

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 34-60-) DOCKET NO. 170900639
118.5, C.R.S., WATTENBERG FIELD, NIOBRARA)
AND CODELL FORMATIONS, WELD COUNTY,) TYPE: GENERAL ADMINISTRATIVE
COLORADO)

NOTICE OF HEARING

TO ALL INTERESTED PARTIES AND TO WHOM IT MAY CONCERN:

WELLS

Berry Farms 31N-8HZ Well (API No. 05-123-38895)
Berry Farms 31C-8HZ Well (API No. 05-123-38896)

APPLICATION

On or about July 13, 2017, John Curran, Nicole Trowbridge, Patricia Marvin, Stanley Hathhorn, Joyce Bautovich, Frank Chandler, Carole Sefton, Carlee McKay, David Hogeland, William Hogeland, Ann Morrell, Charles Dyson, Kaitlynn Griffith, Eleanor Shakin, Clarissa Atkinson, David Owen, Maida Ann Dantzler, John Morrell, Beth Perron, Webster Hogeland, Juan Fajardo, Steven Hart, Kristin Morrell, Jo Bristol, Jessica Lewis, LA, LLC, ("Payees" or "Applicant"), by its attorneys, filed a Form 38 Payment of Proceeds Hearing Request pursuant to §34-60-118.5, C.R.S., and Rule 503.b.(10), for an order to award payment of proceeds and interest due from Anadarko Petroleum Corporation ("Anadarko") and SRC Energy ("Synergy") for production attributable to the abovementioned Wells located in Weld County, Colorado, and to award relief for all associated costs and attorney's fees due to the Payees.

APPLICABLE STATUTE AND RULES

(available online at: <http://cogcc.state.co.us>, under "Regulation,"
then select "Rules")

- Section 34-60-118.5(5), C.R.S. provides that absent a bona fide dispute over the interpretation of a contract for payment, the Colorado Oil and Gas Conservation Commission has jurisdiction to determine 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 payer.
- Section 34-60-118.5(2)(a), C.R.S., provides that payment of proceeds derived from the sale of oil, gas, or associated products shall be paid by a payer 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.

- Section 34-60-116(7), C.R.S. provides that during the period of cost recovery, the commission shall retain jurisdiction to determine the reasonableness of the costs of operation of the well attributable to the interest of such nonconsenting owner.
- On April 27, 1998, the Commission adopted Rule 318A, the Greater Wattenberg Area Special Well Location, Spacing and Unit Designation Rule.
- On or about July 13, 2017, Synergy, by its attorneys, filed an Application in Docket No. 170900577 for an order to pool all interests in two approximate 400-acre horizontal wellbore spacing units, established for the Application Lands, for the development and operation of the Niobrara and Codell Formations and subject any nonconsenting interests to the cost recovery provisions of §34-60-116(7), C.R.S., effective as of the date of the Application for the drilling of the Wells.

NOTICE IS HEREBY GIVEN, pursuant to §§ 34-60-101 to -130, C.R.S. and the Commission's Rules of Practice and Procedure, 2 CCR 404-1, that the Commission has scheduled this matter for hearing on:

Date: September 11 - 12, 2017

Time: 9:00 a.m.


Place: Durango Public Library
Program Room #2
1900 East Third Avenue
Durango, CO 81301

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 August 28, 2017.** 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 August 28, 2017.** 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 
James Rouse, Acting Secretary

Dated: August 3, 2017

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