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, LA PLATA AND ARCHULETA COUNTIES, COLORADO CAUSE NO. 112

DOCKET NO. 0810-AW-33

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 established 320-acre drilling and spacing units 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, or closer than 130 feet to any interior quarter section line, including certain lands in Township 32 North, Ranges 5, 6 and 9 West, N.M.P.M. and Township 34 North, Ranges 6 and 7 West, N.M.P.M. (SUL).

On October 21, 1997, the Commission issued Order No. 112-136, which among other things, allowed an optional second Fruitland coal seam well to be drilled in each 320-acre drilling and spacing unit for certain lands which included the below-listed lands, with such additional well being located no closer than 990 feet to any outer boundary of the unit, nor closer than 130 feet to any interior quarter section line:

Township 32 North, Range 9 West, N.M.P.M. Section 2: All Section 11: All

On July 11, 2000 (amended November 19, 2001), the Commission issued Order No. 112-157, which among other things, allowed an optional second Fruitland coal seam well to be drilled in each 320-acre drilling and spacing unit for certain lands which included the below-listed lands, with such additional well being located no closer than 990 feet to any outer boundary of the unit, nor closer than 130 feet to any interior quarter section line:

> Township 32 North, Range 5 West, N.M.P.M. Section 7: All Section 8: All Section 17: All Section 18: All Township 32 North, Range 6 West, N.M.P.M. Section 2: All Section 11: All Sections 12 and 13: All

Township 34 North, Range 7 West, N.M.P.M. (SUL) Section 36: All

On September 8, 2008, BP America Production Company and Red Willow Production Company, by their attorneys, filed with the Commission a verified application for an order to allow, at the option of the operator, four wells to be drilled to and produced from the Fruitland coal seams on each 320-acre drilling and spacing unit in the below-listed lands with the permitted bottom hole location for any new well to be located no closer than 660 feet to any outer boundary of the application lands and with no setback required to any interior quarter section line within the application lands:

Township 32 North, Range 5 West, N.M.P.M. Section 7: N¹/₂ Section 8: S¹/₂ Section 17: All Section 18: N¹/₂ Township 32 North, Range 6 West, N.M.P.M. Section 2: All Sections 12 and 13: S¹/₂ Sections 12 and 13: S¹/₂ Section 14: N¹/₂ Township 32 North, Range 9 West, N.M.P.M. Section 2: All

Section 11: All

Section 14: All

Township 34 North, Range 6 West, N.M.P.M. (SUL) Sections 5 through 8: All Sections 17 through 20: All Sections 29 through 32: All

Township 34 North, Range 7 West, N.M.P.M. (SUL) Section 36: S¹/₂

Applicant further state that the requested wells can be developed in a manner consistent with protection of public health, safety and welfare and that the additional wells shall be located on a common or expanded surface pad with the existing Fruitland coal seam wells such that a total of four Fruitland coal seam surface pads shall be authorized in each governmental section.

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, October 27, 2008 Tuesday, October 28, 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 October 14, 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 October 13, 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 October 14, 2008, <u>the Applicant may request that an administrative hearing be scheduled during the week of October 13, 2008.</u> 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 werified application and the supporting exhibits.

IN THE NAME OF THE STATE OF COLORADO

OIL AND GAS CONSERVATION COMMISSION OF THE STATE OF COLORADO

By_

Dated at Suite 801 1120 Lincoln Street Denver, Colorado 80203 September 24, 2008 Patricia C. Beaver, Secretary

Attorneys for Applicants: Michael J. Wozniak/Susan L. Aldridge Beatty & Wozniak, P.C. 216 Sixteenth Street, Suite 1100 Denver, CO 80202 (303) 407-4499