

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

IN THE MATTER OF THE PROMULGATION AND	)	CAUSE NOS. 440, 479 & 510
ESTABLISHMENT OF FIELD RULES TO GOVERN	)	
OPERATIONS IN THE RULISON, PARACHUTE AND	)	DOCKET NO. 0502-AW-06
GRAND VALLEY FIELDS, GARFIELD COUNTY, COLORADO	)	

NOTICE OF HEARING

TO ALL INTERESTED PARTIES AND TO WHOM IT MAY CONCERN:

On May 18, 1990, the Commission issued Order No. 440-12, which among other things, established 640-acre drilling and spacing units for the production of gas and associated hydrocarbons from the Mesaverde Formation for the below-listed lands. Subsequent Order Nos. 440-16 and 440-19 allowed additional wells to be drilled for the production of gas from the Williams Fork Formation of the Mesaverde Group and changed the permitted well location setbacks.

Township 7 South, Range 95 West, 6<sup>th</sup> PM.

Section 3: NW<sup>1</sup>/<sub>4</sub>, NE<sup>1</sup>/<sub>4</sub> NE<sup>1</sup>/<sub>4</sub> (granted 20 acre density under Order No. 440-19)  
Section 4: SW<sup>1</sup>/<sub>4</sub> NW<sup>1</sup>/<sub>4</sub> (granted 40 acre density under Order No. 440-16)  
Section 4: N<sup>1</sup>/<sub>2</sub> N<sup>1</sup>/<sub>2</sub>, S<sup>1</sup>/<sub>2</sub> NE<sup>1</sup>/<sub>4</sub>, SE<sup>1</sup>/<sub>4</sub> NW<sup>1</sup>/<sub>4</sub>, NW<sup>1</sup>/<sub>4</sub> SE<sup>1</sup>/<sub>4</sub> (granted 20 acre density under Order No. 440-19)

On May 18, 1990, the Commission issued Order No. 479-2, which among other things, established 320-acre drilling and spacing units for the production of gas and associated hydrocarbons from the Mesaverde Formation for the below-listed lands. Subsequent Order Nos. 479-5 and 479-7 allowed additional wells to be drilled for the production of gas from the Williams Fork Formation of the Mesaverde Group and changed the permitted well location setbacks.

Township 6 South, Range 94 West, 6<sup>th</sup> P.M.

Section 12: NE<sup>1</sup>/<sub>4</sub> SE<sup>1</sup>/<sub>4</sub>, SW<sup>1</sup>/<sub>4</sub> SE<sup>1</sup>/<sub>4</sub> (granted 40 acre density under Order No. 479-5)  
Section 13: NE<sup>1</sup>/<sub>4</sub>, S<sup>1</sup>/<sub>2</sub> NW<sup>1</sup>/<sub>4</sub> (granted 40 acre density under Order No. 479-5)  
Section 14: S<sup>1</sup>/<sub>2</sub> SW<sup>1</sup>/<sub>4</sub> (granted 40 acre density under Order No. 479-5)  
Section 16: E<sup>1</sup>/<sub>2</sub> NE<sup>1</sup>/<sub>4</sub> (granted 40 acre density under Order No. 479-5)  
Section 21: SE<sup>1</sup>/<sub>4</sub> NE<sup>1</sup>/<sub>4</sub> (granted 40 acre density under Order No. 479-5)  
Section 23: N<sup>1</sup>/<sub>2</sub>, NE<sup>1</sup>/<sub>4</sub> SW<sup>1</sup>/<sub>4</sub> (granted 40 acre density under Order No. 479-5)  
Section 27: NW<sup>1</sup>/<sub>4</sub> NW<sup>1</sup>/<sub>4</sub> (granted 40 acre density under Order No. 479-5)  
Section 29: SE<sup>1</sup>/<sub>4</sub> NW<sup>1</sup>/<sub>4</sub>, SW<sup>1</sup>/<sub>4</sub> (granted 20 acre density under Order No. 479-7)

Township 6 South, Range 95 West, 6<sup>th</sup> P.M.

Section 32: SE<sup>1</sup>/<sub>4</sub> SE<sup>1</sup>/<sub>4</sub> (granted 40 acre density under Order No. 440-16)  
[Note: By variance granted by the Commission, the NE<sup>1</sup>/<sub>4</sub> and SE<sup>1</sup>/<sub>4</sub> were each made separate drilling and spacing units.]  
Section 35: S<sup>1</sup>/<sub>2</sub>, E<sup>1</sup>/<sub>2</sub> NE<sup>1</sup>/<sub>4</sub>, SW<sup>1</sup>/<sub>4</sub> NE<sup>1</sup>/<sub>4</sub>, SE<sup>1</sup>/<sub>4</sub> NW<sup>1</sup>/<sub>4</sub> (granted 40 acre density under Order No. 440-16)  
Section 36: SW<sup>1</sup>/<sub>4</sub> SW<sup>1</sup>/<sub>4</sub> (granted 40 acre density under Order No. 440-16)

Township 6 South, Range 96 West, 6<sup>th</sup> P.M.

Section 23: N<sup>1</sup>/<sub>2</sub>, SE<sup>1</sup>/<sub>4</sub>, N<sup>1</sup>/<sub>2</sub> SW<sup>1</sup>/<sub>4</sub>, SE<sup>1</sup>/<sub>4</sub> SW<sup>1</sup>/<sub>4</sub> (granted 40 acre density under Order No. 479-5)  
Section 34: NW<sup>1</sup>/<sub>4</sub> SW<sup>1</sup>/<sub>4</sub> (granted 40 acre density under Order No. 479-5)  
Section 34: SW<sup>1</sup>/<sub>4</sub> NW<sup>1</sup>/<sub>4</sub> (granted 20 acre density under Order No. 479-7)

Township 7 South, Range 95 West, 6<sup>th</sup> P.M.

Section 2: N<sup>1</sup>/<sub>2</sub> N<sup>1</sup>/<sub>2</sub>, SW<sup>1</sup>/<sub>4</sub> NW<sup>1</sup>/<sub>4</sub> (granted 40 acre density under Order No. 440-16)  
Section 5: NE<sup>1</sup>/<sub>4</sub>, E<sup>1</sup>/<sub>2</sub> NW<sup>1</sup>/<sub>4</sub>, SW<sup>1</sup>/<sub>4</sub> NW<sup>1</sup>/<sub>4</sub> (granted 40 acre density under Order No. 440-16)  
Section 6: SE<sup>1</sup>/<sub>4</sub> NE<sup>1</sup>/<sub>4</sub> (granted 40 acre density under Order No. 440-16)  
[Note: By its Order No. 440-27, the 320-acre drilling and spacing unit was segregated into two 160-acre drilling and spacing units consisting of NE<sup>1</sup>/<sub>4</sub> and NW<sup>1</sup>/<sub>4</sub> of Section 6]

Township 7 South, Range 96 West 6<sup>th</sup> P.M.

Section 1: SW<sup>1</sup>/<sub>4</sub> SW<sup>1</sup>/<sub>4</sub> (granted 40 acre density under Order No. 479-5)  
Section 12: E<sup>1</sup>/<sub>2</sub> SW<sup>1</sup>/<sub>4</sub>, W<sup>1</sup>/<sub>2</sub>W<sup>1</sup>/<sub>2</sub>  
Section 12: E<sup>1</sup>/<sub>2</sub> NW<sup>1</sup>/<sub>4</sub> (granted 20 acre density under Order No. 479-7)

On June 9, 1994, the Commission issued Order No. 510-1, which amended Rule No. 316. (now Rule No. 318.) and established new setback rules for the production of gas and associated hydrocarbons from the Williams Fork Formation of the Mesaverde Group for the below-listed lands:

Township 6 South, Range 96 West, 6<sup>th</sup> P.M.

Section 8: S<sup>1</sup>/<sub>2</sub>, SW<sup>1</sup>/<sub>4</sub> NE<sup>1</sup>/<sub>4</sub> (granted 400/800 feet setbacks under Order No. 510-1)  
Section 33: SE<sup>1</sup>/<sub>4</sub> NE<sup>1</sup>/<sub>4</sub> (granted 400/800 feet setbacks under Order No. 510-1)

Township 7 South, Range 96 West, 6<sup>th</sup> P.M.

Section 2: SE<sup>1</sup>/<sub>4</sub> SE<sup>1</sup>/<sub>4</sub>  
Section 11: NE<sup>1</sup>/<sub>4</sub> NE<sup>1</sup>/<sub>4</sub>, E<sup>1</sup>/<sub>2</sub> SE<sup>1</sup>/<sub>4</sub>

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 this Rule:

Township 6 South, Range 96 West, 6<sup>th</sup> P.M.  
Section 14: S½

On December 22, 2004, Williams Production RMT Company, by its attorney, filed with the Commission, a verified application for an order to amend Cause Nos. 440, 479, and 510 and Rule 318. to allow the number of wells which can be optionally drilled into and produced from the Williams Fork Formation of the Mesaverde Group to the equivalent of one well per 10 acres, 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 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.

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, February 14, 2005  
Tuesday, February 15, 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 January 31, 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 January 31, 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 **January 31, 2005, the Applicant may request that an administrative hearing be scheduled for the week of January 31, 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  
January 14, 2005

Attorney for Applicant:  
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