

PROOF OF PUBLICATION

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County of La Plata, }
State of Colorado } ss.

the
Durango **Herald**

Drawer A, Durango, Colorado 81302



I, Donna J. McConnell do solemnly swear that I am the Customer Service Representative of the Durango Herald, and that I have personal knowledge of the essential facts stated herein; that the same is a daily newspaper printed in whole, and published in the County of La Plata, State of Colorado, and has a general circulation therein; that said newspaper has been published continuously and uninterruptedly in said County of La Plata for a period of more than twelve months next prior to the first publication of the annexed Legal notice or advertisement; that said newspaper has been admitted to the United States mails as second-class matter under a provision of the Act of March 3, 1879, or any amendments thereof, and that said newspaper is a daily newspaper duly qualified for publishing legal notices and advertisements within the meaning of the laws of the State of Colorado.

That the annexed legal notice or advertisement was published in the regular and entire editions of said daily newspaper one time only, March 28 A.D., 2006; once each day for XXXX consecutive issue days; once each week on the same day of each week for the period of XXXX consecutive insertions; and that the first publication of said notice was in the issue of said newspaper dated XXXX A.D., 2006, and that the last publication of said notice was in the issue of said newspaper dated XXXX A.D., 2006.

In witness whereof I have hereunto set my hand this 28th day of

March, A.D., 2006.

Donna J. McConnell

Subscribed and sworn before me, a notary public in and for the County of La Plata, State of Colorado this 28th day of March, A.D., 2006

Tammie S. Smith

Notary Public



My Commission expires January 3, 2009

MY COMMISSION EXPIRES 1/3/2009

BEFORE THE OIL & GAS
CONSERVATION COMMISSION
OF THE STATE OF COLORADO
IN THE MATTER OF THE PROM-
ULGATION AND ESTABLISHMENT
OF FIELD RULES TO GOVERN
OPERATIONS IN IGNA-
CIO-BLANCO FIELD, LA PLATA
COUNTY, COLORADO
CAUSE NO. 112

DOCKET NO. 0604-AW-03
NOTICE OF HEARING
TO ALL INTERESTED PARTIES
AND TO WHOM IT MAY CON-
CERN:

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, including certain lands in Township 33 North, Ranges 7 through 9 West, N.M.P.M.

On October 21, 1997, the Commission issued Order No. 112-136, which allowed an optional additional well to be drilled and to be located in the center of the NE $\frac{1}{4}$ and the SW $\frac{1}{4}$ of the section, no closer than 990 feet to any outer boundary of the unit, nor closer than 130 feet to any interior quarter section line, for production of gas from the Fruitland coal seams, including Section 25, Township 33 North, Range 9 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, including certain lands in Township 33 North, Ranges 7 through 9 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 Township 33 North, Ranges 7 through 9 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 January 30, 2006, Elm Ridge Exploration Company LLC., by its attorney, filed with the Commission a verified application for an order to allow optional third and fourth wells 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 section line setback for the below listed lands:

Township 33 North, Range 7 West, N.M.P.M.
Section 18: W $\frac{1}{2}$
Township 33 North, Range 8 West, N.M.P.M.
Section 6: S $\frac{1}{2}$
Section 7: All
Section 8: E $\frac{1}{2}$
Section 9: W $\frac{1}{2}$
Section 11: W $\frac{1}{2}$
Section 15: S $\frac{1}{2}$
Section 16: E $\frac{1}{2}$
Section 17: W $\frac{1}{2}$
Section 18: W $\frac{1}{2}$
Section 20: N $\frac{1}{2}$
Section 21: All
Township 33 North, Range 9 West, N.M.P.M.
Section 13: E $\frac{1}{2}$
Section 15: W $\frac{1}{2}$
Section 25: N $\frac{1}{2}$

The Director may after notice and hearing approve exceptions to permitted well locations due to topography or surface hazards or the no completion 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 expanded pad with the existing well such that a total of four (4) Fruitland coal seam well pads shall be authorized in each governmental section. While not required by the Commissions Rules, Applicant shall propose a Health, Safety and Welfare Plan ("HS&W Plan") which shall apply to operations on lands not within the jurisdiction of the Southern Ute Indian Tribe. The Applicant requests a finding by the Commission that the HS&W Plan adequately addresses concerns related to the environment and public health, safety and welfare not otherwise addressed by Commission Rule on such non-tribal lands.

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, April 24, 2006
Tuesday, April 25, 2006
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 Hamecki 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 protect the granting of the application or to intervene on the application should file with the Commission a written protest or intervention no later than April 10, 2006, 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 nine (9) 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 April 10, 2006. Pursuant to Rule 503.e, 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 April 10, 2006, the Applicant may request that an administrative hearing be scheduled for the week of April 10, 2006.

IN THE NAME OF THE STATE OF
COLORADO
OIL AND GAS CONSERVATION
COMMISSION
OF THE STATE OF COLORADO

By
Patricia C. Beaver, Secretary
Dated at Suite 801
1120 Lincoln Street
Denver, Colorado 80203
March 23, 2006
David R. Little
Bjork Lindley Little PC
1600 Stout Street, Suite 1400
Denver, Colorado 80202
(303) 661-1400
Published: March 28, 2006
Publisher: The Durango Herald

Publisher's Affidavit STATE OF COLORADO

I, Al Slatery, of the City and County of Denver, State of Colorado, being duly sworn, upon oath say that I am the Publishing Director of The Daily Journal; that I have personal knowledge of all the facts set forth in this affidavit; that said The Daily Journal is a public newspaper of general circulation having its principal office and place of business situated in said City and County of Denver; that said The Daily Journal is printed and published daily except Saturdays, Sundays and legal holidays; that said The Daily Journal is a daily newspaper within the meaning of the act of the General Assembly of the State of Colorado, approved April 7, 1921, and entitled, 'An Act Concerning Legal Notices, Advertisements and Publications, and the Fees of Printers and Publishers Thereof, and to Repeal All Acts and Parts of Acts in Conflict with the Provisions of This Act' and as amended by an act of said General Assembly, entitled 'An Act to Amend an Act Entitled 'An Act Concerning Legal Notices, Advertisements and Publications, and the Fees of Printers and Publishers Thereof and to Repeal All Acts and Parts of Acts in Conflict with the Provisions of this Act,' approved March 30, 1923, and as amended by an act of said General Assembly, approved May 18, 1931, entitled, 'An Act to Amend Section 4 of Chapter 129, Session Laws of Colorado, 1923, Relating to Legal Notices and Advertisements,' which said Act took effect on and after the first day of January, 1932, and as amended by an act of said General Assembly, entitled, 'An Act to Amend Chapter 129 of the Session Laws of 1932 Relating to Legal Notices and Advertisements; to Define Newspapers Qualified to Publish Legal Notices and Advertisements and the Fees of Printers and Publishers Thereof, and to Provide that the Costs of Such Legal Notices and Advertisements Shall Be Taxed as Fees,' approved March 6, 1935; and as amended by an act of said General Assembly, entitled, 'An Act Relating to Legal Notices and Advertisements, and Amending Section 1, of Chapter 128, Session Laws of 1931,' approved March 25, 1935; and 'An Act to Amend and as Amended by the General Assembly, concerning 'Rates for Legal Publications,' 1931-C.S.B. 1932 as amended, approved May 22, 1971, and effective January 1, 1972, that said newspaper had, prior to January 1, 1936, and has ever since said date, been admitted to the United States Mails as second class matter under the provisions of the Act of March 3, 1879, or any amendments thereof; that said newspaper is printed and published in whole in said City and County of Denver and has a general circulation therein; that said newspaper has been so printed and published as a public daily newspaper of general circulation in said City and County of Denver, uninterrupted and continuously during the period of more than fifty-two consecutive weeks next prior to the first issue thereof containing the annexed legal notice and advertisement; that said legal notice and advertisement was published daily except Saturdays, Sundays and legal holidays in the regular edition of said newspaper for one day, that the publication of said legal notice and advertisement appeared in the regular edition of said newspaper on the 30th day of April, A.D. 2006, and that therefore, said legal notice and advertisement was duly published in a newspaper duly qualified for that purpose within the meaning of said above-mentioned acts of the General Assembly of the State of Colorado.

Subscribed and sworn to, at the City and County of Denver, State of Colorado, before me, a Notary Public, this 10th day of April, A.D. 2006. Witness my hand and notarial seal. [Signature] Notary Public

My Commission Expires July 9, 2007. 2000 E. Colorado Boulevard, Tower 1, #2000, Denver, Colorado 80202

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

CAUSE NO. 112 DOCKET NO. 0604-AW-03 IN THE MATTER OF THE PROMULGATION AND ESTABLISHMENT OF FIELD RULES TO GOVERN OPERATIONS IN IGNACIO-BIANCO FIELD, LA PLATA COUNTY, COLORADO TO ALL INTERESTED PARTIES AND TO WHOM IT MAY CONCERN.

On June 15, 1988, the Commission issued Order No. 112-80 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, including certain lands in Township 33 North, Range 7 through 9 West, N.M.P.M.

On October 21, 1997, the Commission issued Order No. 112-136, which allowed an optional additional well to be drilled and to be located in the center of the NE1/4 and the SW1/4 of the section, no closer than 990 feet to any outer boundary of the unit, nor closer than 130 feet to any interior quarter section line, for production of gas from the Fruitland coal seams, including Section 26, Township 33 North, Range 9 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, including certain lands in Township 33 North, Ranges 7 through 9 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 Township 33 North, Ranges 7 through 9 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 January 30, 2006, Elm Ridge Exploration Company LLC., by its attorney, filed with the Commission a verified application for an order to allow optional third and fourth wells 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 section line setback for the below listed lands:

- Township 33 North, Range 7 West, N.M.P.M. Section 18: W1/2 Township 33 North, Range 8 West, N.M.P.M. Section 6: S1/2 Section 7: All Section 8: E1/2 Section 9: W1/2 Section 11: W1/2 Section 15: S1/2 Section 16: E1/2 Section 17: W1/2 Section 18: W1/2 Section 20: N1/2 Section 21: All Township 33 North, Range 9 West, N.M.P.M. Section 13: S1/2 Section 15: W1/2 Section 26: N1/2

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 expanded pad with the existing well such that a total of four (4) Fruitland coal seam well pads shall be authorized in each governmental section. While not required by the Commission's Rules, Applicant shall propose a Health, Safety and Welfare Plan ("HS&W Plan") which shall apply to operations on lands not within the jurisdiction of the Southern Ute Indian Tribe. The Applicant requests a finding by the Commission that the HS&W Plan adequately addresses concerns related to the environment and public health, safety and welfare not otherwise addressed by Commission Rule on such non-tribal lands.

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, April 24, 2006 Tuesday, April 25, 2006 9:00 a.m. Time: Suite 601, The Chancery Building Place: 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 April 10, 2006 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 nine (9) 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 April 10, 2006. Pursuant to Rule 503.e, 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 April 10, 2006, the Applicant may request that an administrative hearing be scheduled for the week of April 10, 2006.

IN THE NAME OF THE STATE OF COLORADO OIL AND GAS CONSERVATION COMMISSION OF THE STATE OF COLORADO By Patricia C. Beaver, Secretary

Dated at Suite 601 1120 Lincoln Street Denver, Colorado 80203 March 23, 2006 David R. Little Bjork Lindley Little PC 1600 Stout Street, Suite 1400 Denver, Colorado 80202 (303) 861-1400

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APR -6 06

COGCC

PINE RIVER TIMES
Bayfield, Colorado
State of Colorado
County of La Plata

I, Melanie Brubaker Mazur, do solemnly swear that I am Publisher of the PINE RIVER TIMES; that the same is a weekly newspaper printed, in whole or in part, and published in the County of La Plata, State of Colorado, and has a general circulation therein; that said newspaper has been published continuously and uninterruptedly in said County of La Plata for a period of more than fifty-two consecutive weeks next prior to the first publication of the annexed legal notice or advertisement, that said newspaper has been admitted to the United States mails as second-class matter under the provisions of the Act of March 3, 1879, or any amendments thereof, and that said newspaper is a weekly newspaper duly qualified for publishing legal notices and advertisements within the meaning of the laws of the State of Colorado. That the annexed legal notice or advertisement was published in the regular and entire issue of every number of said weekly newspaper for the period of 1 consecutive insertions; and that the first publication of said notice was in the issue of said newspaper dated Mar. 31 A.D. 2006 and the last publication of said notice was in the issue of said newspaper dated Mar. 31 A.D. 2006.

Melanie Brubaker Mazur
Publisher

Subscribed and sworn to before me,
A notary public in the State of Colorado,
County of La Plata this 3 day of
April A.D. 2006.

Catherine M. Garcia
Notary Public

My commission expires 8-11-2009

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, including certain lands in Township 33 North, Ranges 7 through 9 West, N.M.P.M.

On October 21, 1997, the Commission issued Order No. 112-136, which allowed an optional additional well to be drilled and to be located in the center of the NE and the SW of the section, no closer than 990 feet to any outer boundary of the unit, nor closer than 130 feet to any interior quarter section line, for production of gas from the Fruitland coal seams, including Section 26, Township 33 North, Range 9 West, N.M.P.M.

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- Section 18: W
- Township 33 North, Range 8 West, N.M.P.M.
- Section 6: S
- Section 7: All
- Section 8: E
- Section 9: W
- Section 11: W
- Section 15: S
- Section 16: E
- Section 17: W
- Section 18: W
- Section 20: W
- Section 21: All
- Township 33 North, Range 9 West, N.M.P.M.
- Section 13: E
- Section 15: W
- Section 26: N

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 expanded pad with the existing well such that a total of four (4) Fruitland coal seam well pads shall be authorized in each governmental section. While not required by the Commission's Rules, Applicant shall propose a Health, Safety and Welfare Plan ("HS&W Plan") which shall apply to operations on lands not within the jurisdiction of the Southern Ute Indian Tribe. The Applicant requests a finding by the Commission that the HS&W Plan adequately addresses concerns related to the environment and public health, safety and welfare not otherwise addressed by Commission Rule on such non-tribal lands.

BEFORE THE OIL & GAS CONSERVATION COMMISSION OF THE STATE OF COLORADO IN THE MATTER OF THE PROMULGATION AND ESTABLISHMENT OF FIELD RULES TO GOVERN OPERATIONS IN IGNACIO-BLANCO FIELD, LA PLATA COUNTY, COLORADO
CAUSE NO. 112
DOCKET NO. 0604-AW-03
NOTICE OF HEARING
TO ALL INTERESTED PARTIES AND TO WHOM IT MAY CONCERN:
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IN THE NAME OF THE STATE OF COLORADO
OIL AND GAS CONSERVATION COMMISSION
OF THE STATE OF COLORADO
By Patricia C. Beaver, Secretary
Dated at Suite 801
1120 Lincoln Street
Denver, Colorado 80203
March 23, 2006
David R. Little
Bjork Lindley Little PC
1600 Stout Street, Suite 1400
Denver, Colorado 80202
(303) 861-1400
PUBLISHED MARCH 31, 2006