

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

IN THE MATTER OF THE PROMULGATION)	CAUSE NO. 440 & 510
AND ESTABLISHMENT OF FIELD RULES)	
TO GOVERN OPERATIONS IN THE)	DOCKET NO. 1201-SP-08
GRAND VALLEY AND PARACHUTE FIELDS,)	CORRECTED
GARFIELD AND MESA COUNTIES, COLORADO)	

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 lands subject to this application are unspaced as to the Mancos Group Formations and are therefore subject to Rule 318.a.

On November 22, 2011, Noble Energy, Inc. ("Noble" or "Applicant"), by its attorneys, filed with the Commission a verified application ("Application") for an order to establish an approximate 2,921.58-acre drilling and spacing unit for the below-listed lands ("Application Lands"), for the production of oil, gas and associated hydrocarbons from the Mancos Group Formations, and to establish well location rules for the Mancos, Niobrara, Frontier, and Mowry Formations ("Mancos Group Formations") covering certain described lands in the **Grand Valley and Parachute Field areas**, Garfield and Mesa Counties, Colorado:

Township 8 South, Range 95 West, 6th P.M.

Section 7: Tract 37, Tract 38

Section 18: A parcel of land situate in the northwest quarter, the northwest quarter of the northeast quarter, the southwest quarter of the northeast quarter and the southwest quarter of Section 18 in Township 8 South and Range 95 West of the Sixth Principal Meridian in Garfield and Mesa counties, Colorado and being the Government Tracts described as follows:

1. That portion of government Tract No. 38 lying within the said Section 18;
2. Government Tract No. 39;
3. Government Tract No. 40, save and except that portion described as follows:

Considering the north line of the said northwest quarter of Section 18 as bearing North 89 degrees 55 minutes 28 seconds West, and all the bearings shown herein are referenced from. The terminus of the said north line being monumented with Brass Caps set during the U. S. General Land Office Independent Resurvey made in 1929.

Beginning at the southeast corner of the said Tract 40, same being angle point 4 of Tract 40 and angle point 3 of Tract 41.

THENCE, along the south line of the said Tract 40, South 88 degrees 29 minutes 41 seconds West a distance of 766.15 feet;

THENCE, North 0 degrees 05 minutes 58 seconds East a distance of 661.40 feet;

THENCE, South 89 degrees 58 minutes 02 seconds East a distance of 755.32 feet to the east line of the said Tract 40;

THENCE, along the said east line of Tract 40, South 0 degrees 50 minutes 28 seconds East a distance of 640.91 feet to the Point of Beginning.

land more or less.

4. Government Tract 41, save and except that portion described as follows:

Beginning at the southeast corner of the said Tract 41, same being angle point 6 of Tract 41;

THENCE, along the south line of said Tract 41, South 89 degrees 41 minutes 23 seconds West a distance of 2621.10 feet to the southwest corner (angle point 5) of said Tract 41;

THENCE, along the most westerly line of said Tract 41, North 0 degrees 39 minutes 59 seconds West a distance of 1344.36 feet to the most southerly northwest corner (angle point 4) of said Tract 41;

THENCE, along the most westerly north line of said Tract 41, North 88 degrees 29 minutes 41 seconds East a distance of 1214.47 feet to an "ell" corner (angle point 3) of said tract 41;

THENCE, along the middle west line of said Tract 41, North 0 degrees 50 minutes 28 seconds West a distance of 640.91 feet;

THENCE, South 89 degrees 58 minutes 02 seconds East a distance of 522.52 feet to the east line of the southwest quarter of said Section 18;

THENCE, along the said east line of the southwest quarter, North 0 degrees 16 minutes 22 seconds East a distance of 1313.13 feet to the center quarter corner location of the said Section 18;

THENCE, along the north line of the southeast quarter of said Section 18, South 89 degrees 55 minutes 21 seconds East a distance of 788.83 feet to the east line of the said Tract 41;

THENCE, along the said east line of Tract 41, South 2 degrees 04 minutes 46 seconds East a distance of 1983.25 feet to the northwest corner (angle point 3) of Tract 44;

THENCE, continuing along the said east line of said Tract 41, South 1 degree 49 minutes 34 seconds East a distance of 1333.29 feet to Point of Beginning.

The above described save and except portion containing 126.27 acres of land more or less.

The combined area of that portion of the said Section 18 being within the Application Lands being 352.34 acres of land, more or less.

Township 8 South, Range 96 West, 6th P.M.

Section 1: Lots 2, 3, 4, S $\frac{1}{2}$ NW $\frac{1}{4}$, SW $\frac{1}{4}$ NE $\frac{1}{4}$, NW $\frac{1}{4}$ SE $\frac{1}{4}$, S $\frac{1}{2}$ SE $\frac{1}{4}$, SW $\frac{1}{4}$

Sections 2, 11 and 12: All

The unitized formation is described as follows:

The interval below the stratigraphic equivalent of the base of the Iles Formation as found at a depth of 6,619 feet and extending down to the top of the Dakota Formation as found at a depth of 10,881 feet in the M. Dutton 1-34B Well located in the SW $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 1, Township 8 South, Range 96 West, 6th P.M., Garfield County, Colorado.

Noble has drilled a vertical well, the M. Dutton 1-34B (API No. 05-045-13191), located within the Application Lands in the SW $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 1, Township 8 South, Range 96 West, 6th P.M., Garfield County, Colorado to the Mancos Group Formations. A second vertical well, the Edson Scholl 11-14 Well (API No. 05-077-10061), also located within the Application Lands in the SE $\frac{1}{4}$

SW¼ of Section 11, Township 8 South, Range 96 West, 6th P.M., is also producing from the Mancos Group Formations. These two vertical wells are hereinafter referred to as "Prior Existing Wells". For purposes of calculation of ownership participation in the proposed drilling and spacing unit, these Prior Existing Wells and 10 acres surrounding each of them shall be excluded from the proposed drilling and spacing unit. Royalty proceeds from the Prior Existing Wells shall remain distributed under Rule 318a separate and apart from the drilling and spacing unit established hereby.

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, January 23, 2012
Tuesday, January 24, 2012

Time: 9:00 a.m.

Place: COGCC Offices
1120 Lincoln Street, Suite 801
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. 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 January 6, 2012, 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 January 6, 2012.** 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 **January 6, 2012, the Applicant may request that an administrative hearing be scheduled beginning January 6, 2012.** 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 
Peter J. Gowen, Acting Secretary

Dated at Suite 801
1120 Lincoln Street
Denver, Colorado 80203
December 16, 2011

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