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

IN THE MATTER OF THE PROMULGATION AND)	CAUSE NO. 440
ESTABLISHMENT OF FIELD RULES TO GOVERN)	
OPERATIONS IN THE PARACHUTE FIELD,)	DOCKET NO. 0609-AW-15
GARFIELD COUNTY, COLORADO	j	

NOTICE OF HEARING

TO ALL INTERESTED PARTIES AND TO WHOM IT MAY CONCERN:

On April 20, 1990, the Commission issued Order No. 440-12, which among other things, established 320-acre drilling and spacing units for certain lands including the below-listed, for the production of gas and associated hydrocarbons from the Mesaverde Formation:

Township 7 South, Range 95 West, 6th P.M. Section 5: All

On February, 21, 1995, amended April 26, 1995, the Commission issued Order Nos. 139-28, 440-16 and 479-5, which among other things, allowed eight (8) wells to be optionally drilled on 320-acre drilling and spacing units, for certain lands, including the below-listed, for production from the Williams Fork Formation, with the permitted well to be located no closer that 400 feet from the boundaries of the unit and no closer than 800 feet from any existing Williams Fork Formation well or wells:

Township 7 South, Range 95 West, 6th P.M. Section 5: N½

On October 30, 2000, the Commission issued Order Nos. 139-34, 440-19, 479-7 and 510-4, which among other things, allowed the equivalent of one (1) well per 20 acres for production from the Williams Fork Formation, for certain lands, including the lands described below. The permitted well shall be located no closer than 200 feet from the boundaries of a drilling unit and no closer than 400 feet from any existing Williams Fork Formation well or wells. In cases where the application lands constitute only a portion of an existing drilling and spacing unit, each Williams Fork Formation well upon such application lands shall be located no closer than 200 feet from the boundaries of the drilling unit, no closer than 200 feet from the boundary of the application lands and no closer than 400 feet from any existing Williams Fork Formation well.

Township 7 South, Range 95 West, 6th P.M. Section 5: NW1/4 NW1/4

On July 31, 2006, Williams Production RMT Company, 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 drilled on the below-listed 320-acre drilling and spacing unit, for production from the Mesaverde Group:

Township 7 South, Range 95 West, 6th P.M. Section 5: S½

All future Williams Fork wells should be located downhole anywhere upon such lands but no closer than 100 feet from the outside boundary of the drilling and spacing unit unless such unit boundary abuts or corners lands in respect of which the Commission has not at the time of the drilling permit application granted the right to drill 10-acre density wells, in which event the well may be drilled downhole no closer than 200 feet from that portion of the unit boundary which so abuts or corners the lands in respect of which 10-acre density downhole drilling for Williams Fork Formation wells has not been ordered by the Commission. Wells 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.

Notwithstanding the above, Applicant notes that it presently plans to drill all 10-acre density Williams Fork Formation wells to be located downhole upon the application lands from two existing pads, one located on the application lands and one located off the applications lands with the possibility that a third pad may be needed.

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, September 18, 2006

Tuesday, September 19, 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 September 1, 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 September 5, 2006. Pursuant to Rule 503.f., 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 September 1, 2006, the Applicant may request that an administrative hearing be scheduled for the week of September 5, 2006. In the alternative, pursuant to Rule 511.b., 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

Dated at Suite 801 1120 Lincoln Street Denver, Colorado 80203 August 18, 2006 Attorney for Applicant: William A. Keefe Poulson, Odell & Peterson, LLC 1775 Sherman Street, Suite 1400 Denver, CO 80203 (303) 861-4400