

## RECORD OF PROCEEDINGS

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October 27, 2008

The Oil and Gas Conservation Commission met on October 27, 2008 at 4:30 p.m. in the Columbine Room at the Sheraton Hotel, 1550 Court Place, Denver, Colorado, for a hearing in Cause Nos. 191, 510, and 532.

Those present were:

Joshua Epel	Vice Chair
Rich Alward	Commissioner
Tom Compton	Commissioner
Mark Cutright	Commissioner
Michael Dowling	Commissioner
Trési Houpt	Commissioner
Jim Martin	Commissioner
Kelly Rees	Assistant Attorney General
David Neslin	Acting Director
Tricia Beaver	Hearings Manager

A motion was made by Commissioner Martin to approve the September 2008 minutes, seconded by Commissioner Compton, and unanimously approved.

There was no report from the Executive Director's Office.

There was no verbal report from the Acting Director, however, a written staff report was provided.

There was no report from the Assistant Attorney General.

There were no comments from the Commissioners.

There were no comments from the audience.

The October hearing was abbreviated due to the length of continuing rulemaking deliberations.

Consent Agenda: Commissioner Cutright disclosed that he has a business relationship with Hilcorp Energy Company, the Applicant in Cause No. 532, Docket No. 0810-UP-35. Commissioner Houpt recused herself from participating in Cause No. 191, Docket No. 0810-UP-36, due to of a conflict of interest as that application involved the Garfield County Board of Commissioners.

A motion was made by Commissioner Cutright to approve the consent agenda matters, excepting Cause No. 191, Docket No. 0810-UP-36, seconded by Commissioner Houpt, and approved unanimously. The following matters were approved:

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

Cause No. 532, Docket No. 0810-UP-35, Weld County, request for an order to establish an enhanced recovery unit and approve enhanced recovery operations for certain lands in Township 3 North, Range 62 West, 6th P.M., for the development of the reservoir consisting of the Dakota Formation.

A motion was made by Commissioner Cutright to approve Cause No. 191, Docket No. 0810-UP-

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36, seconded by Commissioner Dowling, and approved unanimously with Commissioner Houpt abstaining. The following matter was approved:

Cause No. 191, Docket No. 0810-UP-36, Garfield County, request for an order to pool all nonconsenting interests in the 320-acre drilling and spacing unit consisting of the S½ of Section 14, Township 6 South, Range 93 West, 6th P.M., and in the 160-acre drilling and spacing unit consisting of the SE¼ of Section 14, Township 6 South, Range 93 West, 6th P.M., for production of gas and associated hydrocarbons from the Williams Fork and Iles Formations.

The following matters have been continued to the December 2008 hearing:

Cause No. 1, Docket No. 0809-GA-01, Adams County, request for an order to designate Barr Lake State Park as a Designated Outside Activity Area.

Cause No. 191, Docket No. 0810-AW-31, Garfield County, 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 the W½ NW¼ of Section 21, Township 6 South, Range 91 West, 6th P.M., for production of gas and associated hydrocarbons from the Williams Fork and Iles Formations.

Cause No. 112, Docket No. 0810-AW-32, La Plata County, request for an order to allow up to four optional wells in certain 320-acre drilling and spacing units, with the permitted well to be located no closer than 660 feet from the unit boundary and with no setback to any interior quarter section line, for certain lands in Townships 34 and 35 North, Ranges 6 through 8 West, N.M.P.M., for production of gas and associated hydrocarbons from the Fruitland coal seams.

Cause No. 112, Docket No. 0810-AW-33, La Plata County, request for an order to allow up to four optional wells in certain 320-acre drilling and spacing units, with the permitted well to be located no closer than 660 feet from the unit boundary and with no setback to any interior quarter section line, for certain lands in Township 32 North, Ranges 5, 6 and 9 West, N.M.P.M. and Township 34 North, Ranges 6 and 7 West, N.M.P.M., for production of gas and associated hydrocarbons from the Fruitland coal seams.

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

Cause No. 407, Docket No. 0809-UP-20, Weld County, 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, and Dakota Formations.

Cause No. 510, Docket No. 0806-EX-04, Garfield County, 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 SW¼ SW¼ 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.

Cause No. 1V, Docket No. 0809-OV-19, Boulder County, 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 Counter #2 Well located in the NE¼ NE¼ of Section 30, Township 2 North, Range 66 West, 6th P.M.,

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the Counter #3 Well located in the SE¼ NE¼ of Section 30, Township 2 North, Range 66 West, 6th P.M., the Schneider #3 Well located in the NW¼ NW¼ of Section 30, Township 2 North, Range 66 West 6th P.M., the Knox #1-23 Well located in the SW¼ NW¼ of Section 23, Township 2 North, Range 67 West, 6th P.M., and the Knox #22-23 Well located in the SE¼ NW¼ of Section 23, Township 2 North, Range 67 West, 6th P.M.

The hearing adjourned at 5:00 p.m.

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The Secretary was therefore authorized to issue the following orders:

Order No. 510-45, Grand Valley Field, Garfield County: Approves the 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.

Order No. 532-1, Center Pivot Field, Weld County: Approves the request for an order to establish an enhanced recovery unit and approve enhanced recovery operations for certain lands in Township 3 North, Range 62 West, 6th P.M., for the development of the reservoir consisting of the Dakota Formation.

Order No. 191-56, Mamm Creek Field, Garfield County: Approves the request for an order to pool all nonconsenting interests in the 320-acre drilling and spacing unit consisting of the S½ of Section 14, Township 6 South, Range 93 West, 6th P.M., and in the 160-acre drilling and spacing unit consisting of the SE¼ of Section 14, Township 6 South, Range 93 West, 6th P.M., for production of gas and associated hydrocarbons from the Williams Fork and Iles Formations.

Approved:

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Patricia C. Beaver, Secretary

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Harris Sherman, Chair