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

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IN THE MATTER OF THE PROMULGATION AND ESTABLISHMENT OF FIELD RULES TO GOVERN OPERATIONS IN THE VEGA FIELD, MESA COUNTY, COLORADO CAUSE NO. 399

DOCKET NO. 0608-SP-38

NOTICE OF HEARING

TO ALL INTERESTED PARTIES AND TO WHOM IT MAY CONCERN:

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.

On May 16, 1983, the Commission issued Order No. 399-1, which among other things, established 320-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 six hundred (600) feet from the unit boundary, for Sections 1 and 2, Township 10 South, Range 93 West, 6th P.M.

On June 26, 2006, Delta Petroleum Corporation, by its attorney, filed with the Commission a verified application for an order to establish 20-acre drilling and spacing units for the production of gas from the Mesaverde Group, including the Williams Fork, Cozzette and Corcoran Formations of the Mesaverde Group, for the below-listed lands, and to allow the equivalent of one (1) well per twenty (20) acres, with the permitted wells to be located downhole anywhere in the drilling and spacing unit but no closer than two hundred (200) feet from the boundaries of the drilling and spacing unit and no closer than four hundred (400) feet from any existing Mesaverde Group well, without exception being granted by the Director of the Commission. In addition, wells drilled on the application lands will be drilled from the surface either vertically or directionally from no more than one (1) pad located on a given quarter quarter section unless exception is granted by the Director of the Colorado Oil and Gas Conservation Commission.

Township 10 South, Range 93 West, 6th P.M.

Section 4:	E ¹ / ₂ NE ¹ / ₄ , N ¹ / ₂ SE ¹ / ₄ , N ¹ / ₂ SW ¹ / ₄ , SW ¹ / ₄ SW ¹ / ₄
Section 5:	S ¹ / ₂ SE ¹ / ₄
Section 8:	E1⁄2
Section 9:	W ¹ ⁄ ₂ W ¹ ⁄ ₂ , E ¹ ⁄ ₂ SW ¹ ⁄ ₄ , W ¹ ⁄ ₂ SE ¹ ⁄ ₄ , SE ¹ ⁄ ₄ SE ¹ ⁄ ₄
Section 10:	SW1/4 SW1/4
Section 15:	N ¹ / ₂ N ¹ / ₂
Section 16:	N ¹ / ₂ N ¹ / ₂

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: Wednesday, August 16, 2006 Thursday, August 17, 2006
- Time: 8:30 a.m.

Place: Meeker Town Hall 345 Market Street/Hwy 13 Meeker, Colorado 81641-3421

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 Margaret Humecki at (303) 894-2100 ext. 139, 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 July 31, 2006, 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.). Anyone who files a protest or intervention must be able to participate in a prehearing conference during the week of July 31, 2006. Pursuant to Rule 503.f., if a party who has received notice under Rule 503.b. wishes to receive further pleadings in the abovereferenced 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 July 31, 2006, <u>the Applicant may request that an administrative hearing be scheduled</u> for the week of July 31, 2006. In the alternative, pursuant to Rule 511.b., if the matter is uncontested, the applicant may request, and the Director may recommend approval on the basis of the merits of the verified application and the supporting exhibits.

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 July 13, 2006 Attorney for Applicant: Michael J. Wozniak Beatty & Wozniak 216 Sixteenth Street, Suite 110 Denver, CO 80202 (303) 407-4466