

BEFORE THE OIL AND GAS CONSERVATION COMMISSION  
OF THE STATE OF COLORADO

IN THE MATTER OF THE PROMULGATION AND	)	CAUSE NO. 191
ESTABLISHMENT OF FIELD RULES TO GOVERN	)	
OPERATIONS IN THE MAM CREEK FIELD,	)	DOCKET NO. 0504-SP-03
GARFIELD COUNTY, COLORADO	)	

NOTICE OF HEARING

TO ALL INTERESTED PARTIES AND TO WHOM IT MAY CONCERN:

On February 22, 1994, the Commission issued Order No. 191-4, which amended Order No. 191-3 which established 640-acre drilling and spacing units for the production of gas and associated hydrocarbons from the Mesaverde Formation, with the permitted well to be located no closer than 990 feet to the boundaries of the unit for the below-listed lands:

Township 6 South, Range 92 West, 6th P. M.  
Sections 22 through 27: All  
Sections 35 and 36: All

On October 21, 1997, the Commission issued Order No. 191-5, which amended Order No. 191-4 which established 640-acre drilling and spacing units for the production of gas and associated hydrocarbons from the Mesaverde Formation, with the permitted well to be located no closer than 990 feet to the boundaries of the unit, to allow additional wells, not to exceed sixteen (16) wells, for the production of oil, gas and associated hydrocarbons from the Mesaverde Group, with the permitted well to be located at a distance of at least 400 feet from the outer boundaries of the drilling and spacing unit and no closer than 800 feet to any well or wells producing or producible from the same formation including Section 25, Township 6 South, Range 92 West, 6<sup>th</sup> P.M.

On October 21, 1997, the Commission issued Order No. 191-5, which amended Order No. 191-4 which established 640-acre drilling and spacing units for the production of gas and associated hydrocarbons from the Mesaverde Formation, with the permitted well to be located no closer than 990 feet to the boundaries of the unit, to decrease the 640-acre drilling and spacing unit consisting of Section 36, Township 6 South, Range 92 West, 6<sup>th</sup> P.M. to 40-acre drilling and spacing units for the production of oil, gas and associated hydrocarbons from the Mesaverde Group, with the permitted well to be located in accordance with Rule 318.a.

Rule 318.a. of the Rules and Regulations of the Commission requires that wells drilled in excess of two thousand five hundred (2,500) feet in depth be located not less than six hundred (600) feet from any lease line, and located not less than one thousand two hundred (1,200) feet from any other producible or drilling oil or gas well when drilling to the same common source of supply, unless authorized by order of the Commission upon hearing. The below-listed lands are subject to Rule 318.a.:

Township 6 South, Range 91 West, 6th P. M.  
Section 19: N $\frac{1}{2}$  N $\frac{1}{2}$ , SW $\frac{1}{4}$  NW $\frac{1}{4}$ , SE $\frac{1}{4}$  NE $\frac{1}{4}$   
Section 20: N $\frac{1}{2}$   
Section 21: NW $\frac{1}{4}$  NE $\frac{1}{4}$ , NE $\frac{1}{4}$  NW $\frac{1}{4}$   
Section 22: E $\frac{1}{2}$ , N $\frac{1}{2}$  NW $\frac{1}{4}$ , SE $\frac{1}{4}$  NW $\frac{1}{4}$ , NE $\frac{1}{4}$  SW $\frac{1}{4}$   
Section 23: S $\frac{1}{2}$  NW $\frac{1}{4}$ , S $\frac{1}{2}$   
Section 24: SE $\frac{1}{4}$  NE $\frac{1}{4}$ , SW $\frac{1}{4}$ , S $\frac{1}{2}$  SE $\frac{1}{4}$   
Section 25: N $\frac{1}{2}$ , N $\frac{1}{2}$  S $\frac{1}{2}$ , SE $\frac{1}{4}$  SW $\frac{1}{4}$ , SW $\frac{1}{4}$  SE $\frac{1}{4}$   
Section 26: N $\frac{1}{2}$   
Section 27: E $\frac{1}{2}$ , E $\frac{1}{2}$  W $\frac{1}{2}$ , SW $\frac{1}{4}$  NW $\frac{1}{4}$ , W $\frac{1}{2}$  SW $\frac{1}{4}$   
Section 28: W $\frac{1}{2}$  NE $\frac{1}{4}$ , SE $\frac{1}{4}$  NE $\frac{1}{4}$ , E $\frac{1}{2}$  SE $\frac{1}{4}$   
Section 31: SW $\frac{1}{4}$  SW $\frac{1}{4}$   
Section 33: E $\frac{1}{2}$ , SE $\frac{1}{4}$  NW $\frac{1}{4}$ , SW $\frac{1}{4}$   
Sections 34 through 36: All

Township 6 South, Range 92 West, 6th P. M.  
Section 13: S $\frac{1}{2}$  SW $\frac{1}{4}$   
Section 14: SE $\frac{1}{4}$  SE $\frac{1}{4}$   
Section 16: SW $\frac{1}{4}$  SE $\frac{1}{4}$   
Sections 19 through 21: All  
Section 23: NE $\frac{1}{4}$  NE $\frac{1}{4}$ , NW $\frac{1}{4}$  NW $\frac{1}{4}$ , S $\frac{1}{2}$  N $\frac{1}{2}$ , S $\frac{1}{2}$   
Sections 28 through 30: All  
Section 33: SW $\frac{1}{4}$   
Section 34: E $\frac{1}{2}$

Township 7 South, Range 91 West, 6th P. M.

Section 1: Lots 1-4, S $\frac{1}{2}$  S $\frac{1}{2}$  (All)  
Section 2: Lot 1, SE $\frac{1}{4}$  SE $\frac{1}{4}$   
Section 5: Lot 4, S $\frac{1}{2}$  SW $\frac{1}{4}$   
Section 6: Lots 1, 2, 4, 5, SE $\frac{1}{4}$  SW $\frac{1}{4}$ , SW $\frac{1}{4}$  SE $\frac{1}{4}$   
Sections 11 and 12: All

Township 7 South, Range 92 West, 6th P. M.

Section 2: That certain 70.233 acres in the W $\frac{1}{2}$  remaining uncommitted to the Hunter Mesa Unit  
Section 3: That certain 96.93 acres in the N $\frac{1}{2}$  remaining uncommitted to the Hunter Mesa Unit

On January 10, 2005, the Commission entered Order No. 191-8, which established various drilling and spacing units and allowed the equivalent of one well per 10 acres, with the permitted well to be located downhole anywhere in the drilling and spacing unit, no closer than 100 feet from the boundaries of the unit without exception being granted by the Director of the Oil and Gas Conservation Commission. Where these lands abut or corner lands in respect of which the Commission has not at the time of drilling permit application granted the right to drill 10-acre density Williams Fork Formation wells, the well should be located downhole no closer than 200 feet from the boundary or boundaries of the drilling unit so abutting or cornering such lands without exception being granted by the Director of the Oil and Gas Conservation Commission.

On March 10, 2005, Bill Barrett Corporation, by its attorney, filed with the Commission a verified application for an order to increase the number of wells which can be optionally drilling into and produced from the Iles Formation in the below-listed 640-acre drilling and spacing units, or portions thereof, the equivalent of one well per 10 acres, with the permitted well to be located downhole anywhere in the drilling and spacing unit, no closer than 100 feet from the boundaries of the unit without exception being granted by the Director of the Oil and Gas Conservation Commission. Where these lands abut or corner lands in respect of which the Commission has not at the time of drilling permit application granted the right to drill 10-acre density Iles Formation wells, the well should be located downhole no closer than 200 feet from the boundary or boundaries of the drilling unit so abutting or cornering such lands without exception being granted by the Director of the Oil and Gas Conservation Commission.

Township 6 South, Range 92 West, 6<sup>th</sup> P.M.

Sections 20 and 21: All  
Section 35: All

The application also requests that the order establish 640-acre drilling and spacing units for the production of gas and associated hydrocarbons from the Iles Formation, with the permitted well to be located downhole anywhere in the drilling and spacing unit but no closer than 100 feet from the boundaries of the unit without exception being granted by the Director of the Oil and Gas Conservation Commission. Where these lands abut or corner lands in respect of which the Commission has not at the time of drilling permit application granted the right to drill 10-acre density Iles Formation wells, the well should be located downhole no closer than 200 feet from the boundary or boundaries of the drilling unit so abutting or cornering such lands without exception being granted by the Director of the Oil and Gas Conservation Commission. In addition, the order should allow the number of wells which can be optionally drilled into and produced from the Iles Formation to the equivalent of one well per 10 acres.

Township 6 South, Range 91 West, 6<sup>th</sup> P.M.

Sections 34 through 36: All

Township 7 South, Range 91 West, 6<sup>th</sup> P.M.

Sections 11 and 12: All

The application also requests that the order establish 320-acre drilling and spacing units for the production of gas and associated hydrocarbons from the Iles Formation, for the below-listed lands, with the permitted well to be located downhole anywhere in the drilling and spacing unit but no closer than 100 feet from the boundaries of the unit without exception being granted by the Director of the Oil and Gas Conservation Commission. Where these lands abut or corner lands in respect of which the Commission has not at the time of drilling permit application granted the right to drill 10-acre density Iles Formation wells, the well should be located downhole no closer than 200 feet from the boundary or boundaries of the drilling unit so abutting or cornering such lands without exception being granted by the Director of the Oil and Gas Conservation Commission. In addition, the order should allow the number of wells which can be optionally drilled into and produced from the Iles Formation to the equivalent of one well per 10 acres.

Township 6 South Range 91 West, 6th P. M.

Section 20: N $\frac{1}{2}$   
Section 23: S $\frac{1}{2}$   
Section 33: E $\frac{1}{2}$

Township 6 South, Range 92 West, 6<sup>th</sup> P.M.

Section 23: S $\frac{1}{2}$   
Section 24: W $\frac{1}{2}$   
Section 28: N $\frac{1}{2}$

Township 7 South, Range 91 West, 6<sup>th</sup> P.M.

Section 1: All

In addition, the application also requests that the order establish 160-acre drilling and spacing units for the production of gas and associated hydrocarbons from the Iles Formation, for the below-listed lands, with the permitted well to be located downhole anywhere in the drilling and spacing unit but no closer than 100 feet from the boundaries of the unit without exception being granted by the Director of the Oil and Gas Conservation Commission. Where these lands abut or corner lands in respect of which the Commission has not at the time of drilling permit application granted the right to drill 10-acre density Iles Formation wells, the well should be located downhole no closer than 200 feet from the boundary or boundaries of the drilling unit so abutting or cornering such lands without exception being granted by the Director of the Oil and Gas Conservation Commission. The order should allow the number of wells which can be optionally drilled into and produced from the Iles Formation to the equivalent of one well per 10 acres.

Township 6 South, Range 92 West, 6<sup>th</sup> P.M.

Section 28: SW $\frac{1}{4}$ , SE $\frac{1}{4}$   
Section 29: NE $\frac{1}{4}$   
Section 33: SW $\frac{1}{4}$   
Section 34: NE $\frac{1}{4}$

Further, the application also requests that the order establish 80-acre drilling and spacing units for the production of gas and associated hydrocarbons from the Iles Formation, the below-listed lands, with the permitted well to be located downhole anywhere in the drilling and spacing unit but no closer than 100 feet from the boundaries of the unit without exception being granted by the Director of the Oil and Gas Conservation Commission. Where these lands abut or corner lands in respect of which the Commission has not at the time of drilling permit application granted the right to drill 10-acre density Iles Formation wells, the well should be located downhole no closer than 200 feet from the boundary or boundaries of the drilling unit so abutting or cornering such lands without exception being granted by the Director of the Oil and Gas Conservation Commission. In addition, the order should allow the number of wells which can be optionally drilled into and produced from the Iles Formation to the equivalent of one well per 10 acres.

Township 6 South Range 92 West, 6th P.M.

Section 34: N $\frac{1}{2}$  SE $\frac{1}{4}$ , S $\frac{1}{2}$  SE $\frac{1}{4}$

The application also requests that as to the below-listed lands [unspaced], the order should allow all future Iles Formation wells to be located downhole anywhere upon such lands but no closer than 100 feet from the boundaries of any lease line unless such lease line abuts or corners lands in respect of which the Commission has not at the time of drilling permit application granted the right to drill 10-acre density wells in which event the wells should be drilled downhole no closer than 200 feet from the lease line which so abuts or corners the lands in respect of which 10 acre density downhole drilling for Iles Formation wells has not been ordered by the Commission. In addition, the order should allow the number of wells which can be optionally drilled into and produced from the Iles Formation to the equivalent of one well per 10 acres.

Township 6 South, Range 91 West, 6th P. M.

Section 19: SW $\frac{1}{4}$  NW $\frac{1}{4}$ , SE $\frac{1}{4}$  NE $\frac{1}{4}$   
Section 21: NW $\frac{1}{4}$  NE $\frac{1}{4}$ , NE $\frac{1}{4}$  NW $\frac{1}{4}$   
Section 22: N $\frac{1}{2}$  NW $\frac{1}{4}$ , SE $\frac{1}{4}$  NW $\frac{1}{4}$ , NE $\frac{1}{4}$  SW $\frac{1}{4}$   
Section 23: S $\frac{1}{2}$  NW $\frac{1}{4}$   
Section 24: SE $\frac{1}{4}$  NE $\frac{1}{4}$ , SW $\frac{1}{4}$ , S $\frac{1}{2}$  SE $\frac{1}{4}$   
Section 25: N $\frac{1}{2}$  S $\frac{1}{2}$ , SE $\frac{1}{4}$  SW $\frac{1}{4}$ , SW $\frac{1}{4}$  SE $\frac{1}{4}$   
Section 27: NE $\frac{1}{4}$ , E $\frac{1}{2}$  NW $\frac{1}{4}$ , SW $\frac{1}{4}$  NW $\frac{1}{4}$   
Section 28: W $\frac{1}{2}$  NE $\frac{1}{4}$ , SE $\frac{1}{4}$  NE $\frac{1}{4}$ , E $\frac{1}{2}$  SE $\frac{1}{4}$   
Section 31: SW $\frac{1}{4}$  SW $\frac{1}{4}$   
Section 33: SE $\frac{1}{4}$  NW $\frac{1}{4}$ , SW $\frac{1}{4}$

Township 6 South, Range 92 West, 6th P. M.

Section 13: S $\frac{1}{2}$  SW $\frac{1}{4}$   
Section 14: SE $\frac{1}{4}$  SE $\frac{1}{4}$   
Section 16: SW $\frac{1}{4}$  SE $\frac{1}{4}$   
Section 19: All  
Section 29: NW $\frac{1}{4}$ , S $\frac{1}{2}$   
Section 30: All

Township 7 South, Range 91 West, 6th P. M.

Section 2: Lot 1, SE $\frac{1}{4}$  SE $\frac{1}{4}$   
Section 5: Lot 4, S $\frac{1}{2}$  SW $\frac{1}{4}$   
Section 6: Lots 1, 2, 4, 5, SE $\frac{1}{4}$  SW $\frac{1}{4}$ , SW $\frac{1}{4}$  SE $\frac{1}{4}$

Township 7 South, Range 92 West, 6th P. M.

Section 2: That certain 70.233 acres in the W $\frac{1}{2}$  remaining uncommitted to the Hunter Mesa Unit  
Section 3: That certain 96.93 acres in the N $\frac{1}{2}$  remaining uncommitted to the Hunter Mesa Unit

NOTICE IS HEREBY GIVEN, that the Oil and Gas Conservation Commission of the State of Colorado, pursuant to the above, has scheduled the above-entitled matter for hearing on:

Date: Monday, April 25, 2005  
Time: 9:00 a.m.  
Place: Suite 801, The Chancery Building  
1120 Lincoln Street  
Denver, CO 80203

In accordance with the Americans with Disabilities Act, if any party requires special accommodations as a result of a disability for this hearing, please contact Angie Gipson at (303) 894-2100 ext. 113, prior to the hearing and arrangements will be made.

Pursuant to said hearing in the above-entitled matter at the time and place aforesaid, or at any adjourned meeting, the Commission will enter such orders as it deems appropriate to protect the health, safety and welfare of the public and to prevent the waste of oil and gas, either or both, in the operations of said field, and to carry out the purposes of the statute.

**In accordance with Rule 509., any interested party desiring to protest the granting of the application or to intervene on the application should file with the Commission a written protest or intervention no later than April 11, 2005, briefly stating the basis of the protest or intervention.** Such interested party shall, at the same time, serve a copy of the protest or intervention to the person filing the application. An original and nine (9) copies shall be filed with the Commission (Rule 503.f.). **Anyone who files a protest or intervention must be available to participate in a prehearing conference during the week of April 11, 2005.** Pursuant to Rule 503.e., if a party who has received notice under Rule 503.b. wishes to receive further pleadings in the above-referenced matter, that party must file a protest or intervention in accordance with these rules. In accordance with the practices of the Commission, should no protests or interventions be filed in this matter by April 11, 2004, **the Applicant may request that an administrative hearing be scheduled for the week of April 11, 2005.**

IN THE NAME OF THE STATE OF COLORADO

OIL AND GAS CONSERVATION COMMISSION  
OF THE STATE OF COLORADO

By \_\_\_\_\_  
Patricia C. Beaver, Secretary

Dated at Suite 801  
1120 Lincoln Street  
Denver, Colorado 80203  
March 28, 2004

Attorney for Applicant:  
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