

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

IN THE MATTER OF THE APPLICATION OF URSA) CAUSE NOS. 139 & 440
OPERATING COMPANY, LLC FOR AN ORDER TO)
SUBJECT ALL NONCONSENTING INTERESTS TO THE) DOCKET NO. 1401-UP-03
COST RECOVERY PROVISIONS OF §34-60-116(7))
FOR IN AN ESTABLISHED APPROXIMATE 563.1-ACRE)
POOLED DRILLING AND SPACING UNIT IN SECTION)
24 (SOUTH OF THE COLORADO RIVER), TOWNSHIP 7)
SOUTH, RANGE 96 WEST, 6TH P.M., FOR THE)
WILLIAMS FORK FORMATION, PARACHUTE FIELD,)
GARFIELD COUNTY, COLORADO)

NOTICE OF HEARING

TO ALL INTERESTED PARTIES AND TO WHOM IT MAY CONCERN:

On June 17, 2013, the Commission entered Order Nos. 139-116 and 440-67 which, among other things, established an approximate 588-acre drilling and spacing unit and approved 10-acre bottomhole density within the unit, for the production of oil, gas and associated hydrocarbons from the Williams Fork Formation. The Order incorrectly described the unit acreage as 588-acres; however, the correct acreage of the unit is 563.1-acres. Section 24 (South of the Colorado River), Township 7 South, Range 96 West, 6th P.M. is subject to these Orders for the Williams Fork Formation.

On July 29, 2013, the Commission entered Order Nos. 139-117 and 440-69 which, among other things, pooled all interests in an approximate 588-acre drilling and spacing unit, and subjected all nonconsenting interests to the cost recovery penalties as provided for by §34-60-116(7), C.R.S., for the BAT 32C-24-07-96 Well, the BAT 32B-24-07-96 Well, the BAT 12B-24-07-96 Well and the BAT 12A-24-07-96 Well ("Initial Wells") only, for the development and operation of the Williams Fork Formation. Section 24 (South of the Colorado River), Township 7 South, Range 96 West, 6th P.M. is subject to these Orders for the Williams Fork Formation.

On November 25, 2013, Ursa Operating Company LLC ("Ursa" 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 subject all nonconsenting interests to the cost recovery provisions of C.R.S. § 34-60-116(7) for the drilling of each subsequent well authorized within an approximate 563.1-acre drilling and spacing unit established for the below-described lands ("Application Lands"), for the development and operation of the Williams Fork Formation, effective as of the earlier of the date of this Application, or the date that any of the costs specified in C.R.S. §34-60-116(7)(b)(II) were first incurred for the drilling of each subsequent well authorized within the unit:

Township 7 South, Range 96 West, 6th P.M.

Section 24: Lots 1, 5 and 6; and adjacent lands thereto, lying up to the center line of the Colorado River, NE¹/₄ NE¹/₄; S¹/₂ NE¹/₄; S¹/₂ (excluding Lots 2, 3 & 4, North of the Colorado River)

NOTICE IS HEREBY GIVEN, pursuant to: 1) the general jurisdiction granted to the Oil and Gas Conservation Commission of the State of Colorado under §34-60-105 C.R.S.; 2)

specific powers granted pursuant to §34-60-106 C.R.S.; 3) the State Administrative Procedures Act at §24-4-105 C.R.S.; and 4) the Commission's Series 500 Rules at 2 CCR 404-1, that the Commission has scheduled the above-entitled matter for hearing on:

Date: Monday, January 27, 2014
Tuesday, January 28, 2014

Time: 9:00 a.m.

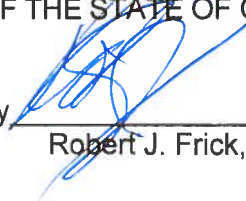
Place: Centennial Building
1313 Sherman Street, Room 318
Denver, Colorado 80203

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 10, 2014, 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. One electronic (cogcc.hearings_unit@state.co.us), one original and two 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 13, 2014.** 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 10, 2014, the Applicant may request that an administrative hearing be scheduled beginning January 13, 2014.** 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.

OIL AND GAS CONSERVATION COMMISSION
OF THE STATE OF COLORADO

By  _____
Robert J. Frick, Secretary

Dated: January 3, 2014

Colorado Oil and Gas Conservation Commission
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