

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

IN THE MATTER OF THE PROMULGATION AND) CAUSE NO. 449
ESTABLISHMENT OF FIELD RULES TO)
GOVERN OPERATIONS IN THE ARAPAHOE) DOCKET NO. 0908-EX-04
FIELD, CHEYENNE COUNTY, COLORADO)

NOTICE OF HEARING

TO ALL INTERESTED PARTIES AND TO WHOM IT MAY CONCERN:

On May 4, 1988, the Commission entered Order No. 449-7, which among other things, (a) established 80-acre drilling and spacing units for production from the Morrow A and B Sandstone Formations for certain lands, including Section 17, Township 14 South, Range 42 West, 6th P.M., (b) specified permitted well locations in the NE $\frac{1}{4}$ and SW $\frac{1}{4}$ of each quarter section no closer than 460 feet from the unit tract boundaries, and (c) established a production restriction on each well of 100 MCF per day per 80-acre unit based on the average monthly gas volume leaving the lease.

On October 11, 1988, the Commission entered Order No. 449-20, which among other things, established a procedure for granting exceptions to the permitted well locations throughout the entire Arapahoe Field, including Section 17, Township 14 South, Range 42 West, 6th P.M., upon a showing that a well drilled at the designated location prescribed in Order No 449-7 was unproductive in the Morrow A and B Sandstone Formations, and why a well at an exception location should be productive and economically viable.

On July 6, 2009, Weipking-Fullerton Energy, LLC ("WFE" or "Applicant"), by its representative, filed with the Commission a verified application for an order to allow the re-entry of the Lewis 22-17 #4 wellbore at an exception location and to remove the limitations established for production of gas from the Morrow A Formation. The Lewis 21-17 #1 Well (API #05-017-06794) was drilled by Union Pacific Resources Company ("UPRC") in March 1988 at the permitted location in the NE $\frac{1}{4}$ NW $\frac{1}{4}$ of Section 17 on the Application Lands as prescribed by Order No. 449-7. Results from the drilling of the Lewis 21-17 #1 Well indicated neither Morrow A nor Morrow B Formations were present. UPRC then petitioned the COGCC for an exception location as geologic interpretation indicated Morrow sand(s) could be present in the SE $\frac{1}{4}$ NW $\frac{1}{4}$ of Section 17. After an administrative hearing was held on December 8, 1988, the exception location was granted by the COGCC in accordance with Rule 4 of Order No. 449-20 and later that month UPRC drilled the Lewis 22-17 #4 Well (API# 05-017-06951). Results from the drilling of the Lewis 22-17 #4 Well indicated a then non-commercial gas reservoir (due to lack of infrastructure at the time) in the Morrow A Formation and that no Morrow B Formation was present. The well was abandoned with surface casing in place.

Since the abandonment of the Lewis 22-17 #4 Well, pipelines have been installed in the vicinity of the well and the Ladder Creek Gas Plant was constructed in Cheyenne Wells, making production of the gas from the Morrow A Formation in the Lewis 22-17 #4 Well economically feasible. Re-entry of the Lewis 22-17 #4 Well will prove economically prudent only above the current production limitation of 100 MCF per day set by Order No. 449-7, and because of geologic separation, lifting the cap on production of gas from the Morrow A Formation will not impact the production of oil from the Morrow B Formation in the Arapahoe Unit located to the east.

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: Tuesday, August 18, 2009
Wednesday, August 19, 2009

Time: 9:00 a.m.

Place: Trinidad, CO Area
(Location to be determined and will be posted to the website)

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 August 3, 2009, 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 August 3, 2009.** Pursuant to Rule 503.f., 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 **August 3, 2009, the Applicant may request that an administrative hearing be scheduled during the week of August 3, 2009.** 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 _____
Robert A. Willis, Acting Secretary

Dated at Suite 801
1120 Lincoln Street
Denver, Colorado 80203
July 21, 2009

Representative for Applicant:
Jeff Wiepking
Wiepking-Fullerton Energy, LLC
4600 S. Downing Street
Englewood, CO 80110
(303) 789-1798