

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

IN THE MATTER OF THE PROMULGATION)	
AND ESTABLISHMENT OF FIELD RULES)	CAUSE NOS. 232 and 407
TO GOVERN OPERATIONS IN THE)	
WATTENBERG FIELD, WELD COUNTY,)	DOCKET NO. 1010-UP-56
COLORADO)	

NOTICE OF HEARING

TO ALL INTERESTED PARTIES AND TO WHOM IT MAY CONCERN:

On October 19, 1981, the Commission issued Order No. 232-23 which amended Order No. 232-20 to include Sections 34 and 35, Township 2 North, Range 68 West, among other lands. Order No. 232-20 amended Order No. 232-1 by allowing the drilling of an additional well on each 320-acre drilling and spacing unit for the production of gas and associated hydrocarbons from the J-Sand Formation as established in Order No. 232-1.

On December 19, 1983, the Commission issued Order No. 407-1 (amended on March 29, 2000 in accordance with Order No. 407-17, entered November 18, 1985), which among other things, established 80-acre drilling and spacing units for the production of oil and/or gas and associated hydrocarbons from the Codell Formation underlying certain lands, including Sections 34 and 35, Township 2 North, Range 68 West, with the drilling and spacing unit to be designated by the operator drilling the first well in the quarter section, (or the Director, if the operator fails to designate). The permitted well shall be located in the center of either 40-acre tract within the drilling and spacing unit with a tolerance of 200 feet in any direction. The operator shall have the option to drill an additional well on the undrilled 40-acre tract in each 80-acre drilling and spacing unit.

On February 19, 1992, the Commission issued Order No. 407-87 (amended August 20, 1993), which among other things, established 80-acre drilling and spacing units for the production of oil and/or gas from the Codell and Niobrara Formations underlying certain lands, including Sections 34 and 35, Township 2 North, Range 68 West, with the permitted well locations in accordance with the provisions of Order No. 407-1.

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 allow interior infill and boundary wells to be drilled and wellbore spacing units to be established. The lands encompassing the Wellbore Spacing Unit, as defined below, are subject to this Rule, specifically Rule 318A.a.(4)(C) and 318A.e.(2), for the Codell, Niobrara and J-Sand Formations.

Applicant previously designated a 160-acre wellbore spacing unit, as described below, for the production of oil and associated hydrocarbons from the Codell, Niobrara and J-Sand Formations pursuant to Rule 318A.e.(2). Applicant holds an approved Application for Permit-to-Drill for the well within the Wellbore Spacing Unit and holds a 25% working interest in the Wellbore Spacing Unit.

On September 1, 2010, pursuant to Commission Rule 530 and pursuant to the provisions of C.R.S. §34-60-116 (6) and (7), Encana Oil & Gas (USA) Inc. ("Applicant") through its attorney, filed an application for an order to involuntarily pool all interests not voluntarily pooled (including working interests and unleased mineral interests) in the Codell, Niobrara and J-Sand Formations underlying the following described 160-acre wellbore spacing unit:

Township 2 North, Range 68 West, 6th P.M.
Section 34: SE¼NE¼, NE¼SE¼
Section 35: SW ¼NW¼, NW¼SW¼

Weld County, Colorado (referred to herein as the "Wellbore Spacing Unit")

The Billings 8-4-34 Well is within the designated Wellbore Spacing Unit with a proposed surface location of 2,077 feet from the north line and 1,898 feet from the east line ("FEL," SW¼ NE¼)

of Section 34 and a proposed bottomhole location of 2,400 feet from the south line and 50 feet FEL (NE¼ SE¼) of Section 34. Applicant requests that all interest owners in Wellbore Spacing Unit which are not voluntarily pooled in the Wellbore Spacing Unit be involuntarily pooled.

Applicant also requests that the Commission's involuntary pooling order issued with respect to its September 1, 2010 Application be retroactive to the date of spudding of the Billings 8-4-34 Well.

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, October 21, 2010
Friday October 22, 2010

Time: 9:00 a.m.

Place: West Garfield Campus, Colorado Mountain College
3695 Airport Road
Rifle, Colorado 81650

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 October 6, 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 thirteen (13) copies shall be filed with the Commission (Rule 503.). **Anyone who files a protest or intervention must be able to participate in a prehearing conference during the week of October 11, 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 **October 6, 2010, the Applicant may request that an administrative hearing be scheduled for the week of October 11, 2010.** 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 _____
Carol Harmon, Secretary

Dated at Suite 801
1120 Lincoln Street
Denver, Colorado 80203
September 28, 2010

Attorney for Applicant:
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