

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

IN THE MATTER OF THE PROMULGATION AND )	CAUSE NO. 112
ESTABLISHMENT OF FIELD RULES TO GOVERN )	
OPERATIONS IN THE IGNACIO-BLANCO FIELD, )	DOCKET NO. 0506-EX-02
ARCHULETA COUNTY, COLORADO )	

NOTICE OF HEARING

TO ALL INTERESTED PARTIES AND TO WHOM IT MAY CONCERN:

On July 11, 1988, the Commission issued Order No. 112-60, which established 320-acre drilling and spacing units for the production of gas and associated hydrocarbons from the Fruitland coal seams underlying certain lands, including Section 13, Township 32 North, Range 6 West, N.M.P.M., with the permitted well to be located in the center of the NW¼ and the SE¼ of the section and no closer than 900 feet from the boundaries of the quarter section upon which it is located, nor closer than 130 feet to any interior quarter section line.

On May 15, 2000, the Commission issued Order No. 112-157, which allowed an optional additional well to be drilled for production of gas from the Fruitland coal seams for certain lands, including Section 13, Township 32 North, Range 6 West, N.M.P.M., with the permitted well when north of the north line of Township 32 North to be located in the NW¼ and the SE¼ of each section and when south of the north line of Township 32 North to be located in the NE¼ and SW¼ of each section, no closer than 990 feet from the boundaries of the quarter section, nor closer than 130 feet to any interior quarter section line.

On April 11, 2005, Energen Resources Corporation (“Energen”), by its attorney, filed with the Commission a verified application for an order to allow an exception to the 130’ interior lease line setback established in Order No. 112-60 so that the Jaramillo 32-6 #12-1 Well and the Jaramillo 32-6 #12-2 Well located in the N½ of Section 12, Township 32 North, 6 West, N.M.P.M. can be produced without regard to the interior section setbacks. The Jaramillo 32-6 #12-2 Well, a horizontal well, the surface of which is located in the NW¼ of Section 12 with horizontal leg bottoming in the NE¼ of Section 12, intersects the producing formation within the NW¼ of Section 12, resulting in two Fruitland coal seams wells partially located in the quarter section. All owners in the 320-acre spacing unit are common and no violation of correlative rights exists due to non-compliance with interior line setbacks.

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, June 6, 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 May 16, 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.). 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 May 16, 2005, **the Applicant may request that an administrative hearing be scheduled for the week of May 16, 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  
April 28, 2005

Attorney for Applicant:  
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