Comments: Heard by Hearing Officers who recommend approval.

Cause No. 191, Docket No. 0601- AW-02, Mamm Creek Field, Garfield CountyApplicant:Antero Resources CorporationAttorney:William A. Keefe

- Subject: Request for an order to allow additional wells to be drilled on certain lands in Section 16, Township 6 South, Range 92 West, 6th P.M., the equivalent of one well per 10 acres, with the permitted well to be located no closer than 100 feet from the unit boundary, for the production of gas and associated hydrocarbons from the Williams Fork Formation.
- Hearing Officers: David Dillon/Tricia Beaver
- Comments: Heard by Hearing Officers who recommend approval.

Cause No. 520, Docket No. 0601-UP-01, Oakdale Field, Huerfano CountyApplicant:Spoon Valley Energy, LLCAttorney:William A. Keefe

- Subject: Request to pool all non-consenting owners in the 160-acre drilling and spacing unit consisting of the NE¼ of Section 4, Township 29 South, Range 69 West, 6th P.M. for the Harry Willis No. 1 Well, for the production of gas and associated hydrocarbons from the Dakota/Entrada Formations.
- Hearing Officers: Tricia Beaver/David Dillon

Comments: Heard by Hearing Officers who recommend approval.

Cause No. 510, Docket No. 0512-SP-12, Grand Valley Field, Garfield County

Applicant:Piceance Gas Resouces Corp. & Petroleum Development Corp.Attorney:Michael J. Wozniak

- Protestant: Jelco G.V., Inc. Attorney: Gretchen VanderWerf
- Subject: Request for an order to allow to establish 320-acre drilling and spacing units, to allow the equivalent of one well per 10 acres, with the permitted well to be located no closer than 100 feet from the unit boundary, for certain lands in Townships 5 and 6 South, Ranges 96 and 97 West, 6th P.M., for the production of gas and associated hydrocarbons from the Williams Fork Formation.
- Comments: Continued from December 2005 hearing. Stipulation between parties to bifurcate the Jelco wells so that an administrative hearing could be held for remainder of application. Heard by Hearing Officers who recommend approval.
- Hearing Officers: Tricia Beaver/ David Shelton
- Comments: Heard by Hearing Officers who recommend approval.

Cause No. 112, Docket No. 0601-SP-01, Ignacio-Blanco Field, La Plata CountyApplicant:BP America Production CompanyAttorney:Michael J. Wozniak

- Subject: Request for an order to allow a horizontal well to be drilled as a second well in the 320-acre drilling and spacing unit consisting of the E¹/₂ of Section 11, Township 32 North, Range 6 West, N.M.P.M., for the production of gas and associated hydrocarbons from the Fruitland coal seams.
- Hearing Officers: David Shelton/Tricia Beaver

Comments: Heard by Hearing Officers who recommend approval.

Cause No. 112, Docket No. 0601-AW-01, Ignacio-Blanco Field, La Plata County		
Applicant:	XTO Energy Inc.	
Attorney:	Michael J. Wozniak	

- Subject: Request for an order to allow two additional wells to be optionally drilled for a total of four wells, in the 320-acre drilling and spacing units in certain lands in Township 32 North, Ranges 6 & 7 West, N.M.P.M. and in Township 33 North, Range 7 West, N.M.P.M., for the production of gas and associated hydrocarbons from the Fruitland coal seams.
- Hearing Officers: David Shelton/Tricia Beaver

Comments: Heard by Hearing Officers who recommend approval.

ADMINISTRATIVE ORDERS BY CONSENT

Cause No. 1V, Docket No. 0601-OV-01, Weld County Staff Recommendation

Subject: Request to Approve an Administrative Order by Consent finding United States Exploration, Inc. in violation of Rule 303. and obtain an approved Application for Permit-to-Drill prior to drilling the Perkins #42-5 Well located in the SE¹/₄ NE¹/₄ of Section 5, Township 2 North Range 64 West, 6th P.M.

Cause No. 1V, Docket No. 0601-OV-02, Weld County Staff Recommendation

Subject: Request to Approve an Administrative Order by Consent finding United States Exploration, Inc. in violation of Rule 317.i and Form 2 Permit Conditions of Approval to provide 200' of 800 psi cement above the Sussex Formation for the B & M #12-5 Well located in the SW¼ NW¼ of Section 5, Township 2 North, Range 65 West, 6th P.M.