

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

IN THE MATTER OF THE PROMULGATION AND ) CAUSE NOS. 188 & 213  
ESTABLISHMENT OF FIELD RULES TO GOVERN )  
OPERATIONS IN THE BRANDON AND CALVARY ) DOCKET NO. 1204-SP-43  
FIELDS, KIOWA COUNTY, COLORADO )

NOTICE OF HEARING

TO ALL INTERESTED PARTIES AND TO WHOM IT MAY CONCERN:

On February 18, 1969, the Commission issued Order No. 213-01, which established 80-acre drilling and spacing units for the production of oil, gas and associated hydrocarbons from the Mississippian Formations, with such units consisting of the E $\frac{1}{2}$  and W $\frac{1}{2}$  of each quarter section with the permitted well located in the center of the NE $\frac{1}{4}$  and SW $\frac{1}{4}$  of each quarter section, with a tolerance of 150 feet in any direction to avoid surface hazards. The W $\frac{1}{2}$  of Section 26, Sections 27 and 28, the NE $\frac{1}{4}$  of Section 33, and the NW $\frac{1}{4}$  of Section 34, Township 18 South, Range 45 West, 6<sup>th</sup> P.M. are subject to Order No. 213-01.

On January 19, 1994, the Commission issued Order No. 213-10 which removed certain lands from Order No. 213-01, but confirmed that Sections 26, 27, 28, 33 and 34, Township 18 South, Range 45 West, 6<sup>th</sup> P.M. remained subject to the provisions of Order No. 213-01. The W $\frac{1}{2}$  of Section 26, Sections 27 and 28, the NE $\frac{1}{4}$  of Section 33, and the NW $\frac{1}{4}$  of Section 34, Township 18 South, Range 45 West, 6<sup>th</sup> P.M. are subject to Order No. 213-10.

On October 19, 1965, the Commission issued Order No. 188-01 which, among other things, established 80-acre drilling and spacing units for the production of oil from the Mississippian Formation, each drilling unit being the W $\frac{1}{2}$  or E $\frac{1}{2}$  of each quarter section and the permitted well for each such drilling unit being located in the center of the NE $\frac{1}{4}$  and SW $\frac{1}{4}$  of each quarter section, with a tolerance of 150 feet in any direction. Subsequent orders issued in Cause No. 188 expanded the field and approved exceptions to permitted well locations for certain lands in Brandon Field. Sections 32 and the SE  $\frac{1}{4}$  and the W  $\frac{1}{2}$  of Section 33, Township 18 South, Range 45 West, 6<sup>th</sup> P.M. are subject to this Order.

On July 1, 1997, the Commission issued Order No. 188-20 which amended Order No. 188-1 to allow the drilling of one additional well on each 80-acre drilling and spacing unit for certain lands for production of oil and associated hydrocarbons from the Mississippian Formation, with the permitted well to be located in the center of the undrilled 40-acre tract with a tolerance of 150 feet in any direction provided that the Director be authorized to grant exceptions to well locations provided owners of the contiguous and cornering tracts toward which the exception well location is proposed to be moved file a waiver or consent in writing to said exception. None of the Application Lands were included in this Order upon its adoption.

On November 25, 1997, the Commission issued Order No. 188-21 which amended Order No. 188-20 to include Section 32, and the W $\frac{1}{2}$  and SE $\frac{1}{4}$  of Section 33, Township 18 South, Range 45 West, 6<sup>th</sup> P.M.

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, unless authorized by order of the Commission upon hearing.

On February 14, 2012, Mull Drilling Company, Inc. ("Mull" or "Applicant"), by its attorneys, filed with the Commission pursuant to § 34-60-116 C.R.S., a verified application ("Application") for an order to vacate the existing spacing established by Commission Order No. 188-01, Order No. 188-21, Order No. 213-01, and Order No. 213-10 for the below-described lands ("Application Lands"), and impose statewide setbacks consistent with Rule 318.a., for the production of oil, gas and associated hydrocarbons from the Mississippian Formation, with the treated interval of the permitted wellbore(s) to be located no closer than 600 feet from the boundaries of the proposed units, without exception being granted by the Director:

Township 18 South, Range 45 West, 6<sup>th</sup> P.M. (Calvary Field)  
Section 26: W $\frac{1}{2}$   
Section 27: All  
Section 28: All  
Section 33: NE $\frac{1}{4}$

Section 34: NW¼

Township 18 South, Range 45 West, 6<sup>th</sup> P.M. (Brandon Field)

Section 32: All

Section 33: W½ and SE¼

Further, Applicant requested that the vacation of the existing 80-acre drilling and spacing units established by Commission Orders 188-21 and 213-10 for the Application Lands shall not affect the allocation of proceeds attributable to existing producing vertical wells.

NOTICE IS HEREBY GIVEN, pursuant to: 1) the general jurisdiction granted to the Oil and Gas Conservation Commission of the State of Colorado (Commission) under § 34-60-105 C.R.S.; 2) specific powers granted pursuant to § 34-60-106 C.R.S.; 3) the Colorado Administrative Procedures Act at § 24-4-105 C.R.S.; and 4) the Commission's Series 500 Rules at 2CCR 404-1, that the Commission has scheduled the above-entitled matter for hearing on:

Date: Monday, April 16, 2012  
Tuesday, April 17, 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 April 2, 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 April 2, 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 **April 2, 2012, the Applicant may request that an administrative hearing be scheduled beginning April 2, 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  
March 13, 2012

Attorneys for Mull:  
Jamie L. Jost  
Elizabeth Y. Gallaway  
Beatty & Wozniak, P.C.  
216 Sixteenth Street, Suite 1100  
Denver, Colorado 80202  
(303) 407-4499