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

IN THE MATTER OF THE APPLICATION OF CONFLUENCE DJ LLC - OPERATOR NO. 10518 -FOR AN ORDER TO DENY EIGHT (8) OF VERDAD RESOURCES, LLC'S FORM 2 APPLICATIONS FOR PERMIT TO DRILL FOR THE HUNTON 01-65-5-5H WELL (DOCUMENT NUMBER 401338331). HUNTON 01-65-5-4H WELL (DOCUMENT NUMBER 401338330). HUNTON 01-65-5-1H WELL (DOCUMENT NUMBER 401338327), HUNTON 01-65-5-8H WELL (DOCUMENT NUMBER 401338334), HUNTON 01-65-5-7H WELL (DOCUMENT NUMBER 401338333). HUNTON 01-65-5-6H (DOCUMENT NUMBER 401338332), HUNTON 01-65-5-3H WELL (DOCUMENT NUMBER 401338329), AND HUNTON 01-65-5-2H WELL (DOCUMENT NUMBER 401338328) WITH THE SURFACE HOLE LOCATION IN THE SE/4NW/4 AND SW/4NW/4 OF SECTION 5, TOWNSHIP 1 SOUTH, RANGE 65 WEST AND THE BOTTOM HOLE LOCATION IN SECTION 8, TOWNSHIP 1 SOUTH, RANGE 65 WEST, 6TH P.M., WATTENBERG FIELD, ADAMS COUNTY, COLORADO PURSUANT TO RULE 503.b.(10) AND THE COLORADO OIL AND GAS CONSERVATION ACT

CAUSE NO. 1

DOCKET NO. 171000652

TYPE:GENERAL ADMINISTRATIVE

NOTICE OF HEARING

TO ALL INTERESTED PARTIES AND TO WHOM IT MAY CONCERN:

APPLICATION LANDS

Township 1 South, Range 65 West, 6th P.M.

Section 5: All Section 8: All

1,280 acres, more or less, Adams County, Colorado.

APPLICATION

On August 14, 2017, Confluence DJ LLC (Operator No. 10518) ("Confluence" or "Applicant"), filed a verified Application pursuant to Commission Rule 503.b.(10) and the Colorado Oil and Gas Conservation Act for an order:

1) Deny Verdad's Application for Permit to Drill, Form 2, for the Hunton 01-65-5-5H Well (Document No. 401338331), Hunton 01-65-5-4H Well (Document No. 401338327), Hunton 01-65-5-8H Well

(Document No. 401338334), Hunton 01-65-5-7H Well (Document No. 401338333), Hunton 01-65-5-6H Well (Document No. 401338332), Hunton 01-65-5-3H Well (Document No. 401338329), and Hunton 01-65-5-2H Well (Document No. 401338328); and

2) For such other findings and orders as the Commission may deem proper or advisable in this matter.

APPLICABLE ORDERS AND RULES

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

- Colorado Oil and Gas Conservation Commission Rule 503.b.(10) applies to this Application.
- Certain provisions of the Colorado Oil and Gas Conservation Act, C.R.S 34-60-101, et seq. apply to this Application, including but not limited to C.R.S. 34-60-116(2) and C.R.S. 34-60-117(a).
- On July 24, 2017, the Commission entered Order No. 407-2115 which, among other things, established an approximate 1,280-acre drilling and spacing unit for the Application Lands, for the production of oil, gas, and associated hydrocarbons from the Niobrara and Codell Formations.

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: October 30-31, 2017

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 October 16, 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 October 16, 2017, if a prehearing conference is requested by the Applicant, or any person who has filed a protest or intervention. 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

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Dated: September 22, 2017

Colorado Oil and Gas Conservation Commission 1120 Lincoln Street, Suite 801 Denver, Colorado 80203

Website: http://cogcc.state.co.us

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