

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

IN THE MATTER OF THE PROMULGATION AND ) CAUSE NO. 510  
ESTABLISHMENT OF FIELD RULES TO GOVERN )  
OPERATIONS IN THE GRAND VALLEY FIELD, ) DOCKET NO. 1204-UP-135  
GARFIELD COUNTY, COLORADO )

NOTICE OF HEARING

TO ALL INTERESTED PARTIES AND TO WHOM IT MAY CONCERN:

The below-listed lands (the "Application Lands") are unspaced with respect to the Mancos, Niobrara, Frontier, Mowry, and Dakota Formations (the "Deep Formations"), which are common sources of supply underlying said lands and, as such, Rule 318.a. applies to said lands and under said rule, wells greater than 2,500 feet in depth shall be located not less than 600 feet from any lease line, and shall not be located less than 1,200 feet from any other producible or drilling well when drilling to the same common source of supply, unless authorized by order of the Commission upon hearing:

Township 7 South, Range 96 West, 6<sup>th</sup> P.M.

Section 22: All  
Section 23: All  
Section 26: All  
Section 27: All

On February 16, 2012, WPX Energy Rocky Mountain, LLC ("WPX" or "Applicant"), by its attorneys, filed with the Commission pursuant to § 34-60-116 C.R.S., a verified application (the "Application") for an order to: (1) establish an approximate 2,605.97-acre exploratory drilling unit for horizontal and vertical well development of the Application Lands, for the production of oil, gas and associated hydrocarbons from the Deep Formations; and (2) pool all interests in the said exploratory drilling unit, for the development and operation of the Deep Formations.

Applicant requests it be authorized to drill and complete one or more horizontal wells in the approximate 2,605.97-acre exploratory drilling unit for the Application Lands, for the production of oil, gas and associated hydrocarbons from the Deep Formations, as necessary to economically and efficiently recover resources, while minimizing surface impacts, creating efficiencies for drilling and production, increasing the ultimate recovery of the reserves, preventing waste, and protecting correlative rights.

In addition to the proposed horizontal wells, Applicant requests it be authorized to drill and complete one or more new vertical or directional wells in the approximate 2,605.97-acre exploratory drilling unit for the Application Lands, for the production of oil, gas and associated hydrocarbons from the Deep Formations, as necessary and for those same reasons referenced above.

Applicant states that wells to be drilled under this Application, whether horizontal, vertical or directional, shall be drilled from a new, common or existing well pad, with no more than four well pads per quarter section, without exception being granted by the Director.

Further, Applicant states that for wells to be drilled under this Application, the bottomhole location or, in the case of horizontal wells, the treated intervals of the wellbore, shall be not less than 600 feet from the outer boundary of the proposed exploratory drilling unit and not less than 600 feet from any other well or treated interval of a well producing from the Deep Formations, without exception being granted by the Director.

Furthermore, Applicant requests the pooling order entered as a result of this Application be made effective as of the date of this Application, or the date that the costs specified in §34-60-116(7)(b)(II), C.R.S., are first incurred for the drilling of a well within the exploratory drilling unit proposed for the Application Lands, whichever is earlier.

Lastly, Applicant requests that the interests of any owners, with whom the Applicant has been unable to secure a lease or other agreement to participate in the drilling of the authorized well, be hereby pooled by operation of statute, pursuant to C.R.S. § 34-60-116(7), and made subject to the cost recovery provisions thereof.

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

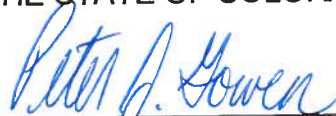
In accordance with the Americans with Disabilities Act, if any party requires special accommodations as a result of a disability for this hearing, please contact Margaret Humecki at (303) 894-2100 ext. 5139, prior to the hearing and arrangements will be made.

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 7, 2012

Attorneys for WPX:  
Robert A. Willis/Katharine E. Fisher  
Burleson LLP  
1700 Lincoln Street, Suite 3950  
Denver, CO 80203  
(303) 801-3200