

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

IN THE MATTER OF THE PROMULGATION) CAUSE NO. 112
AND ESTABLISHMENT OF FIELD RULES TO)
GOVERN OPERATIONS IN IGNACIO-BLANCO) DOCKET NO. 1007-AW-07
FIELD, LA PLATA COUNTY, COLORADO)

NOTICE OF HEARING

TO ALL INTERESTED PARTIES AND TO WHOM IT MAY CONCERN:

On June 15, 1988, the Commission issued Order No. 112-60 which established 320-acre drilling and spacing units for production of gas 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; the order includes Section 27, Township 33 North, Range 8 West, N.M.P.M.

On May 15, 2000 the Commission issued Order No. 112-157 which allowed an optional second Fruitland coal seam well to be drilled in each 320-acre drilling and spacing unit with such additional well being located no closer than 990 feet to any outer boundary of the unit, nor closer than 130 feet to any interior quarter section line; the order includes Section 27, Township 33 North, Range 8 West, N.M.P.M.

Subsequent orders issued by the Commission in Cause No. 112 allowed a total of four (4) wells to be optionally drilled in certain 320-acre drilling and spacing units including certain lands in and near Section 27, Township 33 North, Range 8 West, N.M.P.M., with the permitted well to be located no closer than 660 feet to any outer boundary of the unit with no interior section line setback, utilizing a common or expanded pad with an existing well, for production of gas from the Fruitland coal seams.

On May 19, 2010, Pablo Operating Company, by its attorney, filed with the Commission a verified application for an order to allow up to four wells, to be drilled vertically, directionally, or horizontally, in each 320-acre drilling and spacing unit for production of gas from the Fruitland coal seams, with the permitted well to be located no closer than 660 feet from the unit boundary, with no interior boundary setbacks for the below listed lands:

Township 33 North, Range 8 West, N.M.P.M.
Section 27: All

The Director may after notice and hearing approve exceptions to permitted well locations due to topography or surface hazards or the recompletion of wells previously drilled at permitted locations, provided that appropriate notice of such exception location is afforded to offset owners as required by Commission rules. The surface location of each of the optional wells shall be located on a common or existing pad such that a total of four (4) Fruitland coal seam well pads shall be authorized in each governmental section.

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. 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 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.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
June 9, 2010

Attorney for Applicant:
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