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

| IN THE MATTER OF THE PAYMENT OF |) | CAUSE NO: 1 |
|-----------------------------------|---|----------------------|
| PROCEEDS FROM PRODUCTION OF |) | |
| OIL AND GAS AS ESTABLISHED BY |) | DOCKET NO: 171200792 |
| SECTION 34-60-118.5, C.R.S., MAMM |) | |
| CREEK FIELD, WILLIAMS FORK |) | TYPE: GENERAL |
| FORMATION, GARFIELD COUNTY, |) | ADMINSTRATIVE |
| COLORADO | Ś | |

NOTICE OF HEARING

TO ALL INTERESTED PARTIES AND TO WHOM IT MAY CONCERN:

WELLS

McPherson A-2 (API No. 05-045-17069)

McPherson A-3 (API No. 05-045-14477)

McPherson A-4 (API No. 05-045-14476)

McPherson A-7 (API No. 05-045-17072)

McPherson A-9 (API No. 05-045-17068)

McPherson A-12 (API No. 05-045-17070)

Robinson C2 (API No. 05-045-17108)

Robinson C3 (API No. 05-045-17105)

Robinson C13 (API No. 05-045-14673)

Weinreis A2 (API No. 05-045-15131)

Weinreis A3 (API No. 05-045-15130)

Weinreis A4 (API No. 05-045-15129)

Weinreis A6 (API No. 05-045-15127)

APPLICATION

On October 5, 2017, Patrick L. Shuster and Toni M. Shuster (collectively, "the Shusters"), by their attorneys, filed an Application for an Order Determining Whether the Commission has Jurisdiction Over Applicant's Royalty Underpayment Claims Against Antero Resources Corporation ("Antero") and Ursa Operating Company, LLC ("Ursa") pursuant to §34-60-118.5, C.R.S., and Rule 503.b.(10), for an order to:

- 1. Declare that the Commission does not have jurisdiction over the Shusters' royalty underpayment claims against Antero and Ursa, and that such royalty underpayment claims should be determined in a district court lawsuit;
- 2. In the alternative, if the Commission decides to exercise jurisdiction over the Shusters' underpayment claims against Antero and Ursa, then the Commission should compel Antero, Ursa, and certain third parties to produce relevant documents and electronic data and set the parties' dispute for a hearing on the merits.

APPLICABLE STATUTE

- 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(5.5), C.R.S., provides that (5.5) before hearing the merits of any proceeding regarding payment of proceeds pursuant to this section, the oil and gas conservation commission shall determine whether a bona fide dispute exists regarding the interpretation of a contract defining the rights and obligations of the payer and payee. If the commission finds that such a dispute exists, the commission shall decline jurisdiction over the dispute and the parties may seek resolution of the matter in district court.

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:

January 29-30, 2018

Time:

9:00 a.m.

Place:

Colorado Oil and Gas Conservation Commission

The Chancery Building

1120 Lincoln Street, Suite 801

Denver, Colorado

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 January 12, 2018. 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 15, 2018. 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

lie Spence Prine, Secretary

Dated: November 16, 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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