

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

IN THE MATTER OF THE PROMULGATION)	CAUSE NOS. 139 and 440
AND ESTABLISHMENT OF FIELD RULES TO)	
GOVERN OPERATIONS IN THE RULISON AND)	DOCKET NO. 0809-AW-27
PARACHUTE FIELDS, GARFIELD COUNTY,)	
COLORADO)	

NOTICE OF HEARING

TO ALL INTERESTED PARTIES AND TO WHOM IT MAY CONCERN:

On February 21, 1961, the Commission issued Order No. 139-2 which, among other things, established 640-acre drilling and spacing units for certain lands, including Sections 11 and 16, Township 7 South, Range 94 West, 6th P.M., for the production of gas and associated hydrocarbons from the Mesaverde Formation.

On February 21, 1995, the Commission issued Order Nos. 139-28 and 440-16 which, among other things, authorized up to 16 wells per 640-acre drilling and spacing unit for certain lands, including Section 11, Township 7 South, Range 94 West, 6th P.M., for the production of gas and associated hydrocarbons from the Williams Fork Formation, with the permitted well to be located no closer than 400 feet from the boundaries of the unit and no closer than 800 feet from any existing Williams Fork Formation well or wells.

On July 1, 1997, the Commission issued Order Nos. 139-31 and 440-18 which, among other things, authorized up to 16 wells per 640-acre drilling and spacing unit for certain lands, including Section 16, Township 7 South, Range 94 West, 6th P.M., for the production of gas and associated hydrocarbons from the Williams Fork Formation of the Mesaverde Group, with the permitted well to be located no closer than 400 feet from the boundaries of the unit and no closer than 800 feet from any existing Williams Fork Formation well or wells.

On September 25, 2005, the Commission issued Order No. 139-50 which, among other things, allowed one (1) well per 20 acres to be drilled on certain lands, including Sections 11 and 16, Township 7 South, Range 94 West, 6th P.M., for the production of gas and associated hydrocarbons from the Williams Fork and Iles Formations, with the permitted well to be located no closer than 200 feet from the boundaries of the unit and no closer than 400 feet from any existing Williams Fork Formation or Iles Formation well or wells.

On August 7, 2008, Encana Oil and Gas (USA) Inc., by its attorney, filed with the Commission a verified application for an order to allow the equivalent of one (1) well per 10 acres for Sections 11 and 16 of Township 7 South, Range 94 West, 6th P.M. for the production of gas and associated hydrocarbons from the Williams Fork and Iles Formations.

All future Williams Fork Formation and Iles Formation wells to be drilled upon the application lands should be located downhole anywhere within the application lands but no closer than 100 feet from a lease line or the boundaries of the application lands without exception being granted by the Director of the Oil and Gas Conservation Commission. In cases where the 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 density Williams Fork Formation and Iles Formation wells, the well should be located downhole no closer than 200 feet from the boundary or boundaries of the application lands so abutting or cornering such lands without exception being granted by the Director of the Oil and Gas Conservation Commission.

Except as previously authorized by order of the Commission, wells to be drilled under this application will be drilled from the surface either vertically or directionally from no more than one pad located on a given quarter quarter section (or lots or parcels approximately equivalent thereto) unless exception is granted by the Director of the Oil and Gas Conservation Commission pursuant to application made for such exception. In addition, all wells drilled to the Iles Formation will be drilled only in connection with the drilling of Williams Fork Formation wells.

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, September 22, 2008

Tuesday, September 23, 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 September 8, 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 September 8, 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 **September 8, 2008, the Applicant may request that an administrative hearing be scheduled during the week of September 8, 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
August 18, 2008

Attorneys for Applicant:
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