

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

IN THE MATTER OF THE PROMULGATION AND	)	CAUSE NO. 407
ESTABLISHMENT OF FIELD RULES TO GOVERN	)	
OPERATIONS IN THE WATTENBERG FIELD,	)	DOCKET NO. 1010-UP-58
WELD COUNTY, COLORADO	)	

NOTICE OF HEARING

TO ALL INTERESTED PARTIES AND TO WHOM IT MAY CONCERN:

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 Section 2, Township 4 North, Range 67 West, 6<sup>th</sup> P.M., 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 so designate. The permitted well must be located in the center of either 40-acre tract within the 80 acre drilling and spacing unit, with a tolerance of 200 feet in any direction. The operator has 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 Section 2, Township 4 North, Range 67 West, 6<sup>th</sup> P.M., with the permitted well locations in accordance with the provisions of Order No. 407-1.

On April 27, 1998, the Commission adopted Rule 318A(e)(1), 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. Section 2, Township 4 North, Range 67 West, 6<sup>th</sup> P.M., is subject to this Rule for the Codell and Niobrara Formations.

Colorado Revised Statute Section 34-60-116 authorizes the Commission to involuntarily pool separately owned interests located within a drilling unit, for the development and operation of such unit.

On September 1, 2010, Great Western Oil and Gas Company LLC ("Great Western"), by its attorneys, filed a Verified Application with the Commission asserting that Great Western owns an oil and gas leasehold interest in the SW $\frac{1}{4}$  of Section 2, Township 4 North, Range 67 West, 6<sup>th</sup> P.M., Weld County, Colorado ("Section 2," hereinafter).

The Application further asserts that according to the records of the Commission, no wells have been drilled in the SW $\frac{1}{4}$  of Section 2. Great Western desires to drill five (5) wells in SW $\frac{1}{4}$  of Section 2 to the Codell and Niobrara Formations; the Coulson 2-13 and Coulson 2-14 Wells would be drilled on an 80-acre drilling and spacing unit composed of the W $\frac{1}{2}$  SW $\frac{1}{4}$  of Section 2; the Coulson 2-23 and the Coufal 2-24 Wells would be drilled on an 80-acre drilling and spacing unit composed of the E $\frac{1}{2}$  SW $\frac{1}{4}$  of Section 2; and the Coulson 2-53 Well would be drilled in the center of and on a 160-acre drilling and spacing unit composed of the SW $\frac{1}{4}$  of Section 2.

Great Western seeks an order of the Commission establishing a 160-acre drilling and spacing unit, consisting of the SW $\frac{1}{4}$  of Section 2, for the production of oil and gas and associated hydrocarbons from the Codell and Niobrara Formations from the Coulson 2-53 Well, which will be drilled to the center of the SW $\frac{1}{4}$  pursuant to Commission Rule 318A.a.(4)B.

Great Western further seeks an order pooling non-consenting owners in the proposed 160-acre drilling and spacing unit, consisting of the SW $\frac{1}{4}$  of Section 2 for the production of oil and gas and associated hydrocarbons from the Codell and Niobrara Formations from the Coulson 2-53 Well, for the development and operation of the Codell and Niobrara Formations in such unit.

Great Western further seeks an order pooling all non-consenting owners in the 80-acre drilling and spacing unit, consisting of the W $\frac{1}{2}$  SW $\frac{1}{4}$  of Section 2 for the production of oil and gas and associated hydrocarbons from the Codell and Niobrara Formations from the Coulson 2-13

and Coulson 2-14 Wells, for the development and operation of the Codell and Niobrara Formations in such unit.

Great Western further seeks an order pooling all non-consenting owners in the 80-acre drilling and spacing unit, consisting of the E½ SW¼ of Section 2 for the production of oil and gas and associated hydrocarbons from the Codell and Niobrara Formations from the Coulson 2-23 and Coufal 2-24 Wells, for the development and operation of the Codell and Niobrara Formations in such unit.

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. 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 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 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 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 during the week of October 11, 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  
September 28, 2010

Attorney for Applicant:  
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