

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

IN THE MATTER OF THE APPLICATION OF WPX) CAUSE NO. 527
ENERGY ROCKY MOUNTAIN, LLC, FOR AN ORDER)
TO ESTABLISH AN APPROXIMATE 40-ACRE) DOCKET NO. 1401-UP-25
DRILLING AND SPACING UNIT FOR SECTION 23,)
TOWNSHIP 2 SOUTH, RANGE 98 WEST, 6TH P.M.,)
AND TO POOL ALL INTERESTS WITHIN THE UNIT,)
FOR THE WILLIAMS FORK AND ILES FORMATION,)
SULPHUR CREEK FIELD, RIO BLANCO COUNTY,)
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. Section 23, Township 2 South, Range 98 West, 6th P.M. is subject to Rule 318.a. for the Williams Fork and Iles Formation.

On May 16, 2011, the Commission entered Order No. 527-9 which, among other things, approved the equivalent of one well per 10 acres for certain lands within Township 2 South, Range 98 West, 6th P.M., for the production of gas and associated hydrocarbons from the Williams Fork and Iles Formations. Section 23, Township 2 South, Range 98 West, 6th P.M. is subject to this Order for the Williams Fork and Iles Formation.

On November 27, 2013, WPX Energy Rocky Mountain, LLC ("WPX" or "Applicant"), by its attorneys, filed with the Commission a verified application ("Application") for an order to 1) establish an approximate 40-acre drilling and spacing unit with the equivalent of one well per 10 acres well density for the below-described lands ("Application Lands"), for the production of gas and associated hydrocarbons from the Williams Fork and Iles Formations, with the bottomhole location of any permitted well located anywhere on the Application Lands but no closer than 100 feet from the lease or unit boundaries; however, in cases where the lands abut or corner lands for which the Commission has not at the time of permit application granted the right to drill 10-acre density Williams Fork Formation and Iles Formation wells, the permitted well should be located downhole no closer than 200 feet from the lease or unit boundaries, without exception being granted by the Director and 2) pool all interests within the unit for the development and operation of the Williams Fork and Iles Formations, effective as of the earlier of the date of the 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 a Williams Fork Formation or Iles Formation Well or any authorized wells ("Wells") and to subject any nonconsenting interests to the cost recovery provisions of C.R.S. §34-60-116(7):

Township 2 South, Range 98 West, 6th P.M.
Section 23: NW¼NE¼

Applicant further states that authorized wells shall to be drilled from the surface either vertically or directionally using existing location in adjacent lands or from no more than one pad

per quarter quarter section (or lots or parcels approximately equivalent thereto).

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, CO 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 10, 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: December 23, 2013

Colorado Oil and Gas Conservation Commission
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