



HEARING AGENDA

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

AMENDED

Thursday, May 8, 2008

- ⌚ **9:00 a.m.** Roll Call of Commissioners
- Approval of Proceedings
- ⌚ **9:05 a.m.** Report from the Executive Director's Office
- ⌚ **9:15 a.m.** Report from the Director - Written report provided
- ⌚ **9:45 a.m.** Commissioner Comments
- ⌚ **10:00 a.m.** Audience Comments
- ⌚ **10:30 a.m.** Consent Agenda
 11 Hearing Officer recommendations under Rule 511.b.
 1 AOC
- ⌚ **10:45 a.m.** Proposed Southern and Northern Piceance Basin Common Data Repositories and Water Resource Assessments: Plans, Partners, and Request for COGCC support. - Maria Pastore, Grand River Consulting, representing West Divide Water Conservancy District and Kirby Wynn, U.S. Geological Survey
- ⌚ **11:15 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
- 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: Kerr-McGee and Parkland have been successful in obtaining a contract to purchase a drilling and production easement adjacent and to and south of Parkland. Under the contract, they had a 30 day inspection period in which to obtain and review a title commitment, obtain the approval of Parkland members, come to certain agreements between themselves, and obtain a "drill through" agreement from EnCana. These objectives have been accomplished and the parties request a conditional withdrawal of the application.

🕒 11:45 a.m. Lunch Break

🕒 12:30 p.m. Cause No. 1R, Docket No. 0803-RM-02, Statewide
Rulemaking Status Update – Hearing Officer Epel and Acting Director David Neslin

CONSENT AGENDA

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No valid protests/interventions were received or valid protests were resolved, or no interventions were made on the technical merits for the matters listed below. **Based 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 Officers recommend approval.** Draft proposed orders were provided. The applicants agreed to be bound by oral order of the Commission.

RULE 511.b. RECOMMENDATIONS

Cause No. 510, Docket No. 0803-AW-08, Grand Valley Field, Garfield County

Applicant: Oxy USA WTP LP

Attorney: William A. Keefe

Subject: Request for an order to allow the equivalent of one well per 10 acres, with the permitted well to be located no closer than 100 feet from the lease line for certain lands in Township 6 South, Range 97 West, 6th P.M., for the production of gas and associated hydrocarbons from the Williams Fork Formation.

Protestant: Bureau of Land Management

Comments: Protest filed March 26, 2008. Prehearing conference held April 21, 2008 at which time the application was amended to remove certain lands.

Cause No. 139, Docket No. 0803-AW-10, Rulison Field, Garfield County

Applicant: Black Diamond Minerals, LLC

Attorneys: Susan L. Aldridge/Michael J. Wozniak

Subject: Request for an order to allow the equivalent of one well per 10 acres, with the permitted well to be located no

closer than 100 feet from the lease line for certain lands in Townships 7 and 8 South, Range 93 West, 6th P.M., for the production of gas and associated hydrocarbons from the Williams Fork Formation.

Comments: Continued from the March hearing and application amended.

Cause No. 139, Docket No. 0805-AW-11, Rulison Field, Garfield County

Applicant: Laramie Energy II, LLC

Attorney: William A. Keefe

Subject: Request for an order to allow the equivalent of one well per 10 acres, with the permitted well to be located no closer than 100 feet from the lease line for Section 29, Township 6 South, Range 93 West, 6th P.M., for the production of gas and associated hydrocarbons from the Iles Formation.

Cause No. 166, Docket No. 0805-AW-13, Plateau Field, Mesa County

Applicant: Black Hills Plateau Production, LLC

Attorney: Carleton L. Ekberg

Subject: Request for an order to allow the option of two additional horizontal wells, with the permitted well to be located no closer than 600 feet from the outer boundaries for Section 28, Township 10 South, Range 96 West, 6th P.M., for the production of gas and associated hydrocarbons from the Mesaverde Formation.

Cause No. 105, Docket No. 0805-EX-02, McClave Field, Kiowa County

Applicant: Strachan Exploration, Inc.

Representative: C. William Claxton

Subject: Request for an order allowing an exception to the permitted location in Order No. 105-1 for the drilling of the proposed Abrams # 11-1 Well at a surface location of 660 feet FNL and 660 feet FEL in the NE $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 11, Township 20 South, Range 49 West, 6th P.M., for the production of gas and associated hydrocarbons from the McClave Sand Formation.

Cause No. 381, Docket No. 0805-UP-03, Bracewell Field, Weld County

Applicant: Foundation Energy Management

Attorney: Stephen J. Sullivan

Subject: Request for an order to establish a 160-acre wellbore spacing unit in the SE $\frac{1}{4}$ SW $\frac{1}{4}$ and SW $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 23 and in the NE $\frac{1}{4}$ NW $\frac{1}{4}$ and NW $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 26, Township 6 North, Range 66 West, 6th P.M., and to pool all nonconsenting interests in said unit for the drilling of

the Barney 8 directional well with a surface location of 216 feet FSL and 2840 feet FWL, for the development and operation of the "J" Sand, Codell and Niobrara Formations.

Cause No. 381, Docket No. 0805-UP-04, Bracewell Field, Weld County

Applicant: Foundation Energy Management

Attorney: Stephen J. Sullivan

Subject: Request for an order to establish a 160-acre wellbore spacing unit in the S $\frac{1}{2}$ SW $\frac{1}{4}$ of Section 23 and in the N $\frac{1}{2}$ N $\frac{1}{4}$ of Section 26, Township 6 North, Range 66 West, 6th P.M., and to pool all nonconsenting interests in said unit for the drilling of the Barney 7 directional well with a surface location of 231 feet FSL and 1120 feet FWL, for the development and operation of the "J" Sand, Codell and Niobrara Formations.

Cause No. 381, Docket No. 0805-UP-05, Bracewell Field, Weld County

Applicant: Foundation Energy Management

Attorney: Stephen J. Sullivan

Subject: Request for an order to establish a 160-acre wellbore spacing unit in the E $\frac{1}{2}$ SW $\frac{1}{4}$ and the W $\frac{1}{2}$ SE $\frac{1}{4}$ of Section 23, Township 6 North, Range 66 West, 6th P.M., and to pool all nonconsenting interests in said unit for the drilling of the Barney 5 directional well with a surface location of 246 feet FSL and 1500 feet FWL, for the development and operation of the "J" Sand, Codell and Niobrara Formations.

Cause No. 381, Docket No. 0805-UP-06, Bracewell Field, Weld County

Applicant: Foundation Energy Management

Attorney: Stephen J. Sullivan

Subject: Request for an order to establish a 160-acre wellbore spacing unit in the SW $\frac{1}{4}$ of Section 23, Township 6 North, Range 66 West, 6th P.M., and to pool all nonconsenting interests in said unit for the drilling of the Barney 6 directional well with a surface location of 246 feet FSL and 1500 feet FWL, for the development and operation of the "J" Sand, Codell and Niobrara Formations.

Cause No. 510, Docket No. 0805-SP-10, Grand Valley Field, Garfield County

Applicant: Williams Production RMT Company

Attorney: Michael J. Wozniak

Subject: Request for an order to establish an approximate 40-acre drilling and spacing unit for the SE $\frac{1}{4}$ SW $\frac{1}{4}$ and an approximate 80-acre drilling and spacing unit for the S $\frac{1}{2}$ SE $\frac{1}{4}$, both in Section 28, Township 7 South, Range 96

West, 6th P.M., and to allow one well per 10 acres in the 40-acre unit, with the permitted well to be located no closer than 100 feet from the lease line, for the production of gas and associated hydrocarbons from the Williams Fork Formation.

Cause No. 112, Docket No. 0805-SP-11, Ignacio-Blanco Field, Archuleta County

Applicant: Red Willow Production and Energen Resources Corp.

Attorney: Michael J. Wozniak

Subject: Request for an order to vacate 320-acre drilling and spacing units and establish various drilling and spacing units and to allow a horizontal well and various optional additional wells, with a bottomhole location no closer than 660 feet to any outer boundary for certain lands in Township 32 North, Ranges 3 through 5 West, N.M.P.M., for the production of gas and associated hydrocarbons from the Fruitland coal seams.

ADMINISTRATIVE ORDER BY CONSENT

Cause No. 510, Docket No. 0805-OV-04, Rio Blanco County

Staff Recommendation

Subject: Request to approve an Administrative Order by Consent for failure by Chevron U.S.A., Inc. to comply with Rule 303., commencing operations without a valid permit on the Associated Unit A #4X Well located in the NE $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 14, Township 2 North, Range 103 West, 6th P.M.

CONTINUED AND WITHDRAWN MATTERS

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.

Intervener: La Plata County

Attorney: Jeffery P. Robbins

Intervener: San Juan Citizens Alliance

Representative: Josh Joswick

Comments: Continued to the June hearing.

Cause No. 112, Docket No. 0801-EX-01, Ignacio-Blanco Field, La Plata County

Applicant: Chevron Midcontinent, L.P.

Attorney: William A. Keefe

Subject: Request for an order to allow a well to be drilled within one and one-half miles of the outcrop contact between the Fruitland and Pictured Cliffs Formations in the 320-acre drilling and spacing unit in the E½ of Section 3, Township 34 North, Range 9 West, N.M.P.M., for the production of gas and associated hydrocarbons from the Fruitland coal seams.

Intervener: La Plata County

Attorney: Jeffery P. Robbins

Comments: Continued to the June hearing.

Cause No. 315, Docket No. 0805-AW-12, Vernon Field, Yuma County

Applicant: Rosetta Resources, Inc.

Attorneys: Michael J. Wozniak/Susan L. Aldridge/Andrew Bremmer

Subject: Request for an order to allow three additional wells, for a total of four (4) wells, in the 160-acre drilling and spacing units, in Sections 22 through 24, Township 1 South, Range 44 West, 6th P.M., with the permitted well to be located no closer than 900 feet from the unit boundary, for the production of gas and associated hydrocarbons from the Niobrara Formation.

Protestants: Chapman Farms and Dean Long

Comments: Prehearing conference held on April 30, 2008 and continued to the June hearing.

Cause No. 315, Docket No. 0805-EX-03, Vernon Field, Yuma County

Applicant: Rosetta Resources, Inc.

Attorneys: Michael J. Wozniak/Susan L. Aldridge/Andrew Bremmer

Subject: Request for an order allowing an exception to the permitted location in Order No. 315-3, for the drilling of the proposed Chapman 22-12 Well with a surface location of 2451 feet FSL and 651 feet FWL, in the NW¼ SW¼ of Section 22, Township 1 South, Range 44 West, 6th P.M., for the production of gas and associated hydrocarbons from the Niobrara Formation.

Protestants: LeRoy Deterding and William Deterding

Comments: Prehearing conference held on April 30, 2008 and continued to the June hearing.

Cause No. 1, Docket No. 0803-GA-02, Weld County

Applicant: City of Greeley
Attorney: Jeffrey C. Parins

Subject: Request for a hearing on the proposed Lake 31-43 Well located in the NE $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 31, Township 6 North, Range 66 West, 6th P.M., or in the alternative for an order designating the entire site of the Poudre Learning Center as both a High Density Area and a Designated Outside Activity Area.

Protestant: Orr Energy, LLC
Attorney: J. Michael Morgan

Comments: Continued from the March hearing where the applicant and protestant presented their cases-in-chief. Commission deliberation was continued and parties were encouraged to attempt a settlement. An agreement has been reached as of May 7, 2008 and a joint request to continue to the June hearing has been filed to allow the agreement to be finalized.