

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

IN THE MATTER OF THE PROMULGATION AND)	CAUSE NO. 429
ESTABLISHMENT OF FIELD RULES TO GOVERN)	
OPERATIONS IN THE BRUSH CREEK FIELD,)	DOCKET NO. 0606-AW-08
MESA COUNTY, COLORADO)	

NOTICE OF HEARING

TO ALL INTERESTED PARTIES AND TO WHOM IT MAY CONCERN:

On May 20, 1985, the Commission issued Order No. 429-1, which established 160-acre drilling and spacing units for certain below-listed lands in the Brush Creek Field, for production of gas and associated hydrocarbons from the Mesaverde Formation (including the Cozzette-Corcoran Sandstones), with the permitted wells to be located no closer than 600 feet from the quarter section lines.

<u>Township 9 South, Range 94 West, 6th P.M.</u>	
Sections 1 and 2:	All
Sections 11 and 12:	All
Section 14:	All

On August 16, 2004, the Commission issued Order 429-2, which amended Order No. 429-1 to allow three (3) additional wells to be drilled, for a total of (4) wells, at the option of the operator, within the existing 160-acre drilling and spacing units for the below-listed lands, for the production of gas and associated hydrocarbons from the Mesaverde Formation.

<u>Township 9 South, Range 94 West, 6th P.M.</u>	
Section 2:	All
Sections 11 through 14:	All

On August 16, 2004, the Commission issued Order 429-3, which amended Order No. 429-1 to allow up to three (3) additional wells to be optionally drilled, for a total of (4) wells, and completed in the 160-acre drilling and spacing unit for the below-listed lands, for production of gas and associated hydrocarbons from the Mesaverde Formation.

<u>Township 9 South, Range 94 West, 6th P.M.</u>	
Section 1:	SE¼

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. The below-listed lands are subject to this rule:

<u>Township 8.5 South, Range 93 West, 6th P.M.</u>	
Section 6:	All

<u>Township 9 South, Range 93 West, 6th P.M.</u>	
Sections 6 and 7:	All
Sections 17 through 20:	All
Sections 29 through 32:	All
Section 33:	W½, W½ E½

<u>Township 10 South, Range 93 West, 6th P.M.</u>	
Section 6:	W½

<u>Township 8 South, Range 94 West, 6th P.M.</u>	
Section 33:	All

Township 8.5 South, Range 94 West, 6th P.M.

Sections 1 through 4: All
Section 5: E½

Township 9 South, Range 94 West, 6th P.M.

Section 1: N½, SW¼
Sections 3 and 4: All
Section 5: E½
Section 8: E½
Sections 9 and 10: All
Sections 15 and 16: All
Section 17: E½
Section 20: E½
Sections 21 through 36: All

Township 10 South, Range 94 West, 6th P.M.

Sections 1 and 2: All

On April 18, 2006, Laramie Energy, LLC, by its attorney, filed with the Commission a verified application for an order to allow the equivalent of one well per 10 acres to be optionally drilled in each 160-acre drilling and spacing unit, for the production of gas from the Mesaverde Formation, with the permitted well to be located no closer than 100 feet from the boundary of the unit or lease line (if unspaced), without exception granted by the Director. In cases where the application lands abut or corner lands where the Commission has not, at the time of the drilling permit application, granted the right to drill 10-acre density Mesaverde Formation wells, the well should be located downhole no closer than 200 feet from the boundary or boundaries of the drilling unit abutting or cornering such lands, without exception granted by the Director, for the below-listed:

Township 8.5 South, Range 93 West, 6th P.M.

Section 6: All

Township 9 South, Range 93 West, 6th P.M.

Sections 6 and 7: All
Sections 17 through 20: All
Sections 29 through 32: All
Sections 33: W½, W½ E½

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

Section 6: W½

Township 8 South, Range 94 West, 6th P.M.

Section 33: All

Township 8.5 South, Range 94 West, 6th P.M.

Sections 1 through 4: All
Section 5: E½

Township 9 South, Range 94 West, 6th P.M.

Sections 1 through 4: All
Section 5: E½
Section 8: E½
Sections 9 through 16: All
Section 17: E½
Section 20: E½
Sections 21 through 36: All

Township 10 South, Range 94 West, 6th P.M.

Sections 1 and 2: All

It is not intended that more than four (4) Mesaverde Formation wells would be drilled on application lands per governmental quarter quarter section. Mesaverde Formation wells to be drilled on the application lands will be drilled from the surface either vertically or directionally from no more than one (1) pad located on any quarter quarter section unless exception is granted by the Director.

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 5, 2006
Tuesday, June 6, 2006

Time: 10:00 a.m.

Place: Council Chamber
The Ambulance Building
304 W. 3rd Street
Wray, CO 80758

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 May 22, 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 May 22, 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 **May 22, 2006, the Applicant may request that an administrative hearing be scheduled for the week of May 22, 2006.**

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
May 2, 2006

Attorney for Applicant:
William G. Odell
Poulson, Odell & Peterson, LLC
1775 Sherman St., Suite 1400
Denver, CO 80203
(303) 861-4400