

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

IN THE MATTER OF THE PROMULGATION	)	CAUSE NO. 166
AND ESTABLISHMENT OF FIELD RULES TO	)	
GOVERN OPERATIONS IN THE PLATEAU	)	DOCKET NO. 0805-AW-13
FIELD, MESA COUNTY, COLORADO	)	

NOTICE OF HEARING

TO ALL INTERESTED PARTIES AND TO WHOM IT MAY CONCERN:

On April 17, 1962, the Commission issued Order No. 166-1, which among other things, established 640-acre drilling and spacing units to consist of entire sections for the production of gas and associated hydrocarbons from the Mesaverde Formation, including the Corcoran Sandstone as its basal member, in certain lands including Section 28, Township 10 South, Range 96 West. 6th P.M., with the permitted well to be located no closer than 1,320 feet from the section line.

On January 16, 1973, the Commission issued Order No. 166-11, which allowed a maximum of four wells to be permitted on each existing 640-acre drilling unit, including Section 28, Township 10 South, Range 96 West. 6th P.M., with each additional well to be located in a quarter section according to the government survey thereof, and no closer than 600 feet from the boundaries of the quarter section upon which it is located, for production from the Mesaverde Formation, including the Corcoran Sandstone.

On March 19, 2008, Black Hills Plateau Production, LLC filed with the Commission a verified application for an order for Section 28, Township 10 South, Range 96 West. 6<sup>th</sup> P.M. providing as follows:

At the option of the operator, in lieu of four vertical wells drilled to and produced from the Mesaverde Formation that two horizontal wells be permitted to be drilled to and produced from the Mesaverde Formation, one traversing the W $\frac{1}{2}$  of Section 28 in a northwest to southeast direction (with the wellbore open to production in the Mesaverde Formation in both the NW $\frac{1}{4}$  and the SW $\frac{1}{4}$ ), and the other traversing the E $\frac{1}{2}$  of Section 28 in a northwest to southeast direction (with the wellbore open to production in the Mesaverde Formation in both the NE $\frac{1}{4}$  and the SE $\frac{1}{4}$ ), and that the drilling window setbacks for a well drilled horizontally in the Mesaverde Formation be no closer than 600 feet from the outer boundaries of the section with no internal setbacks to interior quarter section lines;

If the operator does not elect to drill either of the horizontal wells that may be permitted as a result of the application, that the provisions of Order No. 166-11 remain in place as to the quarter sections not traversed by a horizontal well, such that one horizontal well (drilled in accordance with the provisions set forth above) and two vertical wells (drilled in accordance with the provisions of Order No. 166-11) be permitted to be drilled to and produce from the Mesaverde Formation; and

Applicant be allowed to produce the Law 28-2 Well from the Mesaverde Formation for the remainder of its economic life.

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: Thursday, May 8, 2008  
Friday, May 9, 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 April 24, 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 April 28, 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 **April 24, 2008, the Applicant may request that an administrative hearing be scheduled during the week of April 28, 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

By \_\_\_\_\_  
Patricia C. Beaver, Secretary

Dated at Suite 801  
1120 Lincoln Street  
Denver, Colorado 80203  
April 4, 2008

Attorney for Applicant:  
Carleton L. Ekberg, Senior Counsel  
Black Hills Plateau Production, LLC  
350 Indiana Street, Suite 400,  
Golden, Colorado 80401  
(303) 210-1316