

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

IN THE MATTER OF THE PROMULGATION AND) CAUSE NO. 407
ESTABLISHMENT OF FIELD RULES TO GOVERN)
OPERATIONS FOR THE CODELL AND NIOBRARA) DOCKET NO. 1407-GA-04
FORMATIONS, WATTENBERG FIELD, WELD)
COUNTY, COLORADO)

NOTICE OF HEARING

TO ALL INTERESTED PARTIES AND TO WHOM IT MAY CONCERN:

APPLICATION LANDS

Township 5 North, Range 65 West, 6th P.M.

Section 5: NW $\frac{1}{4}$

Section 6: N $\frac{1}{2}$

APPLICATION

On May 29, 2014, Mineral Resources, Inc ("Mineral" or "Applicant") filed a verified application pursuant to §34-60-116, C.R.S., for an order to:

1) Amend Order No. 407-815 as it applies to Sections 5 and 6, Township 5 North, Range 65 West, 6th P.M. as to the post cost recovery period, to provide that upon cost recovery the Applicant is authorized to conduct an election procedure with nonconsenting owners, which shall consist of the Applicant notifying each non-consenting interest owner of such cost recovery and giving each such owner the opportunity to affirmatively elect to participate as a cost bearing owner liable for his/her share of all further costs and entitled to receive his/her 8/8th's share of production. Should a non-consenting owner elect to participate as a cost bearing owner, then Applicant will treat such owner as a cost bearing owner and pay all revenues and invoice all expenses to that owner. Until and unless the owner makes such election, Applicant shall continue to treat the owner as a non-consenting royalty owner not liable for any costs; and

2) Amend Order No. 407-815 to provide, upon cost recovery, that the Applicant is authorized to establish a sinking fund for the expected costs of reclamation and plugging and abandonment to be paid proportionately out of the share of production applicable to nonconsenting owners.

PRIOR RULES AND ORDERS

(available online at: <http://cogcc.state.co.us>, under "ORDERS")

- On April 27, 1998, the Commission adopted Rule 318A, the Greater Wattenberg Area Special Well Location, Spacing and Unit Designation Rule.
- On July 29, 2013, Order No. 407-815 pooled all interests in an approximate 480-acre designated drilling and spacing unit in Sections 5 and 6, Township 5 North, Range 65 West, 6th P.M., and subjected any nonconsenting interests to the costs specified in §34-60-116(7)(b), C.R.S., for the drilling of the DT-Habitat 1-5-6, DT-Habitat 2-5-6,

DT-Habitat 3-5-6, DT-Habitat 4-5-6, DT-Habitat 5-5-6 Wells, for the development and operation of the Codell and Niobrara Formations.

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 and Section 34-60-116.7(a), 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, July 28, 2014
Tuesday, July 29, 2014

Time: 9:00 a.m.

Place: Weld County Administration Building
Events Center
1150 "O" Street
Greeley, CO 80631

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.

At hearing, the Commission will consider the Application and enter an order pursuant to its authority under the statute. **Any interested party desiring to protest or intervene should file with the Commission a written protest or intervention in accordance with Rule 509., no later than July 14, 2014.** 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 July 14, 2014.** Pursuant to Rule 511., if the matter is uncontested, it may be approved without a hearing.

OIL AND GAS CONSERVATION COMMISSION
OF THE STATE OF COLORADO

By 
Robert J. Frick, Secretary

Dated: July 7, 2014

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