



FINAL HEARING AGENDA

Southwest Weld County Services Complex, South Wing
4209 Weld County Road 24½
Longmont, Colorado 80504

Monday, August 27, 2007

- ⌚ 9:00 a.m. Roll Call of Commissioners
- ⌚ 9:15 a.m. Report from the Executive Director's Office
- ⌚ 9:30 a.m. Report from the Director - Written report provided
- ⌚ 10:30 a.m. Report from the Assistant Attorney General
- ⌚ 10:45 a.m. Commissioner Comments
- ⌚ 11:00 a.m. Cause No. 1, Docket No. 0705-AW-11, Wattenberg Field, Weld County
Applicant: Kerr-McGee Oil & Gas
Attorneys: David R. Little/Christopher G. Hayes
- Protestants: Parkland Estates Homeowners' Association and
Nawal Sharma and Vibha Sharma
- Attorney: J. Michael Morgan, attorney
- Protestants: Parkland Estate homeowners (40 total)
- Subject: Request for an order to vacate Order No. 1-41, which
established a high density area for the N½ of Section 8,
Township 1 North, Range 68 West, 6th P.M. and place the
lands under the provisions of the Rules & Regulations of the
Commission and applicable orders in Cause Nos. 232, 407,
493, 496 and 499, for the production of gas and associated
hydrocarbons from the Cretaceous Age Formations. In the
alternative, the applicant is seeking an exception to the
location requirements set out in Order No. 1-41, as provided
in Rule 603.e.(6), or as requested in the amended
application, a variance under Rule 502.b. to the permitted
location set out in Order No. 1-41.
- Comments: Prehearing Conference held April 30, 2007. Matter
continued from May and July hearings. Application
amended and matter continued to the August hearing.
Prehearing Conference held August 6, 2007. Prehearing
order provided. Oral arguments on Motion for Summary
Judgment.
- Documents: Protest to the Amended Application of Kerr-McGee
Supplemental Motion for Summary Judgement
Summary of May 29 Meeting at Park Land Estates

Response in Opposition to Supplemental Motion for
Summary Judgment
Reply in Support of Supplemental Motion for Summary
Judgment Addressing variances Issues
Kerr-McGee Anticipated Exhibits List and Exhibits
Kerr-McGee Anticipated Witnesses
Parkland Amended Anticipated Exhibits List and Exhibits
Parkland Anticipated Witnesses
Entry of Appearance and Joinder in Motion for Summary
Judgment
Intervenor letters (5 total)

🕒 12:00 p.m. Lunch Break

🕒 1:00 p.m. Continuation of Cause No. 1, Docket No. 0705-AW-11 matter

Tuesday, August 28, 2007

🕒 9:00 a.m. Approval of Proceedings

🕒 9:05 a.m. Consent Agenda
9 Hearing Officer recommendations under Rule 511.b.
2 Administrative Hearing items including AOCs

🕒 9:15 a.m. Rulemaking Update

🕒 9:30 a.m. Audience Comments

🕒 10:00 a.m. Cause No. 1R, Docket No. 0708-RM-01, Statewide
Staff Recommendation

Subject: Request to amend the Conservation Mill Levy established in
Rule 310. from \$0.0005 to \$0.000925.

Cause No. 1V, Docket No. 0702-OV-02, Kiowa County
Staff Recommendation

Subject: Request for an Order Finding Violation finding Shelby
Resources LLC. in violation of Rule 319.b., failure to
abandon a well within six (6) months of ceased
production, Rule 326.b.(1), failure to perform a
mechanical integrity test on a shut-in well within two (2)
years of initial shut-in date for the Andrew Jackson #1
Well located in the SW $\frac{1}{4}$ SW $\frac{1}{4}$ of Section 19, Township
18 South, Range 45 West, 6th P.M., and Rule 1004.a., all
debris, abandoned gathering line risers, flowline risers,
and surface equipment shall be removed within three (3)
months of plugging a well, for the CGA #1-30 Well
located in the SW $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 30, Township 18
South, Range 45 West, 6th P.M.

Comments: Continued from the February and March hearings. Continued to the May hearing to allow Shelby additional time to perform the work due to weather conditions, which prohibited the work from being completed. Shelby has performed the work necessary to bring its violations into compliance, therefore the request for an Order Finding Violation has been withdrawn.

Cause No. 112, Docket No. 0707-AW-18, Ignacio-Blanco Field, La Plata County

Applicant: Williams Production Co.

Attorney: William A. Keefe

Subject: Request for an order to allow two (2) additional wells for a total of up to four (4) wells to be optionally drilled in the 320-acre drilling and spacing unit for certain lands in Township 32 North, Range 10 West, N.M.P.M., for production from the Mesaverde Formation.

Comments: Application withdrawn; hearing cancelled.

Cause No. 407, Docket No. 0708-UP-29, Wattenberg Field, Weld County

Applicant: Noble Energy Inc. and United States Exploration, Inc

Attorneys: Susan Aldridge/Michael J. Wozniak

Subject: Request to pool all nonconsenting interests in the 80-acre drilling and spacing unit consisting of the E $\frac{1}{2}$ SW $\frac{1}{4}$ of Section 29, Township 4 North, Range 68 West, 6th P.M., for the development and operation of the Codell and Niobrara Formations.

Comments: Application withdrawn; hearing cancelled.

Cause No. 381, Docket No. 0708-EX-05, Bracewell Field, Weld County

Applicant: Noble Energy Inc.

Attorneys: Susan L. Aldridge/Michael J. Wozniak

Subject: Request for an order allowing an exception to the permitted location in Rule 318A. for the drilling of the proposed Brown I #32-20 Well with a surface location of 1,197 feet FNL and 2,627 feet FEL and a bottom hole location of 2,575 feet FNL and 1,050 feet FWL in Section 32, Township 6 North, Range 66 West, 6th P.M., for the production of gas and associated hydrocarbons from the Codell and Niobrara Formations.

Protestant: Orr Energy

Representative: Ed Orr

Comments: Prehearing conference held August 20, 2007 and the protest withdrawn at that time. Noble will withdrawal its hearing application and the APD will proceed through the process for approval by the Director.

Cause No. 139, Docket No. 0708-SP-23, Parachute Field, Garfield County

Applicant: Noble Energy Inc.
Attorneys: Michael J. Wozniak/Susan L. Aldridge

Subject: Request for an order to establish 40-acre drilling and spacing units in the N½ NE¼ and NE¼ NW¼ of Section 3, Township 8 South, Range 96 West, 6th P.M., and allow the equivalent of one (1) well per 10 acres, with the permitted well to be located no closer than 100 feet from the outside boundary, for the production of gas and associated hydrocarbons from the Williams Fork Formation.

Comments: Application withdrawn; hearing cancelled.

Cause No. 51, Docket No. 0706-UP-11, Armstrong Field, Logan County

Applicant: DJ Resources, Inc.
Attorney: Barry W. Spector

Subject: Request for an order to establish 40-acre drilling and spacing units for certain lands in Sections 23 through 26, Township 11 North, Range 53 West, 6th P.M., for production from the "O" Sand and "J" Sand Formations and to pool all nonconsenting interests in the 40-acre drilling and spacing unit consisting of the NE¼ NW¼ of said Section 26.

Protestant: Linear Energy Management
Attorney: Michael J. Wozniak

Comments: Continued to the October hearing.

Cause No. 530, Docket No. 0706-UP-16, Shell Creek Field, Moffat County

Applicant: Samson Resources Co.
Attorneys: Susan Aldridge/Michael J. Wozniak

Subject: Request for an order to establish 40-acre drilling and spacing units for certain lands in Sections 23 through 26, Township 11 North, Range 53 West, 6th P.M., for production from the Baxter and Nugget Formations, and to pool all nonconsenting interests in the 40-acre drilling and spacing unit consisting of the NE¼ NW¼ of said Section 26.

Comments: Continued to the October hearing.

Cause No. 191, Docket No. 0708-SP-21, Mamm Creek Field, Garfield County

Applicant: Dolphin Energy Corporation
Attorney: Stephen J. Sullivan

Subject: Request for an order to establish a 40-acre drilling and spacing unit consisting of the NE¼ SE¼ of Section 16, Township 6 South, Range 92 West, 6th P.M., and allow

the equivalent of one (1) well per 10 acres, with the permitted well to be located no closer than 100 feet from the outside boundary for the production of gas and associated hydrocarbons from the Iles Formation.

Comments: Continued to the October hearing.

Cause No. 407, Docket No. 0708-UP-24, Wattenberg Field, Weld County

Applicant: Great Western Oil and Gas Company

Attorney: Michael J. Morgan

Subject: Request for an order to establish a 160-acre drilling and spacing unit in the NE $\frac{1}{4}$ of Section 26, Township 6 North, Range 67 West, 6th P.M., and to pool all nonconsenting interests in said unit for the drilling of the Great Western 26-51 Well, and to pool all nonconsenting interests in the 80-acre drilling and spacing unit consisting of the W $\frac{1}{2}$ NE $\frac{1}{4}$ of said Section 26, for the drilling of the Great Western 26-31 and Great Western 26-32 Wells for the development and operation of the Codell and Niobrara Formations.

Protestant: Penne Powers

Protestant: Judith Jenny

Attorney: Stephen J. Sullivan

Comments: Continued to the October hearing.

Cause No. 139, Docket No. 0708-SP-25, Parachute Field, Garfield County

Applicant: PetroHunter Company

Attorney: Craig R. Carver

Subject: Request for an order to establish 40-acre drilling and spacing units for certain lands in Section 34, Township 7 South, Range 96 West, 6th P.M. and in Sections 3 and 4, Township 8 South, Range 96 West, 6th P.M., allow increased well density, and modify well location setbacks, for the production of gas and associated hydrocarbons from the Williams Fork Formation.

Comments: Continued to the October hearing.

Cause No. 1, Docket No. 0707-GA-01, Kiowa County

Applicant: Monument Gas Marketing, Inc.

Attorney: Scott M. Campbell

Subject: Request for an order to amend or rescind Order No. 1V-238 which required re-entry and re-plugging of the Bucklen #2-34 Well.

Comments: Continued to the November hearing.

CONSENT AGENDA

=====

No protests/interventions were received or protests were resolved, or no interventions were made on the technical merits for the matters listed below. Based on the administrative hearings held or upon requests made by the applicants to approve the applications based on the merits of the verified applications and the supporting written testimony and exhibits, the Hearing Officer recommends approval. Draft proposed orders were provided. The applicants agreed to be bound by oral order of the Commission.

RULE 511.b. RECOMMENDATIONS

Cause No. 440, Docket No. 0708-UP-25, Parachute Field, Garfield County

Applicant: EnCana Oil & Gas (USA) Inc.
Attorneys: Susan Aldridge/Michael J. Wozniak

Subject: Request to pool all nonconsenting interests in the 320-acre drilling and spacing unit consisting of the S½ of Section 19, Township 7 South, Range 95 West, 6th P.M., for the development and operation of the Williams Fork and Iles Formations.

Cause No. 51, Docket No. 0706-UP-12, Armstrong Field, Logan County

Applicant: DJ Resources, Inc.
Attorney: Barry W. Spector

Subject: Request for an order to establish 40-acre drilling and spacing units for certain lands in Sections 20, 21, 28, and 29 of Township 9 North, Range 53 West, 6th P.M., for production from the "O" Sand Formation, and to pool all nonconsenting interests in the 40-acre drilling and spacing unit consisting of the NE¼ SE¼ of said Section 20.

Comments: Continued from the July hearing.

Cause Nos. 139 & 510, Docket No. 0707-SP-17, Rulison Field, Garfield County

Applicant: EnCana Oil & Gas (USA) Inc.
Attorneys: Michael J. Wozniak/Susan L. Aldridge

Subject: Request for an order to vacate the 640-acre drilling and spacing unit in Section 22, Township 7 North, Range 96 West, 6th P.M. established in Order No. 139-16, and establish 40-acre drilling and spacing units for production from the Williams Fork and Iles Formations, and allow one (1) well per 20 acres for said lands.

Comments: Continued from the July hearing so that the application could be amended.

Cause No. 112, Docket No. 0708-AW-20, Ignacio-Blanco Field, La Plata County

Applicant: Chevron USA Inc.
Attorney: William A. Keefe

Subject: Request for an order to allow two additional wells for a total of four (4) in the 320-acre drilling and spacing units in certain lands in Townships 33 and 34 North, Range 10 West, N.M.P.M., and Township 33 North, Range 11 West, N.M.P.M., with the permitted well to be located no closer than 660 feet from the outer unit boundary, for the production of gas and associated hydrocarbons from the Fruitland coal seams.

Cause No. 527, Docket No. 0708-SP-20, Sulphur Creek Field, Rio Blanco County

Applicant: Whiting Oil and Gas Corporation
Attorney: William A. Keefe

Subject: Request for an order to vacate the 400 foot setbacks established in Order No. 527-2 and establish 100 foot setbacks from the outside boundary for certain lands in Township 2 South, Range 97 West, 6th P.M., Townships 2 and 3 South Range 98 West, 6th P.M., and allow one (1) well per 10 acres for said lands, for the production of gas and associated hydrocarbons from the Iles and Sego Formations.

Cause No. 133, Docket No. 0708-AW-21, Hiawatha West Field, Moffat County

Applicant: Wexpro Company
Attorney: William A. Keefe

Subject: Request for an order to allow two additional wells for a total of seven (7) wells, in the 320-acre drilling and spacing units in Section 30, Township 12 North, Range 100 West, 6th P.M. and in Section 25, Township 12 North, Range 101 West, 6th P.M., with the permitted well to be located no closer than 600 feet from the outside boundary for the production of gas and associated hydrocarbons from the Mesaverde Formation.

Cause No. 510, Docket No. 0708-SP-22, Rulison Field, Garfield County

Applicant: Noble Energy Inc.
Attorneys: Susan Aldridge/Michael J. Wozniak

Subject: Request for an order to establish 40-acre drilling and spacing units for certain lands in Township 7 South, Range 96 West, 6th P.M., and allow the equivalent of one (1) well per 10 acres, with the permitted well to be located no closer than 100 feet from the outside boundary, for the production of gas and associated hydrocarbons from the Williams Fork and Iles Formations.

Cause No. 440, Docket No. 0708-SP-24, Parachute Field, Garfield County

Applicant: EnCana Oil & Gas (USA).
Attorneys: Susan Aldridge/Michael J. Wozniak

Subject: Request for an order to vacate the 320-acre drilling and

spacing units established in Order No. 440-12 and establish 40-acre drilling and spacing units for the E½ E½ of Section 17, Township 7 South, Range 95 West, 6th P.M., and allow the equivalent of one (1) well per 20 acres, with the permitted well to be located no closer than 200 feet from the outside boundary, for the production of gas and associated hydrocarbons from the Williams Fork and Iles Formations.

Cause No. 112, Docket No. 0708-UP-26, Ignacio-Blanco Field, La Plata County

Applicant: BP American Production Company

Attorneys: Michael J. Wozniak/Susan Aldridge

Subject: Request to pool all nonconsenting interests in the 320-acre drilling and spacing unit consisting of the E½ of Section 30, Township 34 North, Range 7 West, N.M.P.M., for the development and operation of the Fruitland coal seams.

Protestant: Cugnini Land & Cattle Company and Montoya Sheep & Cattle Company

Attorney: William D. Bontrager

Comments: Protest verbally withdrawn on August 22, 2007.

ADMINISTRATIVE ORDER BY CONSENT

Cause No. 1V, Docket No. 0708-OV-04, Jackson County

Staff Recommendation

Subject: Request to approve an Administrative Order by Consent for failure by Lone Pine Gas, Inc. to comply with Rule 324A.b., violating the WQCC's Basic Standards for Surface Waters, and violation of Rule 906.a., release of crude oil from a flowline associated with the Spaulding No. 1 Well located in the NW¼ NE¼ of Section 28, Township 9 North, Range 81 West, 6th P.M.

Cause No. 1V, Docket No. 0708-OV-05, Garfield County

Staff Recommendation

Subject: Request to approve an Administrative Order by Consent for failure by Petrogulf Corporation to comply with Rule 903.a.(1), requiring permits for drilling pits and production pits, and violation of Rule 1003.d.(2), requiring the drilling pit to be sufficiently dry prior to backfilling, for the Hooker #30-10 Well located in the NW¼ NE¼ of Section 30, Township 6 South, Range 93 West, 6th P.M.