

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

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| IN THE MATTER OF THE PROMULGATION |) | CAUSE NO. 510 |
| AND ESTABLISHMENT OF FIELD RULES TO |) | |
| GOVERN OPERATIONS IN THE GRAND VALLEY |) | DOCKET NO. 0607-SP-36 |
| FIELD, GARFIELD COUNTY, COLORADO |) | |

NOTICE OF HEARING

TO ALL INTERESTED PARTIES AND TO WHOM IT MAY CONCERN:

Rule 318.a. of the Rules and Regulations of the Colorado Oil and Gas Conservation Commission requires wells drilled in excess of 2,500 feet in depth to be located not less than 600 feet from any lease line, and not less than 1,200 feet from any other producible or drilling oil or gas well when drilling to the same common source of supply. Section 27, Township 7 South, Range 96 West, 6th P.M, is subject to this rule for the Iles Formation.

On March 22, 2005, the Commission issued Order No. 510-14, which among other things, established 160-acre drilling and spacing units for certain lands including the SW¼ of Section 27, Township 7 South, Range 96 West, 6th P.M., for the production of gas and associated hydrocarbons from the Williams Fork Formation, allowing the number of wells which can be optionally drilled into and produced from the Williams Fork Formation 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.

On May 22, 2006, EnCana Oil & Gas (USA) Inc. by its attorney, filed with the Commission a verified application for an order to establish a 160-acre drilling and spacing unit consisting of the SW¼ of Section 27, Township 7 South, Range 96 West, 6th P.M., for production of gas and associated hydrocarbons from the Iles Formation, with the option to drill up to two (2) wells, with the permitted well to be located in the NW¼ SW¼ and the SE¼ SW¼ of said Section 27, no closer than 600 feet from the unit boundary. 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 Director of the Colorado Oil and Gas Conservation Commission, and wells producing from the Iles Formation will not be drilled as stand-alone wells; rather, the Iles Formation will be reached from an existing or concurrently-drilled Williams Fork Formation well.

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:

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| Date: | Monday, July 10, 2006 Tuesday, July 11, 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 June 26, 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 June 26, 2006.** 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 **June 26, 2006, the Applicant may request that an administrative hearing be scheduled for the week of June 26, 2006.** In accordance with Rule 511.b. of the Rules and Regulations of the Commission, 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
June 8, 2006

Attorney for Applicant:
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