



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

IN THE MATTER OF THE PROMULGATION AND
ESTABLISHMENT OF FIELD RULES TO GOVERN
OPERATIONS IN GRAND VALLEY FIELD,
GARFIELD COUNTY, COLORADO

) CAUSE NO. 510

) DOCKET NO. 1010-SP-39

NOTICE OF HEARING

TO ALL INTERESTED PARTIES AND TO WHOM IT MAY CONCERN:

Rule 318.a. of the Rules and Regulations of the Oil and Gas Conservation Commission requires that wells drilled in excess of 2,500 feet in depth be located not less than 600 feet from any lease line, and located not less than 1,200 feet from any other producible or drilling oil or gas well when drilling to the same common source of supply. The below-listed lands are subject to this Rule for the Mancos, Niobrara, Frontier, Dakota/Cedar Mountain Formations ("Deep Formations"):

Township 7 South, Range 96 West, 6th P.M.
Section 32: W $\frac{1}{2}$ E $\frac{1}{2}$

Garfield County, Colorado

On August 26, 2010, Williams Production RMT Company ("Applicant"), by its attorney, filed with the Commission a verified application to establish an approximate 160-acre drilling and spacing unit for the below-listed lands ("Applicant Lands"), for the drilling of a vertical exploratory well to test the Deep Formations:

Township 7 South, Range 96 West, 6th P.M.
Section 32: W $\frac{1}{2}$ E $\frac{1}{2}$

Garfield County, Colorado

Should Applicant determine the vertical well to be successful, Applicant also requests the right to drill a horizontal well within the unit into one or more of the Deep Formations, such horizontal well to either be a recompletion of the vertical well or an entirely new well drilled within the unit.

Applicant asserts that because this is the first well drilled to the Deep Formations on the Application Lands and because very few Deep Formation wells have been drilled in the area of the Application Lands, the requested drilling and spacing unit should be designated an exploratory unit under the provisions of § 34-60-116 of the Colorado Revised Statutes.

Applicant asserts that the vertical well will not be completed down hole within the Deep Formations any closer than 600 feet to the drilling unit boundary. If the vertical well is reentered for the drilling of a horizontal well within one or more of the Deep Formations (or if an additional well is horizontally drilled within one or more of the Deep Formations), no portion of the horizontal lateral shall be completed within 600 feet of the drilling unit boundary. Further, the lateral of any new horizontal well drilled within the Deep Formations shall be drilled no closer than three hundred (300) feet from the wellbore of the vertical well drilled to the Deep Formations.

Applicant asserts that the above-proposed spacing unit and drilling of the proposed exploratory well (to include a possible second well to be drilled horizontally) will allow exploration to take place of the Deep Formations, will not promote waste and will not violate correlative rights.

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
Carol Harmon, Secretary

Dated at Suite 801
1120 Lincoln Street
Denver, Colorado 80203
September 24, 2010

Attorney for Applicant:
William A. Keefe
Beatty & Wozniak, P.C.
216 Sixteenth Street, Suite 1100
Denver, Colorado 80202
(303) 407-4475