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 ARAPAHOE FIELD, CHEYENNE COUNTY, COLORADO CAUSE NO. 449

DOCKET NO. 0901-SP-04

NOTICE OF CONTINUATION OF HEARING

TO ALL INTERESTED PARTIES AND TO WHOM IT MAY CONCERN:

On April 18, 1988, the Commission issued Order No. 449-7, which among other things, established 80-acre drilling and spacing units for certain lands, including Section 33, Township 14 South, Range 42 West, 6th P.M., for production of gas and associated hydrocarbons from the Morrow Formation, and imposed on each well a 100 MCF per day per 80-acre unit production restriction for said Section 33.

On November 24, 2008, Direct Petroleum Exploration ("Direct Petroleum"), by its representative, filed with the Commission a verified application to vacate the 80-acre drilling and spacing units established in Order No. 449-7 for Section 33, Township 14 South, Range 42 West, 6th P.M. and place the lands under the provisions of the Rules and Regulations of the Oil and Gas Conservation Commission, including Rule 318.a., which 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.

On December 31, 2008, Direct Petroleum, by its representative, made a verbal request to the Commission to continue this matter to the February hearing to amend the application to lift the production restriction previously imposed on the application lands, and the hearing in this matter was continued.

On January 14, 2009, Direct Petroleum, by its representative, filed with the Commission a verified amended application to vacate the 80-acre drilling and spacing units established in Order No. 449-7 for Section 33, Township 14 South, Range 42 West, 6th P.M. and place the lands under the provisions of the Rules and Regulations of the Oil and Gas Conservation Commission, including Rule 318.a., which 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, and lift the production restriction imposed on each well of 100 MCF per day per 80-acre unit for said Section 33.

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, February 23, 2009 Tuesday, February 24, 2009
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 February 6, 2009, 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 February 9, 2009. 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 February 6, 2009, <u>the Applicant may request that an administrative hearing be scheduled during the week of February 9, 2009.</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 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____

Robert A. Willis, Acting Secretary

Dated at Suite 801 1120 Lincoln Street Denver, Colorado 80203 January 20, 2009 Representative for Applicant: David R. Nelson Direct Petroleum Exploration, Inc. 1401 17th Street, Suite 510 Denver, CO 80202 (303) 825-0775