

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

IN THE MATTER OF THE PROMULGATION) CAUSE NO. 112
AND ESTABLISHMENT OF FIELD RULES TO)
GOVERN OPERATIONS IN THE IGNACIO-BLANCO) DOCKET NO. 0601-SP-01
FIELD, 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 11, 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 NW $\frac{1}{4}$ and the SE $\frac{1}{4}$ of each section and when south of the north line of Township 32 North to be located in the NE $\frac{1}{4}$ and SW $\frac{1}{4}$ 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 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 11, Township 32 North, Range 6 West, N.M. P.M.

On November 21, 2005, BP America Production Company ("BP") by its attorney, filed with the Commission a verified application for an order to allow a horizontal well to be drilled as a second well in the 320-acre drilling and spacing unit consisting of the E $\frac{1}{2}$ of Section 11, Township 32 North, Range 6 West, N.M.P.M. The Luchini GU 32-6-11 #1 Well, a vertical well, currently exists in the E $\frac{1}{2}$ 320-acre unit and is located 1250' FNL and 1150' FEL in the NE $\frac{1}{4}$ of Section 11, Township 32 North, Range 6 West. BP proposes to drill the Luchini GU 32-6-11 #2 Well as a second well in the E $\frac{1}{2}$ 320-acre drilling and spacing unit of Section 11, at a surface location 1263' FNL and 851' FEL also in the NE $\frac{1}{4}$ adjacent and contiguous to the original well pad, with the producing leg to be drilled in a southerly direction with a proposed bottomhole location(s) in the SE $\frac{1}{4}$ of Section 11, no closer than 660' from the outer boundaries of Section 11, with no interior line setback. The Applicant requests the right to produce from both wellbores located partially in the NE $\frac{1}{4}$. All owners in the 320-acre spacing unit are common and no violation of correlative rights exists by allowing both permitted wells to be produced from the E $\frac{1}{2}$ of Section 11.

Date: Monday, January 9, 2006
Tuesday, January 10, 2006

Time: 9:00 a.m.

Place: Suite 801, The Chancery Building
1120 Lincoln Street
Denver, Colorado 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 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 December 27, 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.). **Anyone who files a protest or intervention must be able to participate in a prehearing conference during the week of December 27, 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 **December 27, 2005, the Applicant may request that an administrative hearing be scheduled for the week of December 27, 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
December 9, 2005

Attorney for Applicant:
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