



HEARING AGENDA

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

Monday, November 5, 2007

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| 🕒 9:00 a.m. | <u>Roll Call of Commissioners</u> |
| | <u>Approval of Proceedings</u> |
| 🕒 9:15 a.m. | <u>Report from the Executive Director's Office</u> |
| 🕒 9:30 a.m. | <u>Report from the Director</u> - Written report provided |
| 🕒 10:30 a.m. | <u>Commissioner Comments</u> |
| 🕒 10:45 a.m. | <u>Audience Comments</u> |
| 🕒 11:00 a.m. | <u>Consent Agenda</u>
<u>5</u> Hearing Officer recommendations from Administrative hearing and under Rule 511.b.
<u>2</u> Administrative Orders By Consent |
| 🕒 11:30 a.m. | Presentation from the Southern Ute Indian Tribe by Bob Zahradnik and Tom Shipps |
| 🕒 12:00 p.m. | <u>Lunch Break</u> |
| 🕒 1:00 p.m. | Presentation on the geologic and engineering models supporting the need for increased well density in the Mesaverde Group in the Piceance Basin by Rex Cole (Mesa State University) and Joel Fox (EnCana Oil & Gas (USA) Inc.) |
| 🕒 2:30 p.m. | <u>Cause No. 1, Docket No. 0707-GA-01, Kiowa County</u>
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, located in the SW¼ NW¼ of Section 34, Township 17 South, Range 46 West, 6 th P.M.

Comments: Continued from the July, August and October hearings. |

CONSENT AGENDA

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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.

ADMINISTRATIVE HEARING

Cause No. 530, Docket No. 0711-SP-31, Moffat County

Applicant: Cohort Energy Company
Attorney: Scott M. Campbell

Subject: Request for an order to establish 160-acre drilling and spacing units consisting of the SW¼ of Section 31, Township 12 North, Range 96 West, 6th P.M., and the SE¼ of Section 36, Township 12 North, Range 97 West, 6th P.M., with the permitted well to be located no closer than 600 feet from the unit boundary, for the production of gas and associated hydrocarbons from the Fox Hills Formation.

RULE 511.b. RECOMMENDATIONS

Cause No. 139, Docket No. 0711-UP-31, Rulison Field, Garfield County

Applicant: Laramie Energy II, LLC.
Attorney: William A. Keefe

Subject: Request to pool all nonconsenting interests in the 320-acre drilling and spacing unit consisting of the W½ of Section 20, Township 6 North, Range 93 West, 6th P.M. for the proposed Overcracker Federal 20-14D Well, for the development and operation of the Williams Fork Formations.

Cause No. 440, Docket No. 0711-SP-33, Parachute Field, Garfield County

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

Subject: Request for an order to allow the equivalent of one (1) well per 20 acres, with the permitted well to be located no closer than 200 feet from the unit boundary in the E½ of Section 15, Township 7 South, Range 95 West, 6th P.M., for the production of gas and associated hydrocarbons from the Williams Fork and Iles Formations.

Cause No. 139, Docket No. 0711-SP-32, Rulison 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 consisting of the NW¼ NE¼, the NE¼ NE¼ and the NE¼ NW¼ of Section 3, Township 8 South, Range 96 West, 6th P.M., and allow 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 and Iles Formations.

Cause Nos. 232 & 407, Docket No. 0711-UP-32, Wattenberg Field, Weld County

Applicant: EnCana Oil & Gas (USA) Inc.

Attorneys: Michael J. Wozniak/Susan L. Aldridge

Subject: Request for an order to establish a 320-acre drilling and spacing unit for the W½ of Section 18, Township 1 North, Range 68 West, 6th P.M., and to pool all nonconsenting interests in said unit for the proposed Sosa 11-18, 12-18, 21-18 and 22-18 Wells, for the development and operation of the "J" Sand, Codell and Niobrara Formations.

ADMINISTRATIVE ORDERS BY CONSENT

Cause No. 1V, Docket No. 0711-OV-09, Weld County

Staff Recommendation

Subject: Request to approve an Administrative Order by Consent for failure by Diversified Operating Corporation to comply with Rule 905.a., failure to submit a Site Investigation and Remediation Workplan, Form 27, for prior COGCC approval before closing an unlined production pit; and Rule 907.a.(1)., failure to ensure that E&P waste is properly stored, handled, transported, treated, recycled or disposed to prevent threatened or actual significant adverse environmental impacts to air, water, soil or biological resources for the Long Draw #1-22 Well located in the NE¼ NE¼ of Section 22, Township 3 North, Range 62 West, 6th P.M.

Cause No. 1V, Docket No. 0711-OV-10, Las Animas County

Staff Recommendation

Subject: Request to approve an Administrative Order by Consent for failure by Red River Ranch Holdings LLC. to comply

with Rule 209., failure to take special precautions in drilling the Red River Ranch No.18-3E Well located in the NW¼ SW¼ of Section 18, Township 35 South, Range 67 West, 6th P.M., Rule 324A.a. for not taking adequate precautions to prevent significant adverse environmental impacts to water resources, Rule 324A.b. for violating WQCC's standard that surface waters of the state shall be free from substances attributable to human-caused point source or non-point source discharge, Rule 907.a.(1) for not ensuring that E&P waste was properly treated, stored, handled, or disposed of to prevent threatened or actual significant adverse environmental impact, and Rule 907.a.(2) for failure to conduct E&P waste management activities and construct and operate E&P waste facilities to protect the waters of the state from significant adverse environmental impact.

CONTINUED AND WITHDRAWN MATTERS

Cause No. 112, Docket No. 0710-EX-08, Ignacio-Blanco Field, La Plata County

Applicant: Williams Production Company
Attorney: William A. Keefe

Subject: Request for an order allowing an exception to the permitted location in Order No. 112-46 for the drilling of the relocated Bondad 33-9 #5A Well to be drilled in the SE¼ 1170 feet FSL and 420 feet FEL in Section 3, Township 33 North, Range 9 West, N.M P.M., for the production of gas and associated hydrocarbons from the Mesaverde Formation.

Comments: Application withdrawn; hearing cancelled.

Cause No. 315, Docket No. 0711-EX-09, Vernon Field, Yuma County

Applicant: Rosetta Resources Inc.
Attorneys: Michael J. Wozniak/Susan L. Aldridge

Subject: Request for an order allowing an exception to the permitted location in Order No. 315-3 for the drilling of the Schobe 22-1 Well to be drilled 722 feet FNL and 617 feet FEL in the NE¼ NE¼ of Section 22, Township 1 South, Range 44 West, 6th P.M., for the production of gas and associated hydrocarbons from the Niobrara Formation.

Comments: Application withdrawn; hearing cancelled.

Cause No. 9, 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 NE $\frac{1}{4}$ NW $\frac{1}{4}$ of said Section 26.

Protestant: Linear Energy Management
Attorney: Michael J. Wozniak

Comments: Application withdrawn; hearing cancelled.

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 NE $\frac{1}{4}$ SE $\frac{1}{4}$ 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: Application withdrawn; hearing cancelled.

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 December hearing.

Cause No. 166, Docket No. 0711-AW-23, East Plateau Field, Mesa County

Applicant: Plains Exploration & Production Corporation
Attorney: Scott M. Campbell

Subject: Request for an order to allow the equivalent of one (1) well per 10 acres, with the permitted well to be located no closer than 100 feet from the lease line for certain lands in Sections 3, 10, 11, 14, and 15 of Township 10 South, Range 94 West, 6th P.M., for the production of gas and associated hydrocarbons from the Williams Fork, Rollins, Cozzette and Corcoran Formations

Comments: Continued to the December hearing.

Cause No. 429, Docket No. 0711-AW-25, Brush Creek Field, Mesa County

Applicant: Plains Exploration & Production Corporation
Attorney: Scott M. Campbell

Subject: Request for an order to allow the equivalent of one (1) well per 10 acres, with the permitted well to be located no closer than 100 feet from the lease line in certain lands of Township 9 South, Range 93 West, 6th P.M., for the production of gas and associated hydrocarbons from the Williams Fork, Rollins, Cozzette and Corcoran Formations.

Comments: Continued to the December hearing.

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

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: Continued to the January hearing.

Cause No. 112, Docket No. 0710-AW-22, Ignacio-Blanco Field, La Plata
County

Applicant: Chevron USA Inc. and Four Star Oil & Gas Company
Attorney: William A. Keefe

Subject: Request for an order to allow 2 additional wells for a total of 4 in the 320-acre drilling and spacing units in certain lands in Township 34 North, Ranges 9 and 10 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.

Comments: Continued to the January 2008 hearing.