



HEARING AGENDA

Sabin-Cleere Conference Room, Building A,
Colorado Department of Public Health and Environment,
4300 Cherry Creek Drive South, Denver, CO, 80246

Monday, September 22, 2008

- ⌚ 9:00 a.m. Roll Call of Commissioners
- ⌚ 9:05 a.m. Approval of Proceedings
- ⌚ 9:10 a.m. Consent Agenda
- ⌚ 9:15 a.m. Cause No. 1V, Docket No. 0809-OV-16, La Plata County
Staff Recommendation

Subject: Request for an order finding violation by Star Acquisition VIII, LLC for failure to comply with obligations set forth in Rules 303.a.(1), 303.d.(1), 303.d.(2), 305.b.(1), 306.a., 306.a.(1), 306.a.(3), 317.c., and 318., and for plugging and abandoning the Rowe #1A Well prior to complying with the obligations set forth in Rule 319.a.(6), located in the NE $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 21, Township 33 North, Range 12 West, N.M.P.M.

Cause No. 1V, Docket No. 0809-OV-17, La Plata County
Staff Recommendation

Subject: Request for an order finding violation by Star Acquisition VIII, LLC for commencing drilling operations at the Dyehard #3A Well prior to complying with obligations set forth in Rules 303.a.(1), 303.d.(1), 303.d.(2), 305.b.(1), 306.a., 306.a.(1), 306.a.(3), 317.c., and 318., located in the NE $\frac{1}{4}$ NW $\frac{1}{4}$ of Section 13, Township 33 North, Range 12 West, N.M.P.M.

- 10:30 a.m. Rulemaking Deliberations

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. 139, Docket No. 0807-AW-19, Rulison Field, Garfield County

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

Subject: Request for an order allowing the equivalent of one well per 10 acres, with the permitted well to be located no closer than 100 feet from the outside boundary for the S½ NW¼ and N½ SW¼ of Section 8, Township 7 South, Range 93 West, 6th P.M., for production of gas and associated hydrocarbons from the Williams Fork Formation and to allow the equivalent of one well per 20 acres for production from the Iles Formation in said lands.

Comments: Continued from the August hearing.

Cause No. 386, Docket No. 0808-AW-23, Hightower Field, Mesa County

Applicant: Plains Exploration & Production Company
Attorneys: Scott Campbell/Nick Swartzendruber

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 unit boundary for certain lands in Township 9 South, Range 92 West, 6th P.M., for production of gas and associated hydrocarbons from the Mesaverde Group.

Protestant: Bureau of Land Management
Representative: Duane W. Spencer

Comments: Continued from the August hearing. Application amended and protest withdrawn.

Cause No. 429, Docket No. 0808-AW-24, Brush Creek Field, Mesa County

Applicant: Plains Exploration & Production Company
Attorneys: Scott Campbell/Nick Swartzendruber

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 unit boundary for certain lands in Section 15, Township 9 South, Range 94 West, 6th P.M., for production of gas and associated hydrocarbons from the Mesaverde Group.

Comments: Continued from the August hearing.

Cause Nos. 1, 369, 386, 399, & 429, Docket No. 0809-AW-25, Buzzard Creek, Sheep Creek, Vega, Brush Creek, Middleton Creek Fields, Mesa County

Applicant: Delta Petroleum Corporation
Attorneys: Michael J. Wozniak/Susan Aldridge

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 8 and 9 South, Ranges 92 and 93 West, 6th P.M., for production of gas and associated hydrocarbons from the Williams Fork and Iles Formations.

Cause Nos. 139 & 440, Docket No. 0809-AW-27, Rulison/Parachute Fields, Garfield County

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

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 unit boundary or lease line for Sections 11 and 16, both in Township 7 South, Range 94 West, 6th P.M., for production of gas and associated hydrocarbons from the Williams Fork Formation.

Cause No. 139, Docket No. 0809-AW-29, 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 certain lands in Township 7 South, Ranges 93 and 94 West, 6th P.M., for production of gas and associated hydrocarbons from the Williams Fork and Iles Formations.

Cause No. 139, Docket No. 0809-AW-30, Rulison Field, Garfield County

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

Subject: Request for an order to allow the equivalent of one well per 9 acres, with the permitted well to be located no closer than 100 feet from the lease line for Lots 3 and 4 in Section 17, Township 7 South, Range 94 West, 6th P.M., for production of gas and associated hydrocarbons from the Williams Fork and Iles Formations.

Cause No. 449, Docket No. 0809-EX-05, Arapahoe Field, Cheyenne County

Applicant: Direct Petroleum Exploration, Inc.

Attorney: William A. Keefe

Subject: Request for an order allowing an exception to the permitted location and rescinding the production restrictions under Order No. 449-14, for the Shirley Rother #1 Well located 1538 FWL and 693 FSL in the E $\frac{1}{2}$ SW $\frac{1}{4}$ of Section 33, Township 14 South, Range 42 West, 6th P.M., for production of gas and associated hydrocarbons from the Morrow Formation.

Cause No. 330, Docket No. 0809-SP-22, Armel Field, Yuma County

Applicant: Petroleum Development Corporation

Attorneys: Michael J. Wozniak/Susan Aldridge

Subject: Request for an order to vacate 160-acre drilling and spacing units for certain lands in Township 3 South, Range 42 West, 6th P.M., and place the lands under Rule 318.b., with the permitted well to be drilled when less than 2500 feet no closer than 200 feet from any lease line and not less than 300 feet from another well in the same common source of supply, for production of gas and associated hydrocarbons from the Niobrara Formation.

Cause No. 440, Docket No. 0809-SP-23, Parachute Field, Garfield County

Applicant: Laramie Energy II, LLC

Attorneys: William A. Keefe

Subject: Request for an order to allow the equivalent of one well per 10 acres for the NE $\frac{1}{4}$ SW $\frac{1}{4}$ of Section 15, Township 7 South, Range 95 West, 6th P.M., with the permitted well to be located no closer than 100 feet to the boundaries of the unit for the production of gas and associated hydrocarbons from the Williams Fork Formation.

Protestant: Bureau of Land Management

Representative: Duane W. Spencer

Comments: Application amended to withdraw the Iles Formation which is the subject of the Bureau of Land Management's protest.

Cause No. 139, Docket No. 0809-SP-24, Rulison Field, Garfield County

Applicant: Laramie Energy II, LLC

Attorneys: William A. Keefe

Subject: Request for an order to vacate 40-acre drilling and spacing units and establish an approximate 198-acre

drilling and spacing unit for Lots 6 and 7, 12 and 13 and the SW $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 22, Township 7 South, Range 95 West, 6th P.M. and allow the equivalent of one well per 10 acres, with the permitted well to be located no closer than 100 feet from the boundaries of the unit for production of gas and associated hydrocarbons from the Williams Fork and Iles Formations.

Cause No. 407, Docket No. 0809-UP-19, Wattenberg Field, Weld County

Applicant: Petroleum Management, LLC
Attorney: Thomas J. Kimmell

Subject: Request for an order 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 Section 12, Township 4 North, Range 68 West, 6th P.M., for the development and operation of the Codell-Niobrara Formation.

Cause Nos. 1 & 407, Docket No. 0809-UP-21, Wattenberg Field, Weld County

Applicant: Mineral Resources, Inc.
Attorney: Joseph R. Pope

Subject: Request for an order to establish an 80-acre drilling and spacing unit consisting of the E $\frac{1}{2}$ SW $\frac{1}{4}$ of Section 31, Township 5 North, Range 65 West, 6th P.M., and to pool all nonconsenting interests in the unit, for the development and operation of the Sussex, Codell, Niobrara, "J" Sand, Dakota Formations.

Cause Nos. 1 & 407, Docket No. 0809-UP-22, Wattenberg Field, Weld County

Applicant: Mineral Resources, Inc.
Attorney: Joseph R. Pope

Subject: Request for an order to establish a 160-acre wellbore spacing unit consisting of the W $\frac{1}{2}$ SE $\frac{1}{4}$ and the E $\frac{1}{2}$ SW $\frac{1}{4}$ of Section 31, Township 5 North, Range 65 West, 6th P.M., and to pool all nonconsenting interests in the unit, for the development and operation of the Sussex, Codell, Niobrara, "J" Sand, Dakota Formations.

Cause Nos. 1 & 407, Docket No. 0809-UP-23, Wattenberg Field, Weld County

Applicant: Mineral Resources, Inc.
Attorney: Joseph R. Pope

Subject: Request for an order to establish a 160-acre wellbore spacing unit consisting of the N $\frac{1}{2}$ NE $\frac{1}{4}$ of Section 6, Township 4 North, Range 65 West, 6th P.M. and the S $\frac{1}{2}$ SE $\frac{1}{4}$ of Section 31, Township 5 North, Range 65 West, 6th P.M., and to pool all nonconsenting interests in the unit, for the development and operation of the Sussex, Codell, Niobrara, "J" Sand, Dakota Formations.

Cause Nos. 1 & 407, Docket No. 0809-UP-24, Wattenberg Field, Weld County

Applicant: Mineral Resources, Inc.

Attorney: Joseph R. Pope

Subject: Request for an order to establish an 80-acre drilling and spacing unit consisting of the N½ NE¼ of Section 6, Township 4 North, Range 65 West, 6th P.M., and to pool all nonconsenting interests in the unit, for the development and operation of the Sussex, Codell, Niobrara, "J" Sand, Dakota Formations.

Cause Nos. 1 & 407, Docket No. 0809-UP-25, Wattenberg Field, Weld County

Applicant: Mineral Resources, Inc.

Attorney: Joseph R. Pope

Subject: Request for an order to establish an 80-acre drilling and spacing unit consisting of the N½ NW¼ of Section 6, Township 4 North, Range 65 West, 6th P.M., and to pool all nonconsenting interests in the unit, for the development and operation of the Sussex, Codell, Niobrara, "J" Sand, Dakota Formations.

Cause Nos. 1 & 407, Docket No. 0809-UP-26, Wattenberg Field, Weld County

Applicant: Mineral Resources, Inc.

Attorney: Joseph R. Pope

Subject: Request for an order to establish a 160-acre wellbore spacing unit consisting of the N½ NW¼ of Section 6, Township 4 North, Range 65 West, 6th P.M. and the S½ SW¼ of Section 31, Township 5 North, Range 65 West, 6th P.M., and to pool all nonconsenting interests in the unit, for the development and operation of the Sussex, Codell, Niobrara, "J" Sand, Dakota Formations.

Cause Nos. 1 & 407, Docket No. 0809-UP-27, Wattenberg Field, Weld County

Applicant: Mineral Resources, Inc.

Attorney: Joseph R. Pope

Subject: Request for an order to establish a 160-acre drilling and spacing unit consisting of the NE¼ of Section 6, Township 4 North, Range 65 West, 6th P.M., and to pool all nonconsenting interests in the unit, for the development and operation of the Sussex, Codell, Niobrara, "J" Sand, Dakota Formations.

Cause Nos. 1 & 407, Docket No. 0809-UP-28, Wattenberg Field, Weld County

Applicant: Mineral Resources, Inc.

Attorney: Joseph R. Pope

Subject: Request for an order to establish a 160-acre wellbore spacing unit consisting of the NW $\frac{1}{4}$ NE $\frac{1}{4}$ and NE $\frac{1}{4}$ NW $\frac{1}{4}$ of Section 6, Township 4 North, Range 65 West, 6th P.M. and the SE $\frac{1}{4}$ SW $\frac{1}{4}$ and SW $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 31, Township 5 North, Range 65 West, 6th P.M., and to pool all nonconsenting interests in the unit, for the development and operation of the Sussex, Codell, Niobrara, "J" Sand, Dakota Formations.

Cause Nos. 1 & 407, Docket No. 0809-UP-29, Wattenberg Field, Weld County

Applicant: Mineral Resources, Inc.

Attorney: Joseph R. Pope

Subject: Request for an order to establish a 160-acre drilling and spacing unit consisting of the NW $\frac{1}{4}$ of Section 6, Township 4 North, Range 65 West, 6th P.M., and to pool all nonconsenting interests in the unit, for the development and operation of the Sussex, Codell, Niobrara, "J" Sand, Dakota Formations.

Cause Nos. 1 & 407, Docket No. 0809-UP-30, Wattenberg Field, Weld County

Applicant: Mineral Resources, Inc.

Attorney: Joseph R. Pope

Subject: Request for an order to establish a 160-acre wellbore spacing unit consisting of the S $\frac{1}{2}$ NE $\frac{1}{4}$ and the N $\frac{1}{2}$ SE $\frac{1}{4}$ of Section 31, Township 5 North, Range 65 West, 6th P.M., and to pool all nonconsenting interests in the unit, for the development and operation of the Sussex, Codell, Niobrara, "J" Sand, Dakota Formations.

Cause Nos. 1 & 407, Docket No. 0809-UP-31, Wattenberg Field, Weld County

Applicant: Mineral Resources, Inc.

Attorney: Joseph R. Pope

Subject: Request for an order to establish a 160-acre drilling and spacing unit consisting of the SE $\frac{1}{4}$ of Section 31, Township 5 North, Range 65 West, 6th P.M., and to pool all nonconsenting interests in the unit, for the development and operation of the Sussex, Codell, Niobrara, "J" Sand, Dakota Formations.

Cause Nos. 1 & 407, Docket No. 0809-UP-32, Wattenberg Field, Weld County

Applicant: Mineral Resources, Inc.

Attorney: Joseph R. Pope

Subject: Request for an order to establish a 160-acre drilling and spacing unit consisting of the SW $\frac{1}{4}$ of Section 31, Township 5 North, Range 65 West, 6th P.M., and to pool all nonconsenting interests in the unit, for the

development and operation of the Sussex, Codell, Niobrara, "J" Sand, Dakota Formations.

Cause Nos. 1 & 407, Docket No. 0809-UP-33, Wattenberg Field, Weld County

Applicant: Mineral Resources, Inc.

Attorney: Joseph R. Pope

Subject: Request for an order to establish a 160-acre wellbore spacing unit consisting of the SW $\frac{1}{4}$ NE $\frac{1}{4}$, SE $\frac{1}{4}$ NW $\frac{1}{4}$, NE $\frac{1}{4}$ SW $\frac{1}{4}$ and the NW $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 31, Township 5 North, Range 65 West, 6th P.M., and to pool all nonconsenting interests in the unit, for the development and operation of the Sussex, Codell, Niobrara, "J" Sand, Dakota Formations.

Cause Nos. 1 & 407, Docket No. 0809-UP-34, Wattenberg Field, Weld County

Applicant: Mineral Resources, Inc.

Attorney: Joseph R. Pope

Subject: Request for an order to establish a 160-acre wellbore spacing unit consisting of the W $\frac{1}{2}$ NE $\frac{1}{4}$ and the E $\frac{1}{2}$ NW $\frac{1}{4}$ of Section 6, Township 4 North, Range 65 West, 6th P.M., and to pool all nonconsenting interests in the unit, for the development and operation of the Sussex, Codell, Niobrara, "J" Sand, Dakota Formations.

ADMINISTRATIVE ORDER BY CONSENT

Cause No. 1V, Docket No. 0809-OV-18, Boulder County

Staff Recommendation

Subject: Request for approval of an Administrative Order by Consent finding TOP Operating Company in continuing violation of Rule 906.d. for failing to perform timely remediation required by Remediation Work Plan #3743 at the Rider Family Trust #1 Well (aka the Rider #1-36 Well), located in the NE $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 36, Township 3 North, Range 69 West, 6th P.M.

CONTINUED AND WITHDRAWN MATTERS

Cause No. 510, Docket No. 0806-EX-04, Rulison Field, Garfield County

Applicant: Noble Energy, Inc.

Attorney: Michael J. Wozniak

Subject: Request for an order allowing an exception to the permitted location for the Mancos Formation at a bottomhole location of 150 feet FSL and 440 feet FWL and the Iles Formation to be produced at a bottomhole location of 184 feet FSL and 440 feet FWL in the Cotner 35-14D Well located in the SW $\frac{1}{4}$ SW $\frac{1}{4}$ of Section 35,

Township 7 South, Range 96 West, 6th P.M., for production of gas and associated hydrocarbons from the Mancos and Iles Formations.

Protestant: EnCana Oil & Gas (USA)
Attorneys: Stephen J. Sullivan/Blake Pickett

Protestant: Bureau of Land Management
Representative: Duane W. Spencer

Comments: Continued to the October hearing.

Cause No. 139, Docket No. 0809-AW-26, Rulison Field, Garfield and Mesa Counties

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

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 Sections 3, 10, 14 and 15 of Township 8 South, Range 95 West, 6th P.M., for production of gas and associated hydrocarbons from the Williams Fork and Iles Formations.

Protestant: Bureau of Land Management
Representative: Duane W. Spencer

Comments: Continued to the October hearing.

Cause No. 510, Docket No. 0809-AW-28, Grand Valley Field, Garfield County

Applicant: Marathon Oil Company
Attorney: Scott Campbell

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 or unit boundary for certain lands in Townships 5 and 7 South, Ranges 96 and 97 West, 6th P.M., for production of gas and associated hydrocarbons from the Williams Fork Formation.

Comments: Continued to the October hearing.

Cause No. 1, Docket No. 0809-GA-01, Adams County

Applicant: Colorado Board of Parks and Outdoor Recreation
Attorney: Timothy J. Monahan

Subject: Request for an order to designate Barr Lake State Park as a Designated Outside Activity Area.

Protestants: James Alexander, Alexander Energy Company, HRM Resources, Texas American Resources Company and Sovereign Energy LLC.
Attorney: Stephen J. Sullivan

Protestant: Noble Energy, Inc.
Attorneys: Michael J. Wozniak/Andrew A. Bremner

Protestant: Anadarko Petroleum Corporation
Attorneys: John R. Jacus/Sam G. Niebrugge

Comments: A prehearing conference was held on September 3, 2008. The matter has been continued to the October hearing to allow the parties to continue discussions.

Cause No. 1, Docket No. 0809-GA-03, Ignacio-Blanco Field, La Plata County

Applicant: La Plata County
Attorney: Jeffery P. Robbins

Subject: Request for an order to require Maralex Corporation to use a zero discharge closed loop pitless drilling system to drill the proposed Keegan Patrick 33-7-11 #3C Well located in the NW¼ SW¼ of Section 11, Township 33 North, Range 7 West, N.M.P.M., for production of gas and associated hydrocarbons from the Fruitland coal seams.

Comments: Continued to the October hearing.

Cause No. 531, Docket No. 0809-UP-18, Jackson County

Applicant: EOG Resources, Inc
Attorneys: Michael J. Wozniak/Susan Aldridge

Subject: Request for an order to pool all nonconsenting interests in the 629-acre drilling and spacing unit consisting of Section 30, Township 7 North, Range 80 West, 6th P.M., for the development and operation of the Niobrara Formation.

Protestant: N.A.P.I. LLC and All State Trucking Corporation
Attorneys: Jennie D. Behles/Michael P. Elliot

Comments: A prehearing conference was held September 19, 2008. Continued to the October hearing.

Cause No. 407, Docket No. 0809-UP-20, Wattenberg Field, Weld County

Applicant: Petroleum Development Corporation
Attorneys: Scott Campbell/Nick Swartzendruber

Subject: Request for an order to vacate 80-acre drilling and spacing units established in Order No. 407-87 and

establish a 320-acre drilling and spacing unit consisting of the W½ of Section 10, Township 5 North, Range 63 West, 6th P.M., and to pool all nonconsenting interests in the unit., for the development and operation of the Sussex, Shannon, Codell-Niobrara, "J" Sand, Dakota Formations.

Comments: Continued to the October hearing.

Cause No. 510, Docket No. 0808-SP-20, Mamm Creek Field, Garfield County

Applicant: Berry Petroleum Company

Attorneys: Stephen J. Sullivan/Blake Pickett

Subject: Request for an order to vacate a 552.72-acre drilling and spacing unit and establish two approximate 276-acre drilling and spacing units and allow one well per 10 acres, with the permitted well to be located no closer than 100 feet to the unit or lease line boundary for certain lands in Section 1, Township 6 South, Range 97 West, 6th P.M., for production of gas and associated hydrocarbons from the Mesaverde Group.

Comments: Application withdrawn; hearing cancelled.