

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

IN THE MATTER OF THE PROMULGATION) CAUSE NOS. 1 AND 407
AND ESTABLISHMENT OF FIELD RULES TO)
GOVERN OPERATIONS IN THE WATTENBERG) DOCKET NO. 0701-UP-01
FIELD, WELD COUNTY, COLORADO)

NOTICE OF CONTINUATION OF HEARING

TO ALL INTERESTED PARTIES AND TO WHOM IT MAY CONCERN:

On November 18, 1985, the Commission issued Order No. 407-1 (amended on March 29, 2000) which established 80-acre drilling and spacing units for the production of oil and/or gas and associated hydrocarbons for the Codell and Niobrara Formations underlying certain lands, including Section 17, Township 5 North, Range 65 West, 6th P.M., with the unit to be designated by the operator upon drilling the first well in the quarter section. The permitted well shall be located in the center of either 40-acre tract within the unit with a tolerance of 200 feet in any direction. The operator shall have the option to drill an additional well on the undrilled 40-acre tract in each 80-acre drilling and spacing unit.

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 E $\frac{1}{2}$ SW $\frac{1}{4}$ of Section 17, Township 5 North, Range 65 West, 6th P.M., is subject to this Rule for the Sussex, "J" Sand and Dakota Formations.

On April 27, 1998, the Commission adopted Rule 318A., which, among other things, allowed certain drilling locations to be utilized to drill or twin a well, deepen a well or recomplete a well and to commingle any or all of the Cretaceous Age Formations from the base of the Dakota Formation to the surface. On December 5, 2005, Rule 318A. was amended to, among other things, allow interior infill and boundary wells to be drilled and wellbore spacing units to be established. Section 17, Township 5 North, Range 65 West, 6th P.M. was included in this Rule.

On October 23, 2006, Mineral Resources, Inc. ("Mineral Resources"), 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 E $\frac{1}{2}$ SW $\frac{1}{4}$ and W $\frac{1}{2}$ SE $\frac{1}{4}$ of Section 17, Township 5 North, Range 65 West, 6th P.M. as a wellbore spacing unit for the production from the Sussex, Codell, Niobrara, "J" Sand or Dakota Formations, and for an order to pool all nonconsenting interests in the 160-acre drilling and spacing unit for the development and operation of said formations.

On January 2, 2007, Mineral Resources, Inc., by its attorney, filed with the Commission a written request to continue this matter to the February hearing and the hearing in this matter was continued.

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, February 12, 2007
Tuesday, February 13, 2007

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 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
January 16, 2007

Attorney for Applicant:
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