

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

IN THE MATTER OF THE PROMULGATION AND) CAUSE NO. 112
ESTABLISHMENT OF FIELD RULES TO GOVERN)
OPERATIONS IN THE IGNACIO-BLANCO FIELD,) DOCKET NO. 0905-AW-02
LA PLATA COUNTY, COLORADO)

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 Section 20, Township 33 North, Range 8 West, N.M.P.M., for the production of gas and associated hydrocarbons 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 October 21, 1997, amended August 28, 1998, the Commission issued Order No. 112-136, which among other things, allowed an optional additional second well to be drilled in the 320-acre drilling and spacing unit designated for the S $\frac{1}{2}$ of Section 20, Township 33 North, Range 8 West, N.M.P.M., for the production of gas and associated hydrocarbons from the Fruitland coal seams, with the permitted well to be located in the center of the NW $\frac{1}{4}$ and the SE $\frac{1}{4}$ of the section, and no closer than 990 feet to any outer boundary of the unit nor closer than 130 feet to any interior quarter section line.

On March 16, 2009, McElvain Oil & Gas Properties, Inc., by its attorney, filed with the Commission a verified application for an order to allow two (2) optional additional infill wells, for a total of four (4) wells, to be drilled in the 320-acre drilling and spacing unit established for the S $\frac{1}{2}$ of Section 20, Township 33 North, Range 8 West, N.M.P.M., for the production of gas and associated hydrocarbons from the Fruitland coal seams.

The application further requests that either or both of the proposed optional additional infill wells should be permitted to be drilled and completed as vertical, directional or horizontal wells, at the operator's discretion, with the bottomhole location no closer than 660 feet to any outer boundary of the unit and no setback required to any interior quarter section line.

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: Wednesday, May 6, 2009
Thursday, May 7, 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. 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 April 20, 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 April 20, 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 **April 20, 2009 the Applicant may request that an administrative hearing be scheduled during the week of April 20, 2009.** 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
April 3, 2009

Attorney for Applicant:
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