

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

IN THE MATTER OF THE PROMULGATION) CAUSE NO. 330
AND ESTABLISHMENT OF FIELD RULES TO)
GOVERN OPERATIONS IN THE ARMEL FIELD,) DOCKET NO. 0903-EX-01
YUMA COUNTY, COLORADO)

NOTICE OF HEARING

TO ALL INTERESTED PARTIES AND TO WHOM IT MAY CONCERN:

On August 22, 1978, the Commission issued Order No. 330-2, which among other things, established 160-acre drilling and spacing units for certain lands, including NE $\frac{1}{4}$ of Section 4, Township 3 South, Range 42 West, 6th P.M., with the permitted well to be located no closer than 900 feet from the boundaries of the quarter section in which it is located, for the production of gas and associated hydrocarbons from the Niobrara Formation.

On October 4, 2005, Rosewood Resources Inc. ("Rosewood") was issued an Application for Permit to Drill ("APD") for the Crites #01-04 Well located in the NE $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 4, Township 3 South, Range 42 West, 6th P.M., with a proposed location of 900 feet FNL and 900 feet FEL, for drilling through the Niobrara Formation to an estimated total depth of 2,000 feet.

On October 21, 2005, a representative from Rosewood met with the surface owners of the proposed APD location, Mr. and Mrs. Crites, and executed a Surface Use Agreement for the drilling of the Crites #01-04 Well. Subsequently, on or around December 1, 2005, Mr. Crites met with a representative from Rosewood on location to confirm the ingress/egress routes for the drilling and completion operations of said well. During this meeting Mr. Crites requested if the proposed location be moved away from his dry-land farm ground and off the side slope of the hill, moving the location north/northeast, from its originally staked and permitted location, approximately 235 feet.

On December 13, 2005, drilling operations commenced on the Crites #01-04 Well location at 686 feet FNL and 802 feet FEL in the NE $\frac{1}{4}$ of Section 4, Township 3 South, Range 42 West, 6th P.M., and was drilled and completed into the Niobrara Formation at a total depth of 1,800 feet, and said well was brought on-line with first gas production on January 26, 2006.

On September 22, 2008, the Commission issued Order No. 330-4, which among other things, vacated Order No. 330-2 for certain lands, including the NE $\frac{1}{4}$ of Section 4, Township 3 South, Range 42 West, 6th P.M., and placed the lands under rule 318.b., which states that such wells drilled to less than a depth of 2,500 feet be located not less than 200 feet from any lease line, and not less than 300 feet from any other producible oil or gas well or drilling well, for the Niobrara Formation.

On February 9, 2009, Rosewood, by its representative, filed with the Commission a verified application for an order to allow an exception to the permitted location for the Crites #01-04 Well located in the NE $\frac{1}{4}$ of Section 4, Township 3 South, Range 42 West, 6th P.M., with a surface location of 686 feet FNL and 802 feet FEL with a total depth of 1,800 feet, for the production of gas and associated hydrocarbons from the Niobrara Formation.

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, March 30, 2009
Tuesday, March 31, 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 March 16, 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 March 16, 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 **March 16, 2009 the Applicant may request that an administrative hearing be scheduled during the week of March 16, 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
March 2, 2009

Representative for Applicant:
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