

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

IN THE MATTER OF A REQUEST TO AMEND) CAUSE NO. 1
OR APPEAL ORDER NO. 1V-238 ISSUED TO)
MONUMENT GAS MARKETING, INC,) DOCKET NO. 0707-GA-01
KIOWA COUNTY, COLORADIO)

NOTICE OF HEARING

TO ALL INTERESTED PARTIES AND TO WHOM IT MAY CONCERN:

On September 23, 2002, the Commission issued Order No. 1V-238, which ordered Monument Gas Marketing, Inc. ("Monument") to re-enter the Bucklen #2-34 Well located in the SW $\frac{1}{4}$ NW $\frac{1}{4}$ of Section 34, Township 17 South, Range 46 West, 6th P.M. and properly plug the well "at a depth sufficient to protect the Cheyenne and Dakota Formations" no later than February 1, 2003.

On October 24, 2002, Monument filed with the Commission a Motion to Reconsider to either amend or repeal the subject Order No. 1V-238 and find that Monument is not in violation of Rule 319.a.(1) for the Bucklen #2-34 Well.

On January 6, 2003, the Commission heard Monument's Motion for Reconsideration and issued Order No. 1-100, finding that Order No. 1V-238 should not be rescinded.

In March, 2003, Monument filed a complaint in state district court, Denver, Colorado, for judicial review of Order No. 1-100 and for an order to amend or repeal Order No. 1V-238. The district court dismissed Monument's complaint with prejudice for lack of subject matter jurisdiction, finding that Monument's complaint for judicial review of Order No. 1V-238 was untimely under the Colorado Administrative Procedure Act. Monument appealed the district court decision.

On February 2, 2006, the Colorado Court of Appeals affirmed the district court decision. Monument filed a petition for certiorari to the Colorado Supreme Court. The Court denied Monument's petition.

On May 31, 2007, Monument, by its attorney, filed with the Commission a verified application requesting the Commission rescind Order No. 1V-238. Alternatively, Monument respectfully requests the Commission revise Order No. 1V-238 so as to grant such other or further relief in law or equity which the Commission deems to be necessary or appropriate.

Monument hired Key Energy Services, Inc. to re-enter the Bucklen #2-34 Well and replace the plugs as ordered by the Commission. Key Energy Services, Inc. successfully drilled through the first four plugs. The drill bit skipped off of the fifth plug, however, resulting in a new hole being cut into the softer surrounding sand. Key Energy Services, Inc. was therefore unable to drill through the fifth plug because it was unable to prevent the drill bit from wandering into the new hole. Monument spent approximately \$68,000 on this unsuccessful re-entry attempt.

Because it will cost Monument approximately \$75,000 to \$80,000 every time it subsequently attempts to re-enter the Bucklen #2-34 Well, it is no longer technically feasible to drill through the fifth plug because it is very likely that the drill bit will continue to wander into the new hole. Monument asserts that the Commission's plan for proper plugging and abandonment of the Bucklen #2-34 Well must take into consideration the "cost effectiveness and technical feasibility" of the plan. C.R.S. § 34-60-106(2)(d) (2006).

Monument respectfully submits that additional re-entry attempts are neither cost effective—particularly given the poor water quality; nor technically feasible because the drill bit has wandered into a new hole. Moreover, the Cheyenne Formation is no more likely to adversely communicate with other horizons through the Bucklen #2-34 Well than it is through the other eight wells which have been similarly plugged in the area and approved by the Commission.

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, July 23, 2007
 Tuesday, July 24, 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 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 July 09, 2007, 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 July 09, 2007.** 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 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
June 14, 2007

Attorney for Applicant:
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