

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

IN THE MATTER OF THE PROMULGATION)	CAUSE 139
AND ESTABLISHMENT OF FIELD RULES TO)	
GOVERN OPERATIONS IN THE RULISON)	DOCKET NO. 0606-SP-28
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 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 March 20, 2006, the Commission issued Order No. 139-54, which among other thing established 40-acre drilling and spacing units for the production of gas and associated hydrocarbons from the Williams Fork Formation, for the N½ SW¼ of Section 3 and the E½ SE¼ of Section 4, Township 8 South, Range 96 West, 6th P.M., allowing the equivalent of one well per 20 acres with the permitted wells to be located downhole anywhere in the drilling and spacing unit but no closer than 200 feet from the boundaries of the drilling and spacing unit and no closer than 400 feet from any existing Williams Fork Formation well, without exception being granted by the Director.

On April 17, 2006, EnCana Oil & Gas (USA) Inc., by its attorney, filed with the Commission a verified application for an order to establish 40-acre drilling and spacing units for the production of gas and associated hydrocarbons from the Iles Formation, allowing the equivalent of one well per 20 acres, for the N½ SW¼ of Section 3 and the E½ SE¼ of Section 4, Township 8 South, Range 96 West, 6th P.M. For all future Iles Formation wells to be drilled on these lands, where these lands abut or corner lands in respect of which the Commission has not at the time of drilling permit application granted the right to drill 10-acre density Iles Formation wells, the well should be located downhole no closer than 200 feet from the boundaries of the unit unless such unit abuts or corners lands in respect of which the Director of the Commission has not at the time of drilling permit application granted the right to drill Iles Formation 20-acre density wells, in which event the wells should be drilled downhole no closer than 400 feet from the unit which so abuts or corners the lands in respect of which 20-acre density downhole drilling for Iles Formation wells has not been ordered by 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 pad located on a given quarter quarter section unless exception is granted by the Colorado Oil and Gas Conservation Commission, and that both the Williams Fork and Iles Formations will be reached from a single wellbore. The applicant requests the Commission authorize the Director of the Commission, without additional notice and hearing, grant exceptions to well locations for good cause shown (including but not limited to surface owner requests) provided a waiver is obtained from the lease owner toward whom the well location is proposed to be moved. If a waiver cannot be obtained, then the well operator may apply to the Commission for a variance.

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

Attorney for Applicant:
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