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

IN THE MATTER THE PROMULGATION AND)	CAUSE NO. 139
ESTABLISHMENT OF FIELD RULES TO GOVERN)	
OPERATIONS IN THE RULISON FIELD,)	DOCKET NO. 0506-SP-08
GARFIELD COUNTY, COLORADO)	

NOTICE OF HEARING

TO ALL INTERESTED PARTIES AND TO WHOM IT MAY CONCERN:

On July 16, 1979, the Commission issued Order No. 139-8, which among other things established 320-acre drilling and spacing units for production of gas from the Mesaverde Formation for the below-listed lands in the Rulison Field, with the permitted well to be located in the NE $\frac{1}{4}$ and SW $\frac{1}{4}$ of each section, no closer than 600 feet to the boundaries of the quarter section upon which it is located and no closer than 1200 feet from another producing or producible well in the same formation.

Township 6 South, Range 93 West, 6th P.M. Sections 19 and 20: All

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 93 West, 6th P.M. Sections 29 through 32: All

On April 13, 2005, Petrogulf Corporation ("Petrogulf"), by its attorney, filed with the Commission a verified application for an order to establish 640-acre drilling and spacing units and to allow the equivalent of one Williams Fork well per ten acres, with the permitted well to be located no closer than 100 feet from the boundaries of the drilling and spacing units for the below-listed lands. In cases where the Application 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 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 93 West, 6th P.M. Sections 29 through 32: All

Petrogulf also requests that the order designate the 320-acre drilling and spacing units as standup units ($W\frac{1}{2}$ and $E\frac{1}{2}$) for the below-listed lands and allow the equivalent of one Williams Fork well per ten acres, with the permitted well to be located no closer than 100 feet from the boundaries of the drilling and spacing units. In cases where the Application 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 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 93 West, 6th P.M. Sections 19 and 20: All

In addition, wells to be drilled under this Application will be drilled from the surface either vertically or directionally from no more than one pad located on a given quarter quarter section unless exception is granted by the Colorado Oil and Gas Conservation Commission pursuant to application made for such exception.

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_	
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Patricia C. Beaver, Secretary

Dated at Suite 801 1120 Lincoln Street Denver, Colorado 80203 April 28, 2005 Attorney for Applicant: William A. Keefe Poulson, Odell & Peterson, LLC 1775 Sherman St., Suite 1400 Denver, CO 80203 (303) 861-4400