

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

IN THE MATTER OF THE PROMULGATION AND)	CAUSE NOS. 232 and 407
ESTABLISHMENT OF FIELD RULES TO GOVERN)	
OPERATIONS IN THE WATTENBERG FIELD,)	DOCKET NO. 0907-UP-15
WELD COUNTY, COLORADO)	

NOTICE OF HEARING

TO ALL INTERESTED PARTIES AND TO WHOM IT MAY CONCERN:

On February 16, 1971, the Commission issued Order No. 232-2, which among other things, established 320-acre drilling and spacing units for certain lands, including the W½ of Section 10, Township 2 North, Range 66 West, 6th P.M., for the production of gas and associated hydrocarbons from the “J” Sand Formation, with the permitted well to be located in the NE¼ and SW¼ of each section and no closer than 990 feet to the boundaries of the quarter section upon which it is located. On February 14, 1974, the Robert L. McPeek Unit #1 Well (API No. 05-123-07986) was completed, at a location 1610 feet FSL and 1610 feet FWL in said Section 10, for the production of gas and associated hydrocarbons from the “J” Sand Formation.

On August 21, 1979, the Commission issued Order No. 232-20, which among other things, approved an additional second well for each established 320-acre drilling and spacing unit for certain lands, including the W½ of Section 10, Township 2 North, Range 66 West, 6th P.M., for the production of gas and associated hydrocarbons from the “J” Sand Formation, with the permitted well to be located in the undrilled quarter section of the unit and no closer than 990 feet to the boundaries of the quarter section upon which it is located. On August 8, 1982, the Robert L. McPeek Unit #3 Well (API No. 05-123-10485) was completed, at a location 1440 feet FNL and 1525 feet FWL in said Section 10, for the production of gas and associated hydrocarbons from the “J” Sand Formation.

On April 16, 1991 (corrected May 17, 1991), the Commission issued Order Nos. 232-47 and 407-66, which among other things, approved of commingled production, through completion or recompletion, for certain lands, including Section 10, Township 2 North, Range 66 West, 6th P.M., for the production of oil, gas and associated hydrocarbons from the Codell, Niobrara and “J” Sand Formations, with the location of any wellbore completed or recompleted in the Codell or Niobrara Formation to be no closer than 920 feet from any existing or permitted well either capable of producing from, or scheduled to be produced from, the Codell or Niobrara Formation. In June 1997, the McPeek #1 Well was recompleted for the production of oil, gas and associated hydrocarbons from the Codell and Niobrara Formations, to be commingled with the “J” Sand Formation. In April 1998, the McPeek #3 Well was recompleted for the production of oil, gas and associated hydrocarbons from the Codell and Niobrara Formations, to be commingled with the “J” Sand Formation.

On April 27, 1998, the Commission adopted Rule 318A., which among other things, allowed certain drilling locations to be utilized to drill or twin a well, deepen a well or recomplete a well and to commingle any or all of the Cretaceous Age Formations from the base of the Dakota Formation to the surface. On December 5, 2005, Rule 318A. was amended to, among other things, allow interior infill and boundary wells to be drilled and wellbore spacing units to be established. Section 10, Township 2 North, Range 66 West, 6th P.M., is subject to this Rule for the Codell, Niobrara and “J” Sand Formations.

On April 27, 2009, INB Land & Cattle, LLC, by its representative, Robert L. McPeek, filed with the Commission an application for an order to designate two approximate 160-acre drilling and spacing units for the below-listed lands (to accommodate the below-listed wells), for the production of oil and associated hydrocarbons from the Codell and Niobrara Formations, and to pool all nonconsenting interests in the previously designated 160-acre drilling and spacing units, for the development and operation of the Codell and Niobrara Formations:

Township 2 North, Range 66 West, 6th P.M.

Robert L. McPeek Unit #1 Well

Section 10: SW¼

Robert L. McPeek Unit #3 Well

Section 10: NW¼

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: Tuesday, July 14, 2009
Wednesday, July 15, 2009

Time: 9:00 a.m.

Place: TBD
Glenwood Springs, Colorado

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. 5139, 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 June 29, 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 June 29, 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 **June 29, 2009, the Applicant may request that an administrative hearing be scheduled during the week of June 29, 2009.** In the alternative, pursuant to Rule 511.c., 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
June 18, 2009

Representative for Applicant:
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