

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

IN THE MATTER OF THE PROMULGATION	)	CAUSE NOS. 139 & 440
AND ESTABLISHMENT OF FIELD RULES TO	)	
GOVERN OPERATIONS IN THE RULISON	)	DOCKET NO. 0606-SP-21
AND PARACHUTE FIELDS, GARFIELD AND	)	
MESA COUNTIES, COLORADO	)	

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

Township 8 South, Range 95 West, 6<sup>th</sup> P.M.  
Section 18: W<sup>1</sup>/<sub>2</sub> NE<sup>1</sup>/<sub>4</sub> SE<sup>1</sup>/<sub>4</sub>  
Resurvey Tract 38  
Resurvey Tract 39

On May 19, 1990, the Commission issued Order No. 139-16 which among other things, established 640-acre drilling and spacing units from the production of gas from the Mesaverde Formation, for the below-listed lands:

Township 7 South, Range 94 West, 6<sup>th</sup> P.M.  
Section 17 through 20: All  
Section 30: All

Township 7 South, Range 95 West, 6<sup>th</sup> P.M.  
Section 32: S<sup>1</sup>/<sub>2</sub> N<sup>1</sup>/<sub>2</sub>, S<sup>1</sup>/<sub>2</sub>

Subsequent Order Nos. 139-31 and 440-18 amended Order No. 139-16 and among other things, allowed sixteen (16) wells to be drilled on the 640-acre drilling and spacing units for certain lands including Sections 17 and 20, Township 7 South, Range 94 West, 6<sup>th</sup> P.M. and Section 32, Township 7 South, Range 95 West, 6<sup>th</sup> P.M.

On February 13, 2004, the Commission issued Order No. 139-43, which among other things, allowed the number of wells to be drilled for the production of gas from the Williams Fork Formation to one (1) well per 40 acres for certain lands including Section 30, Township 7 South, Range 94 West, 6<sup>th</sup> P.M.

On December 6, 2005, the Commission issued Order No. 139-53, which among other things, increased the number of wells allowed to be drilled for production of gas and associated hydrocarbons from the Williams Fork Formation, the equivalent of one (1) well per 10 acres for certain lands including Sections 19 and 30, Township 7 South, Range 94 West, 6<sup>th</sup> P.M.

On March 20, 2006, the Commission entered Order No. 139-55, which vacated the 640-acre drilling and spacing unit consisting of Section 32, Township 7 South, Range 95 West, 6<sup>th</sup> P.M. and established a 160-acre drilling and spacing unit consisting of the N<sup>1</sup>/<sub>2</sub> N<sup>1</sup>/<sub>2</sub> of said Section 32. The S<sup>1</sup>/<sub>2</sub> N<sup>1</sup>/<sub>2</sub> and S<sup>1</sup>/<sub>2</sub> of Section 32, Township 7 South, Range 95 West, 6<sup>th</sup> P.M. are unspaced and therefore subject to Rule 318.a. of the Rules and Regulations of the Commission.

On April 24, 2006, the Commission issued Order Nos. 139-59 and 510-19, which among other things, established one (1) well per 10 acres for production of gas and associated hydrocarbons from the Iles Formation allowing no more than four (4) Iles Formation wells downhole per government quarter quarter section, with the permitted well to be located no closer than one hundred (100) feet from the unit boundary and no closer than two hundred (200) feet from the unit boundary where 10-acre density has not been allowed, for the below-listed lands. Said wells shall 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 Oil and Gas Conservation Commission.

Township 7 South, Range 94 West, 6<sup>th</sup> P.M.  
Sections 17 through 20: All  
Section 30: All

Township 7 South, Range 95 West, 6<sup>th</sup> P.M.  
Section 32: S $\frac{1}{2}$  N $\frac{1}{2}$ , S $\frac{1}{2}$

On April 17, 2006, Noble Energy, Inc., by its attorney, filed with the Commission a verified application for an order to establish 40-acre drilling and spacing units for the below-listed lands for production of gas and associated hydrocarbons from the Williams Fork and Iles Formations, allowing up to one (1) well per 10-acres with the option of up to four (4) wells, with the permitted well to be located no closer than one hundred (100) feet from the unit boundary, and no closer than two hundred (200) feet from the unit boundaries where 10-acre density drilling has not been allowed, without exception being granted by the Director of the Oil and Gas Conservation Commission. Said wells 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 Oil and Gas Conservation Commission.

Township 7 South, Range 95 West, 6<sup>th</sup> P.M.  
Section 32: S $\frac{1}{2}$  N $\frac{1}{2}$ , S $\frac{1}{2}$

Township 8 South, Range 95 West, 6<sup>th</sup> P.M.  
Section 18: W $\frac{1}{2}$  NE $\frac{1}{4}$  SE $\frac{1}{4}$   
Resurvey Tract 38  
Resurvey Tract 39

In addition, the order should allow one (1) well per 10 acres to be drilled for production of gas and associated hydrocarbons from the Williams Fork Formation with no more than four (4) Williams Fork Formation wells downhole per government quarter quarter section, with the permitted well to be located no closer than one hundred (100) feet from the unit boundary and no closer than two hundred (200) feet from the unit boundary where 10-acre density has not been allowed, for the below-listed lands. Said wells 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 Oil and Gas Conservation Commission.

Township 7 South, Range 94 West, 6<sup>th</sup> P.M.  
Sections 17 through 20: All  
Section 30: All

Township 7 South, Range 95 West, 6<sup>th</sup> P.M.  
Section 32: S $\frac{1}{2}$  N $\frac{1}{2}$ , S $\frac{1}{2}$

Further, the order should also clarify that Order Nos. 139-45 and 139-51, which established 40-acre drilling and spacing units and 10-acre density for the Williams Fork and Iles Formations underlying Resurvey Tract 41, located in Section 18 of Township 8 South, Range 96 West of the 6<sup>th</sup> P.M., also apply to that portion of Resurvey Tract 41 which is located in Section 19, Township 8 South, Range 96 West of the 6<sup>th</sup> P.M.

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  
April 28, 2006

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