

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

IN THE MATTER OF THE PROMULGATION AND)	CAUSE NO. 139
ESTABLISHMENT OF FIELD RULES TO GOVERN)	
OPERATIONS IN THE RULISON FIELD,)	DOCKET NO. 1007-SP-19
GARFIELD COUNTY, COLORADO)	

NOTICE OF HEARING

TO ALL INTERESTED PARTIES AND TO WHOM IT MAY CONCERN:

On April 20, 1990, the Commission issued Order No. 139-31, which among other things, established 640-acre drilling and spacing unit for certain lands, including Section 17, Township 7 South, Range 94 West, 6th P.M., for the production of gas and associated hydrocarbons from the Mesaverde Formation.

On July 1, 1997, the Commission issued Order No. 139-31, which among other things, established a 640-acre drilling and spacing unit for Section 17, Township 7 South, Range 94 West, 6th P.M., and approved the optional drilling of up to 16 wells for said unit, for the production of gas and associated hydrocarbons from the Williams Fork Formation, with the permitted well 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 April 24, 2006 (corrected November 15, 2006), the Commission issued Order No. 139-59, which among other things, allowed one (1) well per 10 acres to be drilled on certain lands, including Section 17, Township 7 South, Range 94 West, 6th P.M., for the production of gas and associated hydrocarbons from the Iles Formation, with the permitted well to be located no closer than 100 feet from the boundaries of the unit and no closer than 200 feet from any existing Iles Formation well or wells.

On June 5, 2006 (corrected July 26, 2006), the Commission issued Order No. 139-61, which among other things, allowed one (1) well per 10 acres to be drilled on certain lands, including Section 17, 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 100 feet from the boundaries of the unit and no closer than 200 feet from any existing Williams Fork Formation well or wells.

On May 10, 2007 the Commission issued Order No. 139-73, which among other things, established 40-acre drilling and spacing units for certain lands, including Section 17, Township 7 South, Range 94 West, 6th P.M., for the production of gas and associated hydrocarbons from the Williams Fork and Iles Formations, allowing up to one (1) well per 10 acres.

On May 19, 2010, Williams Production RMT Company, by its attorney, filed with the Commission a verified application to vacate the 40-acre drilling and spacing units previously established under the Order No. 139-73 as it pertains to the below-listed lands, and establish an approximate 59.42-acre drilling and spacing unit for said lands, with the continued approval of the equivalent of one well per 10 acres well density, for the production of gas and associated hydrocarbons from the Williams Fork and Iles Formations:

Township 7 South, Range 94 West, 6th P.M.
Section 17: Lots 1 and 2 (a.k.a., the N½ NE¼)

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 the unit boundary 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 unit so abutting or cornering such lands without exception being granted by the Director of the Oil and Gas Conservation Commission.

That, except as previously authorized by order of the Commission, wells to be drilled under this order should 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). 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: Thursday, July 8, 2010
Friday, July 9, 2010

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 June 23, 2010, 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 28, 2010.** Pursuant to Rule 503.g., 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 23, 2010, the Applicant may request that an administrative hearing be scheduled during the week of June 28, 2010.** In the alternative, pursuant to Rule 511., 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 _____
Carol Harmon, Secretary

Dated at Suite 801
1120 Lincoln Street
Denver, Colorado 80203
June 9, 2010

Attorney for Applicant:
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