

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

IN THE MATTER OF THE PAYMENT OF) CAUSE NO. 1
PROCEEDS FROM THE PRODUCTION OF OIL)
AND GAS AS ESTABLISHED BY SECTION 34-) DOCKET NO. 160300072
60-118.5, C.R.S., IN IGNACIO BLANCO FIELD,)
LA PLATA COUNTY, COLORADO) TYPE: GENERAL ADMINISTRATION

NOTICE OF HEARING

TO ALL INTERESTED PARTIES AND TO WHOM IT MAY CONCERN:

WELLS

Southern Ute 33-9 #30-2 (API No. 05-067-08115)
Southern Ute 33-9 #30-3 (API No. 05-067-08712)

APPLICATION

On December 4, 2015, ConocoPhillips Company ("Conoco" or "Payee") filed an Application pursuant to §34-60-118.5, C.R.S., for an order to award payment of proceeds, interest, and an award of costs and attorney's fees due to Payee for production attributable to the payment due from Maralex Resources, Inc, (Operator No. 53255) ("Maralex" or "Payor") for the abovementioned Well located in La Plata County, Colorado.

APPLICABLE STATUTE

- On July 1, 1990, Section 34-60-118.5, C.R.S. provided the Colorado Oil and Gas Conservation Commission with exclusive jurisdiction concerning the payment of proceeds derived from the sale of oil, gas or associated products from a well in Colorado including the following:
 - (a) The date on which payment of proceeds is due a payee under section (2) of the section;
 - (b) The existence or nonexistence of an occurrence pursuant to subsection (3) of this section which would justifiably cause a delay in payment; and
 - (c) The amount of the proceeds plus interest, if any due a payee or payor.
- Section 34-60-118.5(7), C.R.S., provides that as a prerequisite to seeking relief under this section for the failure of a payer to make a timely payment, a payee shall give the payer written notice by certified mail such failure and the payer shall have twenty days after receipt of the required notice in which to pay the proceeds, plus any interest due thereon, in accordance with the provisions of this section or to respond in writing explaining the reason for the nonpayment of proceeds derived from the sale of oil, gas, or associated products shall be paid by a payor to the payee commencing not later than six months after the end of the month in which production is first sold, and, thereafter, on a monthly basis

not later than sixty days for oil and ninety days for gas and associated products following the end of the calendar month in which subsequent production is sold.

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:

Dates: March 7-8, 2016
Time: 9:00 a.m.
Place: Colorado Oil and Gas Conservation Commission
The Chancery Building
1120 Lincoln Street, Suite 801
Denver, CO 80203

Additional information about the hearing on this Application will be in the Commission's Agenda, which is posted on the Commission website approximately 3 days before the hearing.

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 February 22, 2016.** 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 February 22, 2016.** 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 
Julie Murphy, Secretary

Dated: January 26, 2015

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