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

| IN THE MATTER OF THE PROMULGATION |) | CAUSE NO. 510 |
|--------------------------------------|---|-----------------------|
| AND ESTABLISHMENT OF FIELD RULES TO |) | |
| GOVERN OPERATIONS IN THE TRAIL RIDGE |) | DOCKET NO. 0808-AW-22 |
| FIELD, MESA 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 Oil and Gas Conservation Commission requires that wells drilled in excess of 2,500 feet in depth be located not less than 600 feet from any lease line, and located not less than 1,200 feet from any other producible or drilling oil or gas well when drilling to the same common source of supply. Certain lands in Townships 5 and 6 South, Ranges 97 and 98 West, 6th P.M. are subject to this rule for the Iles Formation.

On July 11, 2005, (corrected August 18, 2005), the Commission issued Order No. 510-15, which among other things, allowed the equivalent of one well per 10 acres, with the permitted well to be located no closer than 100 feet from the outside boundary of the application lands unless such 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 Williams Fork Formation wells to be drilled upon the application lands shall be drilled downhole no closer than 200 feet from that portion of the 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:

Township 6 South, Range 97 West, 6th P.M.

Section 3: Lots 7 through 16, S½

Sections 4 and 5: All

Section 6: Lots 13 through 18, and 22 through 25, E½ SW¼

and SE%

Section 8: E½, E½ NW¼, SW¼ NW¼ and SW¼

Sections 9 and 10: All Sections 15 through 17: All

Section 18: E½ and SE¼ NW¼ Section 19: NE¼ and E½ NW¼

Section 20: All Section 29: All Section 32: All

Township 7 South, Range 97 West, 6th P.M.

Section 5: Tracts Subtracts A and B of Tract 82, Subtracts A and B

of Tract 83, that portion of Tracts 80 and 81 lying in

Section 5

Sections 6 and 7: All

On December 5, 2006, (corrected February 28, 2006), the Commission issued Order No. 510-17, which among other things, allowed optional drilling of wells for the production of gas and associated hydrocarbons from the Williams Fork Formation, the equivalent of one (1) well per 10 acres, with the permitted wells to be located anywhere within the application lands but no closer than 100 feet from the boundary of any lease line without exception being granted by the Director, except that with respect to lease lines abutting or cornering lands for which the Commission has not at the time of the drilling permit application granted the right to drill 10-acre density wells, the well shall be located downhole no closer than 200 feet from the lease line so abutting or cornering such lands, and no more than four (4) Williams Fork wells should be drilled downhole per governmental quarter quarter section:

Township 5 South, Range 97 West, 6th P.M.

Section 1:

Section 2:

Section 3:

Sections 4 and 5:

Sections 10 through 15:

Section 16:

All

N½

All

N½

Sections 10 through 15:

Section 16:

Section 17: W1/2 Section 19: S½ Sections 20 through 22: ΑII Sections 23 and 24: E1/2 Sections 25 through 27: ΑII SW1/4 Section 28: Section 29: W1/2 Section 30: ΑII Section 31: $N\frac{1}{2}$ Sections 32 through 36: ΑII

On June 19, 2008, 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, for production from the Iles Formation, with permitted wells to be located downhole anywhere upon the lands but no closer than 100 feet from the boundaries of a lease line or the outside boundaries of the application lands as described below providing however that where such application 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 Williams Fork Formation wells, the Iles Formation well shall be located no closer than 200 feet from the outside boundary or boundaries of such application lands. All lles Formation wells drilled upon the application lands will be drilled only in connection with the drilling of Williams Fork Formation wells and 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:

Township 5 South, Range 97 West, 6th P.M.
Section 1: Lots 5(37.54), 6(37.82), 7(38.10), 8(38.38), S½ N½, S½

(aka ALL) Containing 631.84 acres, more or less.

Section 2: Lots 5(38.67), 6(38.96), S½ NE¼, SE¼ (aka E½)

Containing 317.63 acres, more or less.

Lots 5(39.80), 6(39.99), 7(40.19), 8(40.38), S½ N½, S½ Section 3:

(aka ALL) Containing 640.36 acres, more or less.

Section 4: Lots 5(40.49), 6(40.50), 7(40.52), 8(40.53), S½ N½ (aka N½)

Containing 322.04 acres, more or less.

Section 5: Lots 5(40.63), 6(40.80), 7(40.98), 8(41.15), S½ N½ (aka N½)

Containing 323.56 acres, more or less.

Section 10: ALL

Containing 640.00 acres, more or less.

Section 11: **ALL**

Containing 640.00 acres, more or less.

Section 12: ALL

Containing 640.00 acres, more or less.

Section 13:

Containing 640.00 acres, more or less.

Section 14: ALL

Containing 640.00 acres, more or less.

Section 15: ALL

Containing 640.00 acres, more or less.

Section 16: S½

Containing 320.00 acres, more or less.

Section 17: $W^{1/2}$

Containing 320.00 acres, more or less.

Section 19: Lots 7(37.79), 8(37.99), S½ S½ (aka S½)

Containing 315.78 acres, more or less.

Section 20: ALL

Containing 640.00 acres, more less.

Section 21: ALL

Containing 640.00 acres, more or less.

Section 22:

Containing 640.00 acres, more or less.

Section 23:

Containing 320.00 acres, more or less.

Section 24:

Containing 320.00 acres, more or less.

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Section 25: ALL

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Containing 640.00 acres, more or less.

Section 26: ALL

Containing 640.00 acres, more or less.

Section 27: ALL

Containing 640.00 acres, more or less.

Section 28: SW1/4

Containing 160.00 acres, more or less.

Section 29: W1/2

Containing 320.00 acres, more or less.

Section 30: Lots 5(38.19), 6(38.40), 7(38.62), 8(38.83), E½ W½, E½ (aka ALL) Containing 634.04 acres, more or less.

Section 31: Lots 5(39.07), 6(39.34), E½ NW¼, NE¼ (aka N½) Containing 318.41 acres, more or less.

Section 32: Lots 1(39.60), 2(39.59), 3(39.58), 4(39.57), Tract 54(8.22), Tract 58(7.82), N½ S½, N½ (aka ALL) Containing 654.38 acres, more or less.

Section 33: Lots 4(39.60), 5(39.60), 6(39.60), 7(39.60), Tract 51(3.86), Tract 52(4.32), Tract 54(6.99), N½ S½, N½ (aka ALL) Containing 653.57 acres, more or less.

Section 34: Lots 3(42.00), 4(41.79), Tract 52(2.43), S½ SW¼, N½ S½, N½ (aka ALL)

Containing 643.79 acres, more or less.

Section 35: Lots 1(41.67), 2(41.55), 3(41.45), 4(41.33), N½ S½, N½ (aka ALL)

Containing 646.00 acres, more or less.

Section 36: Lots 1(2.76), 2(2.59), 3(2.42), 4(2.33), Tract 37(634.74) (aka ALL)

Containing 644.75 acres, more or less.

Township 5 South, Range 98 West, 6th P.M.

Section 1: Lots 5(41.85), 6(41.97), 7(42.07), 8(42.19), S½ N½, S½ (aka ALL)
Containing 648.08 acres, more or less.

Section 2: Lots 5(42.34), 6(42.54), 7(42.74), 8(42.94), S½ N½, S½ (aka ALL)

Containing 650.56 acres, more or less.

Section 3: Lots 5(43.14), 6(43.35), 7(43.55), 8(43.76), S½ NE¼, SE¼ NW¼, E½ SW¼ NW¼, NW¼ SW¼ NW¼, N½ SW¼ SW¼ NW¼, E½ SW¼, E½ W½ SW¼, SE¼ Containing 611.30 acres, more or less.

Section 4: Lots 5(43.94), 6(44.10), 9(19.63), SE¼ NE¼, NE¼ SW¼ NE¼, N½ SE¼ SW¼ NE¼, N½ SE½ SE¼ SW¼ NE¼ Containing 165.17 acres, more or less.

Section 10: Lots 4(16.64), 5(16.64), SE¼
Containing 193.28 acres, more or less.

Section 12: ALL Containing 640.00 acres, more or less.

Section 13: N½ N½, Lots 5(19.39), 6(19.53), 7(19.65), 8(11.75), that portion of Tract 68(143.85) lying in the S½ Containing 374.17 acres, more or less.

Section 14: Lots 5(11.28), 6(23.36), 7(8.01), those portions of Tract 68(16.15), Tract 70(59.00), Tract 71(59.00), Tract 72(59.00) lying in the S½

Containing 235.80 acres, more or less.

Section 15: Lots 1(16.64), 2(16.64), 3(20.68), 4(20.67), 5(8.00), 6(8.04), 7(8.32), NE¼.

Containing 258.99 acres, more or less.

Township 6 South, Range 97 West, 6th P.M.

Section 5: Lots 5(40.14), 6(40.03), 7(39.91), 8(39.80) (Order 510-15) Containing 159.88 acres, more or less

Section 6: Lots 8(39.52), 9(39.09), 10(39.01), and 11(27.00). Containing 144.62 acres, more or less.

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Township 6 South, Range 98 West, 6th P.M.

Section 1: W½, aka those portions of Tract 37(5.00), Tract 54(40.39), Tract

56(19.93), Tract 51(121.15) lying in the section.

Containing 186.47 acres, more or less.

Section 2: E½, aka those portions of Tracts 49(2.00), 54(76.00), 37(75.00),

56(19.01) lying in the section.

Containing 172.01 acres, more or less.

Containing 20,626.48 acres, more or less.

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: Tuesday, August 19, 2008

Wednesday, August 20, 2008

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 August 5, 2008, 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 13 copies shall be filed with the Commission. Anyone who files a protest or intervention must be able to participate in a prehearing conference during the week of August 5, 2008. 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 August 5, 2008, the Applicant may request that an administrative hearing be scheduled during the week of August 5, 2008. 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

| Ву | | |
|----|-------------------------------|--|
| - | Patricia C. Beaver, Secretary | |

Dated at Suite 801 1120 Lincoln Street Denver, Colorado 80203 July 17, 2008 Attorney for Applicant:
William A. Keefe
Beatty & Wozniak
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