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

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IN THE MATTER OF THE PROMULGATION AND ESTABLISHMENT OF FIELD RULES TO GOVERN OPERATIONS IN THE IGNACIO-BLANCO FIELD, ARCHULETA COUNTY, COLORADO CAUSE NO. 112

DOCKET NO. 0805-SP-11

NOTICE OF HEARING

TO ALL INTERESTED PARTIES AND TO WHOM IT MAY CONCERN:

On June 17, 1988, the Commission issued Order No. 112-60, which among other things, established 320-acre drilling and spacing units for certain lands including certain lands in Township 32 North, Ranges 3 through 5 West, N.M.P.M., for production of gas from the Fruitland coal seams, with the permitted well to be located no closer than 990 feet to any outer boundary of the unit, nor closer than 130 feet to any interior quarter section line.

On December 17, 1990, the Commission issued Order No. 112-85, which among other things, established 320-acre drilling and spacing units for certain lands in Township 32 North, Ranges 3 through 5 West, N.M.P.M., for production from the Fruitland coal seams.

On March 19, 2008, Red Willow Production Company and Energen Resources Corporation, by their attorneys, filed with the Commission a verified application to vacate Order No. 112-85, which established 320-acre drilling and spacing units and establish various drilling and spacing units and setbacks from outer unit boundaries as described below, and to allow a horizontal well and various optional additional wells, for production from the Fruitland coal seams:

Designated Drilling and Spacing Unit	Number of Acres in Unit	Optional Additional Number of Wells in Unit	Setback from Outer Unit Boundary
Township 32 North, Range 3 West, N.M.P.M. Section 17: All Section 18: All	1280.70	3	660'
Section 19: E ¹ / ₂ Section 20: W ¹ / ₂ W ¹ / ₂	352.62	1	660'
Section 20: $E^{1/2}_{2}$ and $E^{1/2}_{2}W^{1/2}_{2}$	356.65	1	660'
Township 32 North, Range 3 West, N.M.P.M. Section 19: W ¹ / ₂ Township 32 North, Range 4 West, N.M.P.M. Section 24: E ¹ / ₂ E ¹ / ₂	352.73	1	660'
Township 32 North, Range 4 West, N.M.P.M. Section 7: All	641.30	1	660'
Section 8: S½ Section 17: All	960.00	3	660'
Sections 10 through 16: All	640.00	1	660'
Section 18: All	641.04	1	660'
Section 19: E ¹ / ₂ Section 20: W ¹ / ₂ W ¹ / ₂	358.78	1	660'
Section 20: $E^{1/2}_{2}$ and $E^{1/2}_{2}W^{1/2}_{2}$	356.58	1	660'
Section 21: $W^{1/2} E^{1/2}$ and $W^{1/2}$	356.62	1	660'
Section 21: E ¹ / ₂ E ¹ / ₂ Section 22: W ¹ / ₂	359.02	1	660'

Section 22: E ¹ / ₂ Section 23: W ¹ / ₂ W ¹ / ₂	360.00	1	660'
Section 23: $E^{1/2}_{2}$ and $E^{1/2}_{2}$ $W^{1/2}_{2}$	360.00	1	660'
Section 24: W ¹ / ₂ and W ¹ / ₂ E ¹ / ₂	360.00	1	660'
Township 32 North, Range 5 West, N.M.P.M. Section 3: W½	320.00	1	660'
Section 4: All	640.00	1	990'
Section 9: All	640.00	1	990'
Sections 10 through 15: All	640.00	1	660'
Section 23: E ¹ / ₂ and E ¹ / ₂ W ¹ / ₂	371.76	1	660'
Section 24: $W^{1/2} E^{1/2}$ and $W^{1/2}$	370.02	1	660'
Township 32 North, Range 4 West, N.M.P.M. Section 19: W½ Township 32 North, Range 5 West, N.M.P.M. Section 24: E½ E½	365.45	1	660'

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

Patricia C. Beaver, Secretary

Dated at Suite 801 1120 Lincoln Street Denver, Colorado 80203 April 7, 2008 Attorneys for Applicant: Michael J. Wozniak/Susan L. Aldridge Beatty & Wozniak, P.C. 216 Sixteenth Street, Suite 1100 Denver, CO 80202 (303) 407-4499