# LAW OFFICES OF GEORGE A. BARTON, P.C.

7227 Metcalf Ave., Suite 301 Overland Park, KS 66204 Facsimile: (913) 563-6259

Stacy A. Burrows
DIRECT DIAL: (913) 563-6253
Email: stacy@georgebartonlaw.com

May 23, 2018

#### VIA PRIORITY MAIL

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

Re: McClintock & Nikoloric, LLC's and U.S. Bank, NA as Trustee of the T.E. McClintock Trust's Form 38s – Payment of Proceeds Hearing Request

DOCKET NO: 180700620

Dear COGCC:

Please find McClintock & Nikoloric, LLC's ("McClintock & Nikoloric") and U.S. Bank, NA as Trustee of the T.E. McClintock Trust's ("McClintock Trust") Form 38s attached hereto. The pertinent information attached includes: (1) completed copies of the Form 37s McClintock & Nikoloric and McClintock Trust submitted to Bill Barrett Corporation<sup>1</sup>; (2) proof of mailing; (3) Bill Barrett Corporation's Response to Written Notice Pursuant to C.R.S. § 34-60-118.5(2.5); and (4) McClintock & Nikoloric's and McClintock Trust's Form 38s.

Please do not hesitate to contact me should you have any questions.

Very truly yours,

/s/ Stacy Burrows

Stacy Burrows

cc: Karen L. Spaulding (via mail w/ attachments)

<sup>&</sup>lt;sup>1</sup> Bill Barrett Corporation recently changed its name to HighPoint Resources Corp. For consistency, we refer to the company as Bill Barrett Corporation

FORM 38 Rev

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# State of Colorado Oil and Gas Conservation Commission

1120 Lincoln street, Suite 801, Denver, Colorado 80203 (303) 894-2100 Fax: (303) 894-2109

FOR OFFICIAL USE ONLY

#### **PAYMENT OF PROCEEDS HEARING REQUEST**

This form may be submitted only by a payee legally entitled to payment from proceeds derived from the sale of oil, gas, or associated products from a well in Colorado. The payee is to complete this form (one form per well), attach required documentation and mail to: COGCC, 1120 Lincoln Street, Suite 801, Denver, Colorado 80203 or fax to: (303) 894-2109. COGCC will investigate the report and determine what action, if any, should be taken.

PAYEE INFORMATION

TITLE II.	II OILL MITTOIL			
NAME OF PAYEE: McClintock & Nikoloric LLC	<b>PHONE NO:</b> 913-563-6253			
ADDRESS: P.O. Box 1588	FAX: (913) 563-6259			
CITY: Tulsa STATE: OK ZIF	P: 74101 E-MAIL: stacy@georgebartonlaw.com			
	PAYEE NUMBER:			
MINERAL	INFORMATION			
WELL NAME: Hawkins 5-61-21-3340BH	COUNTY: Weld County, Colorado			
QTR/QTR SEC: TOWNSHIP: RANGE:				
NWSW 21 5N 61W	<b>API NUMBER:</b> 05-123-37756			
NON-COMPLIANCE ISSUES NOT RESOLVED				
(PLEASE CHECK	ALL THAT APPLY)			
Required checkstub detail not provided:	<u> </u>			
Late payment	X			
Non payment	X			
No interest paid on late payment	X			
No response to Form 37 inquiry				
All portinent decumentation must be	ottoched This includes completed			

1/10

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**PAYEE INFORMATION** 

NAME OF PAYEE: McClintock & Nikoloric LLC PHO	NE NO: 913-563-6253
ADDRESS: P.O. Box 1588 FAX:	(913) 563-6259
CITY: Tulsa STATE: OK ZIP: 74101 E-MA	IL: stacy@georgebartonlaw.com
PAYE	E NUMBER:
MINERAL INFORMATIO	N
WELL NAME: Hawkins 5-61-21-4841BH COUNTY: Weld	County, Colorado
QTR/QTR SEC: TOWNSHIP: RANGE:	
NWSW 21 5N 61W API NUMBER:	05-123-37755
NON-COMPLIANCE ISSUES NOT R	ESOLVED
(PLEASE CHECK ALL THAT AF	PPLY)
Required checkstub detail not provided:	
Late payment	X
Non payment	X
No interest paid on late payment	X
No response to Form 37 inquiry	
All pertinent documentation must be attached. This	s includes: completed

1/10

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PAYEE INFORMATION

· · · · · · · · · · · · · · · · · · ·				
NAME OF PAYEE: McClintock & Nikoloric LLC PHONE NO: 913-5	663-6253			
ADDRESS: P.O. Box 1588 FAX: (913)	563-6259			
CITY: Tulsa STATE: OK ZIP: 74101 E-MAIL: stacy@ge	eorgebartonlaw.com			
PAYEE NUMBER:				
MINERAL INFORMATION				
WELL NAME: Hawkins 5-61-21-4956BH COUNTY: Weld County, Cold	orado			
QTR/QTR SEC: TOWNSHIP: RANGE:				
NWSW 21 5N 61W <b>API NUMBER:</b> 05-123-37750	)			
NON-COMPLIANCE ISSUES NOT RESOLVED				
(PLEASE CHECK ALL THAT APPLY)				
Required checkstub detail not provided:				
Late payment	X			
Non payment	X			
No interest paid on late payment				
No response to Form 37 inquiry				
All pertinent documentation must be attached. This includes: completed				

FORM 38 Rev 1/10

necessary.

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PAYEE INFORMATION					
NAME OF PAYEE:	McClintock & Nik	coloric LLC	***************************************	PHONE NO:	913-563-6253
ADDRESS: P.O. B	Sox 1588			FAX:	(913) 563-6259
CITY: Tulsa		STATE: OK ZI	<b>P:</b> 74101	E-MAIL: sta	cy@georgebartonlaw.com
				PAYEE NUM	BER:
		<b>MINERAL</b>	<b>INFORM</b>	<b>ATION</b>	
WELL NAME:	Hawkins 5-61-	21-6457BH	COUNTY:	Weld Count	ry, Colorado
QTR/QTR SE	C: TOWNSHI	P: RANGE:			•
NWS\	W 21 5N 61W		API NUME	BER: 05-123	3-37751
	NON-CO	MPLIANCE	ISSUES N	OT RESOL	VED
	(PL)	EASE CHECK	ALL THA	AT APPLY	
Required check	stub detail not p			:-	36533
Late payment					X
Non payment					_X
No interest paid on late payment					
No response to	Form 37 inquiry				<u> 2-3-32</u>
					udes: completed onse (if received

from operator), redacted checkstub detail and any other documentation

**FORM** 38 Rev

1/10

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ADDRESS: P.O. Box 1588	FAX:	(913) 563-6259			
CITY: Tulsa STATE: OK ZIP: 74101	E-MAIL: sta	cy@georgebartonlaw.com			
	PAYEE NUME	BER:			
MINERAL INFORMA	<b>ATION</b>				
WELL NAME: Kunsemiller 5-61-21-0108BH COUNTY:	Weld Count	y, Colorado			
QTR/QTR SEC: TOWNSHIP: RANGE:					
NWNW 21 5N 61W API NUMB	<b>ER:</b> 05-123	-38211			
NON-COMPLIANCE ISSUES NO	OT RESOL	<u>VED</u>			
(PLEASE CHECK ALL THA	T APPLY)				
Required checkstub detail not provided:					
Late payment		X			
Non payment		X			
No interest paid on late payment					
No response to Form 37 inquiry		-C-107.			
All pertinent documentation must be attached copy of operator contact Form 37, proof of ma		25 <b>.</b> 00			

from operator), redacted checkstub detail and any other documentation necessary.

> Rev 1/10

State of Colorado
Oil and Gas Conservation Commission

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PAYEE INFORMATION					
NAME OF PAYEE: McClintock & Nikoloric LLC	PHONE NO:	913-563-6253			
ADDRESS: P.O. Box 1588	FAX:	(913) 563-6259			
CITY: Tulsa STATE: OK ZIP: 74101	E-MAIL: stacy	/@georgebartonlaw.com			
	PAYEE NUMBE	≣R:			
MINERAL INFORM	<b>ATION</b>				
WELL NAME: Kunsemiller 5-61-21-1609BH COUNTY:	Weld County,	Colorado			
QTR/QTR SEC: TOWNSHIP: RANGE:					
NWNW 21 5N 61W API NUME	BER: 05-123-3	38212			
NON-COMPLIANCE ISSUES N	OT RESOLV	<u>ED</u>			
(PLEASE CHECK ALL THA	AT APPLY)				
Required checkstub detail not provided:		27.50 P. 185			
Late payment		_X_			
Non payment		X			
No interest paid on late payment		X			
No response to Form 37 inquiry		52.42%			
All pertinent documentation must be attached copy of operator contact Form 37, proof of ma		•			

> Rev 1/10

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PAYEE INFORMATION				
NAME OF PAYEE: McClintock & Nikoloric LLC	<b>PHONE NO:</b> 913-563-6253			
ADDRESS: P.O. Box 1588	FAX: (913) 563-6259			
CITY: Tulsa STATE: OK ZIP: 7410	E-MAIL: stacy@georgebartonlaw.com			
	PAYEE NUMBER:			
MINERAL INFO	RMATION			
WELL NAME: Kunsemiller 5-61-21-1724BH COUN	TY: Weld County, Colorado			
QTR/QTR SEC: TOWNSHIP: RANGE:				
NWNW 21 5N 61W API N	UMBER: 05-123-38224			
NON-COMPLIANCE ISSUES	S NOT RESOLVED			
(PLEASE CHECK ALL 7	ΓHAT APPLY)			
Required checkstub detail not provided:	(現立) 現			
Late payment	_X			
Non payment	<u> X</u>			
No interest paid on late payment	_X_			
No response to Form 37 inquiry	表 50 000			
All pertinent documentation must be attach copy of operator contact Form 37, proof of				

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necessary.

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PAYEE INFORMATION					
NAME OF PAYEE:	McClintock & Nikoloric LLC	,	PHONE NO:	913-563-6253	
ADDRESS: P.O. Box 1	588		FAX:	(913) 563-6259	
CITY: Tulsa	STATE: OK Z	<b>IP</b> : 74101	E-MAIL: sta	cy@georgebartonlaw.com	
			PAYEE NUMI	BER:	
	<b>MINERAI</b>	INFORM	<b>ATION</b>		
WELL NAME: Kur	nsemiller 5-61-21-3225BH	COUNTY:	Weld Count	y, Colorado	
QTR/QTR SEC:	TOWNSHIP: RANGE	:			
NWNW 21	5N 61W	API NUMB	BER: 05-123	-38223	
	NON-COMPLIANCE	ISSUES N	OT RESOL	VED	
	(PLEASE CHEC	K ALL THA	AT APPLY		
Required checkstub	detail not provided:				
Late payment				X	
Non payment				X	
No interest paid on	late payment			X	
No response to Form	m 37 inquiry				
	cumentation must be				

from operator), redacted checkstub detail and any other documentation

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DAVET INCODMATION

PAYEE INFORMATION					
NAME OF PAYEE: Colorado State Bank & Trust N A	TTEE PHONE NO: 913-563-6253				
ADDRESS: P.O. Box 1588	FAX: (913) 563-6259				
CITY: Tulsa STATE: OK Z	74101 <b>E-MAIL</b> : stacy@georgebartonlaw.com				
	PAYEE NUMBER:				
<u>MINERAI</u>	L INFORMATION				
WELL NAME: Hawkins 5-61-21-3340BH	COUNTY: Weld County, Colorado				
QTR/QTR SEC: TOWNSHIP: RANGE	:				
NWSW 21 5N 61W	<b>API NUMBER:</b> 05-123-37756				
NON-COMPLIANCE ISSUES NOT RESOLVED					
(PLEASE CHEC	K ALL THAT APPLY)				
Required checkstub detail not provided:					
Late payment	<u>X</u>				
Non payment	X				
No interest paid on late payment	X				
No response to Form 37 inquiry					

1/10

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PAYEE INFORMATION

NAME OF PAYEE: Colorado State Bank & Trust N A TTEE	<b>PHONE NO:</b> 913-563-6253			
ADDRESS: P.O. Box 1588	<b>FAX:</b> (913) 563-6259			
CITY: Tulsa STATE: OK ZIP: 74101	E-MAIL: stacy@georgebartonlaw.com			
	PAYEE NUMBER:			
MINERAL INFORM	IATION			
WELL NAME: Hawkins 5-61-21-4841BH COUNTY	: Weld County, Colorado			
QTR/QTR SEC: TOWNSHIP: RANGE:				
NWSW 21 5N 61W API NUM	BER: 05-123-37755			
<b>NON-COMPLIANCE ISSUES N</b>	NOT RESOLVED			
(PLEASE CHECK ALL THAT APPLY)				
Required checkstub detail not provided:	<u>A.2823.03</u>			
Late payment	X			
Non payment	<u>X</u>			
No interest paid on late payment				
No response to Form 37 inquiry				
All pertinent documentation must be attached. This includes: completed				

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PAYER INFORMATION

		_		11111111	IVI OILIVIA	HON	
NAME	OF P	AYEE:	Colorado State	Bank & Trust N A	TTEE	PHONE NO:	913-563-6253
ADDRE	SS:	P.O. B	ox 1588			FAX:	(913) 563-6259
CITY:	Tu	lsa		STATE: OK Z	IP: 74101	E-MAIL: stac	cy@georgebartonlaw.con
						PAYEE NUME	BER:
				<b>MINERAL</b>	L INFORM	<b>ATION</b>	
WEL	L NA	AME:	Hawkins 5-6	1-21-4956BH	COUNTY:	Weld County	, Colorado
QTR/0	QTR	SE	C: TOWNS	HIP: RANGE			
		NWSV	V 21 5N 61W		API NUME	BER: 05-123	-37750
NON-COMPLIANCE ISSUES NOT RESOLVED							
			(P)	LEASE CHEC	K ALL THA	AT APPLY)	
Requ	ired	check	stub detail not			-	<u> 8</u> (1890)
Late	oayn	nent					X
Non p	ayn	nent					X
No in	teres	st paid	on late payme	ent			_X_
No re	spoi	nse to	Form 37 inqui	ry			

FORM 38 Rev 1/10

necessary.

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PAYEE INFORMATION					
NAME OF PAYEE: Colorado	State Bank & Trust N A	TTEE	PHONE NO:	913-563-6253	
ADDRESS: P.O. Box 1588			FAX:	(913) 563-6259	
CITY: Tulsa	STATE: OK ZI	P: 74101	E-MAIL: stac	cy@georgebartonlaw.com	
			PAYEE NUME	BER:	
	<u>MINERAL</u>	INFORM	<u>ATION</u>		
WELL NAME: Hawkin	s 5-61-21-6457BH	COUNTY:	Weld Count	y, Colorado	
QTR/QTR SEC: TO	WNSHIP: RANGE:	Ļ			
NWSW 21 5N 6	1W	API NUMB	ER: 05-123	-37751	
<u>NC</u>	ON-COMPLIANCE	ISSUES NO	OT RESOL	VED	
	(PLEASE CHECK	ALL THA	T APPLY)		
Required checkstub deta			,	REPORT OF	
Late payment				X	
Non payment				X	
No interest paid on late paymentX					
No response to Form 37	inquiry			E-31-75-01	
All pertinent documentation must be attached. This includes: completed copy of operator contact Form 37, proof of mailing, response (if received					

from operator), redacted checkstub detail and any other documentation

FORM 38 Rev

1/10

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DAVEE INFORMATION

		IAILLI	MICKIMA	HON	
NAME OF PAYEE:	Colorado State	Bank & Trust N A	TTEE	PHONE NO:	913-563-6253
ADDRESS: P.O. B	ox 1588			FAX:	(913) 563-6259
PAYEE NUMBER:  MINERAL INFORMATION  WELL NAME: Kunsemiller 5-61-21-0108BH COUNTY: Weld County, Colorado  QTR/QTR SEC: TOWNSHIP: RANGE:  NWNW 21 5N 61W API NUMBER: 05-123-38211		cy@georgebartonlaw.com			
				PAYEE NUM	BER:
		<b>MINERAL</b>	<b>INFORM</b>	<b>ATION</b>	
A DESCRIPTION OF SHARE SAME SAME			COUNTY:	Weld Count	y, Colorado
QTR/QTR SE	C: TOWNSH	IP: RANGE:		1.20 81	
NWN	N 21 5N 61W		API NUME	BER: 05-123	-38211
	NON-CO	<b>OMPLIANCE</b>	ISSUES N	OT RESOL	<u>VED</u>
	(PL	EASE CHECK	ALL THA	AT APPLY	
Required check	stub detail not	provided:		•	<u> 395 CM X</u>
Late payment					X
Non payment					X
No interest paid	l on late paymeı	nt			_X_
No response to	Form 37 inquiry	/			T. (1) (1) (4) (1)
					udes: completed onse (if received

FORM 38 Rev 1/10

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_		IAILLI	MI OKMA	IION	
NAME OF PAYEE:	Colorado State E	Bank & Trust N A	TTEE	PHONE NO:	913-563-6253
ADDRESS: P.O. B	ox 1588			FAX:	(913) 563-6259
CITY: Tulsa		STATE: OK Z	<b>IP:</b> 74101	E-MAIL: stac	cy@georgebartonlaw.con
				PAYEE NUME	BER:
		<b>MINERAL</b>	INFORM	<b>ATION</b>	
WELL NAME:	Kunsemiller 5-6	31-21-1609BH	COUNTY:	Weld County	y, Colorado
QTR/QTR SE	C: TOWNSHI	P: RANGE:	9		
NWN	N 21 5N 61W		API NUMB	BER: 05-123	-38212
	NON-CO	MPLIANCE	ISSUES N	OT RESOL	VED
	(PL)	EASE CHECK	ALL THA	AT APPLY)	
Required check	150				14,000
Late payment					_X_
Non payment					_X
No interest paid	l on late paymen	it			_X_
No response to	Form 37 inquiry				

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ADDRESS: P.O. Box 1588	FAX:	(913) 563-6259
CITY: Tulsa STATE: OK ZIP: 74101	E-MAIL: sta	cy@georgebartonlaw.com
	PAYEE NUME	BER:
MINERAL INFORM	<u>IATION</u>	
WELL NAME: Kunsemiller 5-61-21-1724BH COUNTY	: Weld Count	y, Colorado
QTR/QTR SEC: TOWNSHIP: RANGE:		
NWNW 21 5N 61W API NUM	BER: 05-123	-38224
<b>NON-COMPLIANCE ISSUES N</b>	NOT RESOL	<u>VED</u>
(PLEASE CHECK ALL TH	AT APPLY	
Required checkstub detail not provided:	,	
Late payment		_X
Non payment		_X
No interest paid on late payment		X
No response to Form 37 inquiry		1.3 ( 1.3)
All pertinent documentation must be attached	d. This inclu	ıdes: completed

**FORM** 38 Rev

1/10

#### State of Colorado Oil and Gas Conservation Commission

1120 Lincoln street, Suite 801, Denver, Colorado 80203 (303) 894-2100 Fax: (303) 894-2109

FOR OFFICIAL USE ONLY

### PAYMENT OF PROCEEDS HEARING REQUEST

This form may be submitted only by a payee legally entitled to payment from proceeds derived from the sale of oil, gas, or associated products from a well in Colorado. The payee is to complete this form (one form per well), attach required documentation and mail to: COGCC, 1120 Lincoln Street, Suite 801, Denver, Colorado 80203 or fax to: (303) 894-2109. COGCC will investigate the report and determine what action, if any, should be taken.

PAYEE INFORMATION

NAME OF PAYEE: Colorado State Bank & Trust N A TTEE	<b>PHONE NO:</b> 913-563-6253
ADDRESS: P.O. Box 1588	<b>FAX:</b> (913) 563-6259
CITY: Tulsa STATE: OK ZIP: 74101	E-MAIL: stacy@georgebartonlaw.com
	PAYEE NUMBER:
MINERAL INFORM	IATION
WELL NAME: Kunsemiller 5-61-21-3225BH COUNTY:	Weld County, Colorado
QTR/QTR SEC: TOWNSHIP: RANGE:	
NWNW 21 5N 61W API NUMI	BER: 05-123-38223
NON-COMPLIANCE ISSUES N	OT RESOLVED
(PLEASE CHECK ALL TH	AT APPLY)
Required checkstub detail not provided:	<u> 23878</u>
Late payment	X
Non payment	X
No interest paid on late payment	X
No response to Form 37 inquiry	
All pertinent documentation must be attached copy of operator contact Form 37, proof of materials and the contact form 37.	

from operator), redacted checkstub detail and any other documentation necessary.

#### LAW OFFICES OF

#### GEORGE A. BARTON, P.C.

7227 Metcalf Ave., Suite 301 Overland Park, KS 66204 Facsimile: (913) 563-6259

Stacy A. Burrows
DIRECT DIAL: (913) 563-6253
Email: stacy@georgebartonlaw.com

March 22, 2018

#### VIA EMAIL AND CERTIFIED MAIL

Bill Barrett Corporation Attn: Matt Barber 1099 18th Street, Suite 2300 Denver, Colorado 80202

Bill Barrett Corporation Attn: Matt Barber 33105 County Road 33 Greeley, CO 80631

Re: Written notice pursuant to C.R.S. § 34-60-118.5(2.5) by McClintock & Nikoloric LLC and U.S. Bank, N.A., as Trustee of the T.E. McClintock Trust under the Will for the Benefit of Mary M. Swift to Bill Barrett Corporation of its failure to make timely payments for the full amount of royalties owed to McClintock & Nikoloric LLC and U.S. Bank, N.A., as Trustee of the T.E. McClintock Trust under the Will for the Benefit of Mary M. Swift under the Lease Agreements

Dear Bill Barrett Corporation:

McClintock & Nikoloric LLC ("McClintock & Nikoloric") and U.S. Bank, N.A., as Trustee of the T.E. McClintock Trust under the Will for the Benefit of Mary M. Swift (the "McClintock Trust") hereby provides written notice to Bill Barrett Corporation ("Bill Barrett") of its failure to make timely payments for the full amount of royalties owed to McClintock & Nikoloric and the McClintock Trust under the Lease Agreements, pursuant to C.R.S. § 34-60-118.5(2.5). Attached hereto are McClintock & Nikoloric's and the McClintock Trust's Form 37s regarding the following wells:

Kunsemiller 5-61-21-1609BH (API No. 05-123-38212) Kunsemiller 5-61-21-1724BH (API No. 05-123-38224) Kunsemiller 5-61-21-3225BH (API No. 05-123-38223) Kunsemiller 5-61-21-0108BH (API No. 05-123-38211) Hawkins 5-61-21-3340BH (API No. 05-123-37756) Hawkins 5-61-21-4956BH (API No. 05-123-37750) Hawkins 5-61-21-6457BH (API No. 05-123-37751)

### Hawkins 5-61-21-4841BH (API No. 05-123-37755)

The Form 37s request the actual sales prices of the residue and natural gas liquid products and a written explanation of any and all deductions or adjustments which have reduced royalties to be paid or owed to McClintock & Nikoloric and the McClintock Trust. The Form 37 Attachment included in this letter is to be incorporated by reference into each Form 37 contained herein.

Also included in this letter is a sample royalty statement in which Bill Barrett paid royalties to McClintock & Nikoloric and the McClintock Trust. Only a sample royalty statement is being produced as Bill Barrett created and mailed the royalty statements that McClintock & Nikoloric and the McClintock Trust received on a monthly basis, and has in its possession such information for each month that Bill Barrett has paid royalties to McClintock & Nikoloric and the McClintock Trust.

Sincerely.

Stacy A. Burroy

cc: Mr. L. Poe Leggette (via email, w/ attachment)
Alexander K. Obrecht (via email, w/ attachment)

#### McClintock Form 37 Attachment

Under C.R.S. § 34-60-118.5(2.5), Payee seeks a written explanation for the above-referenced well for each month from October 22, 2009, to the present for following:

- 1) The gross weighted average sales price ("WASP") per MMBTU received for the residue gas at the point of sale (this price should be for all monthly sales for the "pool" at issue);
- 2) Any deductions taken which are stated or implied for conservation tax, severance tax, ad valorem tax, delivery costs, and costs of productions, including, but not limited to, transportation expenses or any expense associated with or attributable to treatment, gathering, trucking, processing, including volumetric deductions, and any other costs that were deducted from residue gas sales price before paying royalties;
- 3) The contract(s) or agreement(s) under which the residue gas was sold, which should include the payor, volume, and price;
- 4) Identification of the specific agreements under which the raw natural gas was transferred to a gathering or processing company prior to being processed at a processing plant;
- 5) The gross wellhead volume of the raw natural gas in MCFs;
- 6) The wellhead MMBTU content of the raw natural gas;
- 7) The remaining actual processed residue gas in MMBTUs after natural gas liquid products ("NGLs") have been removed and any fuel lost and unaccounted ("FLU") volumes have been accounted for;
- 8) Indicate how the royalty payments on the residue gas, after processing, are calculated (i.e. are the calculations based on net volume, after the FLU volumes are deducted, or are royalty payments adjusted to include FLU volumes in the royalty payment);
- 9) The total wellhead gallon volume of each of the NGLs contained within the raw natural gas stream;
- 10) The actual gallons recovered at the processing plant for each of the NGLs, expressed either as recovery of theoretical gallons or as actual gallons recovered at the processing plant;
- 11) Amount paid to Bill Barrett for the NGLs produced from this well including the gross value and the net value after fractionation and transportation costs deducted, if any;
- 12) The deductions from the actual sales prices of the natural gas liquid products for conservation tax, severance tax, ad valorem tax, delivery costs, and costs of productions,

- including, but not limited to, transportation expenses or any expense associated with or attributable to treatment, gathering, trucking, and processing;
- 13) The maximum daily quantity fee or any other penalty or demand fee charge which is deducted by Bill Barrett from the royalty payments;
- 14) Any transportation fees deducted by Bill Barrett from the royalty payments;
- 15) Any costs that Bill Barrett paid to reserve space to transport natural gas products on the interstate pipeline ("Reservation Fees") deducted by Bill Barrett from the royalty payments;
- 16) Identify any unutilized Reservation Fees that were charged to the royalty owners;
- 17) The contract or agreement under which Reservation Fees and/or tariffs were paid by Bill Barrett, and deducted from the royalty payments; and
- 18) Identify the provision of the leases at issue that authorizes Bill Barrett to take any of the above-referenced deductions, adjustments, or reduce the royalties in any way.

FORM 37 Rev

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## State of Colorado Oil and Gas Conservation Commission

1120 Lincoln street, Suite 801, Denver, Colorado 80203 (303) 894-2100 Fax: (303) 894-2109

FOR OFFICIAL USE ONLY

# PAYMENT OF PROCEEDS – SALES VOLUME RECONCILIATION PAYOR CONTACT FORM

This form may be submitted only by a payee legally entitled to payment from proceeds derived from the sale of oil, gas, or associated products from a well in Colorado. The payee is to complete this form (one form per well) and submit it to the payor issuing the payment. Operator addresses may be found at the COGCC website cogcc.state.co.us at DATABASE under the category NAME, ADDRESS AND FINANCIAL ASSURANCE. This form must be submitted to the payor via certified mail. Using this form to request information will not replace the need for a financial audit

information will not replace the need for a financial audit.	INFORMAT	ION			
NAME OF PAYEE: Colorado State Bank & Trust N		PHONE NO:	913-563-6253		
ADDRESS: P.O. Box 1588		FAX:	042.562.6050		
	7ID. 74404		913-563-6259		
	ZIP: 74101		y@georgebartonlaw.com		
SIGNATURE: MINER	RAL INFOR	PAYEE NUME	BER:		
	7   r				
WELL NAME: Hawkins 5-61-21-3340BH  QTR/QTR SEC: TOWNSHIP: RANGI	COUNTY:	Weld County, Co	plorado		
NWSW 21 5N 61W API NUMBER: 05-123-37756					
REQUEST FOR PAYN Payee should mark appropriate entries to show missing also attach a copy of the checkstub with all applicable r The name, number, or a combination of name and r unit or well for which payment is being made.  The month and year during which the sale occurred.	g information req non-compliance on number that iden	uired by CRS 34- details noted.) ntifies the lease,	property,		
The total quantity of product sold attributable to sumeasurement.  The price received per unit of measurement. (Price thousand cubic feet (MCF) or price per million Britis gas.)	per barrel in the	case of oil and	_Xprice per		
The total amount of severance taxes and any other sale.	production taxe	s or levies appli	ed to thex		
The payee's interest in the sale, expressed as a decidecimal place.	imal and calcul	ated to at least t	he sixth		
The payee's share of the sale before any deduction identified with the payment.	s or adjustment	s made by the p	ayor or		
The payee's share of the sale after any deductions didentified with the payment.	or adjustments	made by the pay	or or		
An address and telephone number from which addit questions answered.	tional information	on may be obtai	ned and		
Additional Info	rmation R	equested			
[Note: This section asks for the additional information Written explanation of deductions or adjustme (whether or not identified with the payment), re See attached.	nts over which	st under 118.(2.5) on payor has co	ns amended by HB 1180. ] ntrol or information ,		
Meter calibration testing recordsX	Produ	uction reporting	g records <u>x</u>		
PAYMENT OF PROCE	EEDS - PAY	OR RESPO	NSE .		
The payor, — as required by CRS 34-60-118.5(2.5). (The payor information concerning — —————————————————————————————————					
Name	Contact	Phone Number			

reconciliation.

WELL NAME:	Hawkins 5-61-21-3340BH		COUNTY:	Wel	d Count	y, Colorado	
QTR/QTR	SEC: TOWNSHIP: RANG	GE:					
	NWSW 21 5N 61W		API NUMBE	R:	05-123	3-37756	
The payee req	quests the payor to provide a recoi	ncilia	ion between	the fo	ollowing	volumes:	
						GAS	OIL
The month ar	nd year during which the sale oo	ccurr	ed_10/22/09	-pres	sent.	_X	
Volume repor	rted as produced 10/22/09-pres	sent	_•			_X	
Volume repor	rted as sold 10/22/09-present		_•			X	
Volumes show	wn as produced/sold do not agr	ree w	ith:				
Volume repor	ted to the COGCC 10/22/09-pr	esen	<u>t</u> .			_X	-
Volume repor	ted to another government age	ncy_	10/22/09-pr	reser	<u>nt</u> .	_X	-
Other informa	ation for sales reconciliation (sp	ecify	request)			_X	
See attache	d.						
The payor, — (date). Produce for the following	ed volumes from this well/lease a	re hig	, respond ther/less than	the	sales vol	Percentage of	difference
						attributed to th	is cause.
						GAS	OIL
Shrinkage dur	ring transport.						
Used for comp	pression during transport.						
Line loss or fu	uel use from the gathering line o	durin	g transport.				
A portion of the	ne natural gas was vented or fla ort.	red o	or used as fu	el			
Contractual or	verages or underages from prev	vious	months we	re re	ctified		
Sold by others	,					-	
(. <del></del>							***************************************
Other (Please	Specify):					·	-
	(s) at this well site or lease was			п?			
2005			CATION				
I hereby certify and complete.	that the information provided on ti			oest o	of my kno	owledge, true	, correct
Payor's Repres	entative					Date	

FORM 37 Rev

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## State of Colorado Oil and Gas Conservation Commission

1120 Lincoln street, Suite 801, Denver, Colorado 80203 (303) 894-2100 Fax: (303) 894-2109

FOR OFFICIAL USE ONLY

PAYMENT OF PROCEEDS – SALES VOLUME RECONCILIATION PAYOR CONTACT FORM

This form may be submitted only by a payee legally entitled to payment from proceeds derived from the sale of oil, gas, or associated products from a well in Colorado. The payee is to complete this form (one form per well) and submit it to the payor issuing the payment. Operator addresses may be found at the COGCC website cogcc.stale.co.us at DATABASE under the category NAME, ADDRESS AND FINANCIAL ASSURANCE. This form must be submitted to the payor via certified mail. Using this form to request information will not replace the need for a financial audit

information will not replace the need for a						
	PAYEE IN	<u>FORMAT</u>	ION			
NAME OF PAYEE: Colorado State	Bank & Trust N A T	TEE	PHONE NO: 913-563-6253			
ADDRESS: P.O. Box 1588			FAX:	913-563-6259		
CITY: Tulsa	STATE: OK ZI	P: 74101	E-MAIL: stacy@	georgebartonlaw.com		
SIGNATURE:			PAYEE NUMBE	R:		
	MINERA	L INFOR				
WELL NAME: Hawkins 5-61-2	21-4841BH	COUNTY:	Weld County, Colo	rado		
QTR/QTR SEC: TOWNS		API NUME	BER: 05-123-37	755		
NWSW 21 5N 61W	T FOR PAYME	NIT OF D	DOCEEDS IN	CODMATION		
Payee should mark appropriate entri- also attach a copy of the checkstub with a combination of a combination of the checkstub with a combination of the combination o	es to show missing in with all applicable non ion of name and nun being made.  the sale occurred.	formation requi-compliance conpliance conper that ider	uired by CRS 34-60 letails noted.) ntifies the lease, pr	-118.5. (Payee should operty,		
The price received per unit of mea thousand cubic feet (MCF) or price gas.)				ice per		
The total amount of severance tax sale.	es and any other pro	oduction taxe	s or levies applied	to the _x		
The payee's interest in the sale, ex decimal place.	pressed as a decim	al and calcula	ated to at least the	sixth X		
The payee's share of the sale befo identified with the payment.	re any deductions o	r adjustment	s made by the pay	or or		
The payee's share of the sale after identified with the payment.	any deductions or a	adjustments i	nade by the payor	or <u>x</u>		
An address and telephone number questions answered.	from which addition	nal informatio	on may be obtained	d and 		
Add	litional Inforr	nation R	equested			
[Note: This section asks for the add Written explanation of deduction (whether or not identified with the See attached.	ns or adjustments	s over which				
Meter calibration testing record	s <u>x</u>	Produ	ction reporting r	records X		
PAYMEN	T OF PROCEE	DS - PAY	OR RESPONS	<u>SE</u>		
The payor, ————————————————————————————————————	2.5). (The payor mu	ist respond v	vithin 60 days.) 1/4			
Name		Contact	Phone Number			

<u>REQUEST FOR SALES VOLUME RECONCILIATION INFORMATION</u>
Payee should provide information at appropriate entries to request information regarding sales volume reconciliation.

WELL NAME: Hawkins 5-61-21-4841BH	COUNTY: Weld County, Colorado
QTR/QTR SEC: TOWNSHIP: RANGE:  NWSW 21 5N 61W	API NUMBER: 05-123-37755
The payee requests the payor to provide a reconciliati	ion between the following volumes:
	GAS OIL
The month and year during which the sale occurre	ed_10/22/09-present
Volume reported as produced 10/22/09-present	_X
Volume reported as sold <u>10/22/09-present</u>	_X
Volumes shown as produced/sold do not agree wi	ith:
Volume reported to the COGCC 10/22/09-present	<u>X</u>
Volume reported to another government agency _	10/22/09-present. X
Other information for sales reconciliation (specify	request) X
See attached.	-
for the following reasons:	Percentage of difference attributed to this cause.
a a	GAS OIL
Shrinkage during transport.	
Used for compression during transport.	
Line loss or fuel use from the gathering line during	g transport.
A portion of the natural gas was vented or flared or during transport.	r used as fuel
Contractual overages or underages from previous during this sales period.	months were rectified
Sold by others.	
Other (Please Specify):	
The gas meter(s) at this well site or lease was last o	
The gas meter(s) at the sales point was last calibra	
CERTIFIC  I hereby certify that the information provided on this for	
and complete.	

FORM 37 Rev

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## State of Colorado Oil and Gas Conservation Commission

1120 Lincoln street, Suite 801, Denver, Colorado 80203 (303) 894-2100 Fax: (303) 894-2109

FOR OFFICIAL USE ONLY

# PAYMENT OF PROCEEDS – SALES VOLUME RECONCILIATION PAYOR CONTACT FORM

This form may be submitted only by a payee legally entitled to payment from proceeds derived from the sale of oil, gas, or associated products from a well in Colorado. The payee is to complete this form (one form per well) and submit it to the payor issuing the payment. Operator addresses may be found at the COGCC website cogcc.state.co.us at DATABASE under the category NAME, ADDRESS AND FINANCIAL ASSURANCE. This form must be submitted to the payor via certified mail. Using this form to request information will not replace the need for a financial audit.

**PAYEE INFORMATION** 

NAME OF PAYEE: Colorado State Bank & Trust N A TTEE	PHONE NO: 913-563-6253			
ADDRESS: P.O. Box 1588	FAX: 913-563-6259			
CITY: Tulsa STATE: OK ZIP: 74101	E-MAIL: stacy@georgebartonlaw.com			
SIGNATURE:	PAYEE NUMBER:			
MINERAL INFOR				
WELL NAME: Hawkins 5-61-21-4956BH COUNTY:	Weld County, Colorado			
QTR/QTR SEC: TOWNSHIP: RANGE: API NUMB	BER: 05-123-37750			
REQUEST FOR PAYMENT OF P	DOCEEDS INCODMATION			
Payee should mark appropriate entries to show missing information req also attach a copy of the checkstub with all applicable non-compliance of The name, number, or a combination of name and number that idea unit or well for which payment is being made.	uired by CRS 34-60-118.5. (Payee should details noted.)			
The month and year during which the sale occurred.				
The total quantity of product sold attributable to such payment, inc measurement.	<u>x</u>			
The price received per unit of measurement. (Price per barrel in the thousand cubic feet (MCF) or price per million British Thermal Unit gas.)	e case of oil and price per s ("MMBTU") in the case of			
The total amount of severance taxes and any other production taxe sale.	es or levies applied to the			
The payee's interest in the sale, expressed as a decimal and calculated decimal place.	ated to at least the sixth			
The payee's share of the sale before any deductions or adjustment identified with the payment.	s made by the payor orX			
The payee's share of the sale after any deductions or adjustments identified with the payment.	made by the payor orX			
An address and telephone number from which additional information questions answered.	on may be obtained and			
Additional Information R	equested			
[Note: This section asks for the additional information payee may reques Written explanation of deductions or adjustments over which (whether or not identified with the payment), regarding: See attached.	st under 118.(2.5) as amended by HB 1180. ] n payor has control or information ,			
Meter calibration testing records X Produ	action reporting records			
PAYMENT OF PROCEEDS - PAY	OR RESPONSE			
The payor, ———, respond as required by CRS 34-60-118.5(2.5). (The payor must respond vinformation concerning ———	led to this request on (date vithin 60 days.) I/we could not provide for the following reasons:			
Name Contact	Phone Number			

reconciliation.

WELL NAME: Hawkins 5-61-21-4	1956BH	COUNTY: Weld Coun	ty, Colorado	
QTR/QTR SEC: TOWNSH		API NUMBER: 05-12	23-37750	1
NWSW 21 5N 61	7.0%			
The payee requests the payor to p	provide a reconcilia	ation between the following	GAS	OIL
The month and year during whi	ch the sale occur	red_10/22/09-present_	X	-
Volume reported as produced _	10/22/09-present		_X	
Volume reported as sold 10/22	2/09-present	•	_x	
Volumes shown as produced/so	old do not agree v	vith:		
Volume reported to the COGCC	10/22/09-prese	nt	_X	
Volume reported to another gov	ernment agency	10/22/09-present.	X	101100.001111.001111.00
Other information for sales reco	nciliation (specif	y request)	X	
See attached.			***************************************	
The payor,(date). Produced volumes from thi		IATION - PAYOR RI , responded to this regher/less than the sales vo	auest on	well/lease
for the following reasons:				
			Percentage of d attributed to this	
			disputed to this	cause.
			GAS	OIL
Shrinkage during transport.				-
Used for compression during tra	insport.			-
Line loss or fuel use from the ga	thering line durir	ig transport.	-	
A portion of the natural gas was during transport.	vented or flared	or used as fuel	:	-
Contractual overages or underageduring this sales period.	ges from previou	s months were rectified		
Sold by others.				
Other (Please Specify):				
The gas meter(s) at this well site	or lease was last	t calibrated on?		
The gas meter(s) at the sales poi	nt was last calibr	rated on?		
	<b>CERTIFI</b>			
I hereby certify that the information and complete.	provided on this fo	orm is, to the best of my kn	owledge, true, o	correct
Payor's Representative			Date	

FORM 37 Rev

01/10

### State of Colorado Oil and Gas Conservation Commission

Oil and Gas Conservation Commission
1120 Lincoln street, Suite 801, Denver, Colorado 80203 (303) 894-2100 Fax: (303) 894-2109

FOR OFFICIAL USE ONLY

# PAYMENT OF PROCEEDS – SALES VOLUME RECONCILIATION PAYOR CONTACT FORM

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information will not re	place the need for a	financial audit. PAYEE IN	FORMAT	ION	***************************************		
NAME OF PAYEE:	Colorado State	Bank & Trust N A 7		PHONE NO: 913-563-6253			
		Dank a Trast (177)			913-303-023	3 ]	
ADDRESS: P.O	. Box 1588			FAX:	913-563	-6259	
CITY: Tulsa	_>	STATE: OK ZI	P: 74101	E-MAIL: stacy	@georgebarto	onlaw.com	
SIGNATURE:		and the state of t		PAYEE NUMB	ER:		
		MINERA	L INFOR	MATION			
WELL NAME:	Hawkins 5-61-2	1-6457BH	COUNTY:	Weld County, Co	lorado		
	C: TOWNS		API NUME	3FR: 05-123-3	37751		
I NWS	SW 21 5N 61W	T FOR PAYM					
also attach a copy of the name, numbe unit or well for when the month and ye the total quantity measurement.  The price received	appropriate entri of the checkstub v r, or a combinati ich payment is b ar during which of product sold i	es to show missing in vith all applicable nor on of name and nur	nformation requinecompliance of the first that ider payment, incompliance of the first that identifies the first that the firs	uired by CRS 34-6 details noted.) htifies the lease, p luding the units of	0-118.5. (Paye property, of price per	x x	
sale. The payee's intere decimal place.	st in the sale, ex	es and any other pro pressed as a decim re any deductions o	al and calcul	ated to at least th	e sixth	<u>x</u> x	
	of the sale after	any deductions or	adjustments	made by the payo	or or	x	
An address and te questions answere		from which additio	nal information	on may be obtain	ed and		
	Add	litional Infori	nation R	equested			
Written explanati	on of deductio	itional information pa ns or adjustment he payment), rega	s over which				
Meter calibration	testing record	s <u>X</u>	Produ	iction reporting	records	<u>x</u>	
	<u>PAYMEN</u>	T OF PROCEE	DS - PAY	OR RESPON	<u>ISE</u>		
		2.5). (The payor mu	ıst respond v		I/we could no	t provide	
Name			Contact	Phone Number		<del></del>	

<u>REQUEST FOR SALES VOLUME RECONCILIATION INFORMATION</u>
Payee should provide information at appropriate entries to request information regarding sales volume reconciliation.

WELL NAME:	Hawkins 5-61-21	-6457BH	]	COUNTY:	We	ld Count	y, Colorado	
QTR/QTR	SEC: TOWNS	HIP: RAN	IGE:					
	NWSW 21 5N 6	1W		API NUMBI	ER:	05-12	3-37751	
The payee req	uests the payor to	provide a reco	ncilia	tion between	the fo	ollowing	volumes:	
							GAS	OIL
The month ar	d year during wh	nich the sale o	ccuri	red_10/22/09	-рге	sent.	_X	Water and the second
Volume repor	ted as produced	10/22/09-pre	sent	_•			_X	·
Volume repor	ted as sold <u>10/2</u>	22/09-present		•			_X	-
Volumes show	vn as produced/s	sold do not ag	ree w	ith:				
Volume repor	ted to the COGC	C 10/22/09-p	reser	<u>nt_</u> .			_X	
Volume repor	ted to another go	vernment age	ency_	10/22/09-p	reser	<u>nt</u> .	_X	-
Other informa	tion for sales red	onciliation (s	pecif	/ request)			X	// <del>/**********************************</del>
See attache	d							
for the following	g reasons:						Percentage o attributed to the	
Shrinkage dui	ing transport.						GAS	OIL
		ranchort						
Consideration of the Constant	oression during t						400	-
Line loss or fu	el use from the g	jathering line	durin	g transport.			· · · · · · · · · · · · · · · · · · ·	***************************************
A portion of the during transport	ie natural gas wa ort.	s vented or fl	ared	or used as fu	ıel		-	<del></del>
Contractual or during this sa	erages or under es period.	ages from pre	evious	s months we	ге ге	ctified	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	
Sold by others	i.							
Other (Please	Specify):							<del></del>
31	(s) at this well sit							
The gas meter	(s) at the sales p	oint was last o	calibr	ated on? _				
I hereby certify and complete.	that the informatio			CATION orm is, to the l	best (	of my kn	owledge, true	, correct
Payor's Repres	entative					-	Date	-

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## State of Colorado Oil and Gas Conservation Commission

1120 Lincoln street, Suite 801, Denver, Colorado 80203 (303) 894-2100 Fax: (303) 894-2109

FOR OFFICIAL USE ONLY

# PAYMENT OF PROCEEDS – SALES VOLUME RECONCILIATION PAYOR CONTACT FORM

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information will not replace the need for a	financial audit. PAYEE IN	FORMAT	ION		
NAME OF PAYEE: Colorado State	PHONE NO: 913-563-6253				
ADDRESS: P.O. Box 1588	ADDRESS: P.O. Box 1588			913-563-6259	
CITY: Tulsa	STATE: OK ZI	P: 74101	E-MAIL: stacy@georgebartonlaw.		
SIGNATURE	0	1	PAYEE NUMBE	R:	
	MINERA	L INFORM	Mark Control of the C		
WELL NAME: Kunsemiller 5-6	1-21-0108BH	COUNTY:	Weld County, Colo	rado	
QTR/QTR SEC: TOWNS NWNW 21 5N 61W	HIP: RANGE:	API NUME	BER: 05-123-38	211	
Payee should mark appropriate entri also attach a copy of the checkstub with a comment of the checkstub with a combination of the checkstub with a combination of the month and year during which the total quantity of product sold is measurement.  The price received per unit of meathous and cubic feet (MCF) or price gas.)  The total amount of severance taxisale.	vith all applicable nor on of name and nun eing made. the sale occurred. attributable to such surement. (Price pe per million British	-compliance of nber that ider payment, inc r barrel in the Thermal Units	letails noted.) Intifies the lease, produced in the lease of oil and prosections ("MMBTU") in the	ice per e case of X	
Sale. The payee's interest in the sale, ex decimal place. The payee's share of the sale befo identified with the payment.				<u>×</u>	
The payee's share of the sale after identified with the payment.  An address and telephone number questions answered.		1270.000 00 1000.00		<u>x</u>	
Add	litional Infori	nation R	equested		
[Note: This section asks for the add Written explanation of deduction whether or not identified with the See attached.	itional information pa ns or adjustments	yee may reques s over which	st under 118.(2.5) as	(5)	
Weter calibration testing record PAYMEN	s <u>×                                    </u>		OR RESPONS		
The payor,					
Name		Contact	Phone Number		

REQUEST FOR SALES VOLUME RECONCILIATION INFORMATION Payee should provide information at appropriate entries to request information regarding sales volume reconciliation.

			r		
WELL NAME:	Kunsemiller 5-61-21-0108BH		COUNTY: Weld Coun	ty, Colorado	
QTR/QTR	SEC: TOWNSHIP: RANG	GE:			
N	WNW 21 5N 61W		API NUMBER: 05-12	3-38211	
The payee req	juests the payor to provide a recor	nciliai	tion between the following		0.000
				GAS	OIL
The month ar	nd year during which the sale oc	curr	ed_10/22/09-present_	_X	-
Volume repor	rted as produced10/22/09-pres	sent		_X	
Volume repor	rted as sold 10/22/09-present		_·	_X	
Volumes show	wn as produced/sold do not agr	ee w	rith:		
Volume repor	rted to the COGCC 10/22/09-pr	esen	<u>t</u> .	_X	<del>2</del>
Volume repor	ted to another government age	ncy_	10/22/09-present.	_X	
Other informa	ation for sales reconciliation (sp	ecify	request)	X	
See attache	ed.				
The payor, — (date). Produce for the following	ed volumes from this well/lease ar g reasons:	re hig	, responded to this reginer/less than the sales vo	Diumes from this Percentage of d	ifference
				attributed to this	cause.
				GAS	OIL
Shrinkage du	ring transport.				
Used for com	pression during transport.				
Line loss or fu	uel use from the gathering line o	lurin	g transport.		-
A portion of the	he natural gas was vented or fla ort.	red o	or used as fuel		
Contractual or during this sa	verages or underages from prev les period.	/ious	s months were rectified		
Sold by others	s.				
Other (Please	Specify):	***************************************			
The gas meter	r(s) at this well site or lease was	last	calibrated on?	·	
The gas meter	r(s) at the sales point was last ca	alibra	ated on?		
I hereby certify and complete.	CER that the information provided on the		CATION orm is, to the best of my kn	nowledge, true,	correct
Payor's Repres	entative			Date	

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## State of Colorado Oil and Gas Conservation Commission

1120 Lincoln street, Suite 801, Denver, Colorado 80203 (303) 894-2100 Fax: (303) 894-2109

FOR OFFICIAL USE ONLY

# PAYMENT OF PROCEEDS – SALES VOLUME RECONCILIATION PAYOR CONTACT FORM

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information will not replace the need for a	financial audit. PAYEE IN	FORMAT	ION	
NAME OF PAYEE: Colorado State				13-563-6253
ADDRESS: P.O. Box 1588			FAX:	913-563-6259
CITY: Tulsa	STATE: OK ZI	P: 74101	E-MAIL: stacy@g	georgebartonlaw.com
SIGNATURE:			PAYEE NUMBER	R:
	MINERA	LINFORM	MATION	
WELL NAME: Kunsemiller 5-6	1-21-1609BH	COUNTY:	Weld County, Colora	ado
QTR/QTR SEC: TOWNS NWNW 21 5N 61W	212			
Payee should mark appropriate entri- also attach a copy of the checkstub want of the checkstub want or well for which payment is but the month and year during which the total quantity of product sold a measurement.  The price received per unit of measurement of the county of product sold and the price received per unit of measurement.  The price received per unit of measurement of the sold and the county of the payee's interest in the sale, exdecimal place.	with all applicable non on of name and nun eing made. the sale occurred. attributable to such surement. (Price per e per million British	formation requi-compliance of other that ider payment, incurs of the payment in the Thermal Units oduction taxe	uired by CRS 34-60-1 letails noted.) titifies the lease, pro luding the units of case of oil and pric s ("MMBTU") in the s or levies applied t	to the
The payee's share of the sale befo dentified with the payment. The payee's share of the sale after dentified with the payment. An address and telephone number	any deductions or a	adjustments r	πade by the payor α	_ <u>x</u> or _ <u>x</u>
questions answered.		7-29 N <u>e-3</u> 8		-
Add [Note: This section asks for the add Nritten explanation of deduction whether or not identified with the See attached.	ns or adjustments	yee may reques S over which	t under 118.(2.5) as a	
Meter calibration testing record PAYMEN	s <u>×</u> T OF PROCEE		oction reporting re	
The payor,		, respond w	ed to this request ovithin 60 days.) I/w	wing reasons:
Vame		Contact		

REQUEST FOR SALES VOLUME RECONCILIATION INFORMATION Payee should provide information at appropriate entries to request information regarding sales volume reconciliation.

WELL NAME:	Kunsemiller 5-61-21-1609BH		COUNTY:	Wel	d Count	y, Colorado		
QTR/QTR	SEC: TOWNSHIP: RAN	GE:						 1
N	IWNW 21 5N 61W		APINUMBI	ER:	05-123	3-38212		
The payee req	uests the payor to provide a reco	nciliat	ion between	the fo	ollowing		011	
					- 1	GAS	OIL	
The month an	nd year during which the sale o	ccurr	ed_10/22/09	-pres	sent.	_X		_
Volume repor	ted as produced 10/22/09-pre	sent				_X	-	-
Volume repor	ted as sold <u>10/22/09-present</u>					_X	S <del>economical</del>	-
Volumes show	wn as produced/sold do not ag	ree w	ith:					
Volume repor	ted to the COGCC 10/22/09-p	resen	<u>t</u> .			_X	-	2
Volume repor	ted to another government age	псу_	10/22/09-p	reser	<u>nt</u> .	_X	-	-
Other informa	ition for sales reconciliation (sp	pecify	request)			_X		_
See attache	d.							
(date). Produce for the following	ed volumes from this well/lease a g reasons:	ire hig	——, respond ther/less than	n the	sales vo	lumes from the		ase
						attributed to the		
						GAS	OIL	
Shrinkage dur	ring transport.						_	
Used for comp	pression during transport.					:	-	
Line loss or fu	uel use from the gathering line	durin	g transport.			N <del>-1000-000-0</del> )	S <del></del>	
A portion of the	ne natural gas was vented or fla ort.	ared o	or used as fu	ıel		e <del>freelessesses</del> e	•	_
Contractual or during this sal	verages or underages from pre les period.	vious	months we	re re	ctified			
Sold by others	5.						***************************************	
Other (Please	Specify):						1	_
The gas meter	(s) at this well site or lease was	s last	calibrated o	n?		menteron and a		
The gas meter	(s) at the sales point was last o	alibra	ated on? _					
I hereby certify and complete.	CER that the information provided on		CATION orm is, to the	best :	of my kn	owledge, true	e, correct	
Payor's Repres	entative					Date	-	

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## State of Colorado Oil and Gas Conservation Commission

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FOR OFFICIAL USE ONLY

1120 Lincoln street, Suite 801, Denver, Colorado 80203 (303) 894-2100 Fax: (303) 894-2109

# PAYMENT OF PROCEEDS – SALES VOLUME RECONCILIATION PAYOR CONTACT FORM

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information will not replace the need for a	financial audit. PAYEE IN	FORMAT	ION		
NAME OF PAYEE: Colorado State	Bank & Trust N A T		PHONE NO:	913-563-62	53
ADDRESS: P.O. Box 1588			FAX:	913-563	3-6259
CITY: Tulsa	STATE: OK ZI	P: 74101	E-MAIL: stac	y@georgebar	
SIGNATURE:	<i></i>		PAYEE NUM	BER:	
	MINERA	LINFORM		- Leannann	***************************************
WELL NAME: Kunsemiller 5-6	1-21-1724BH	COUNTY:	Weld County, C	olorado	
QTR/QTR SEC: TOWNS NWNW 21 5N 61W	HIP: RANGE:	API NUME	BER: 05-123	-38224	
REQUES Payee should mark appropriate entri also attach a copy of the checkstub want of the checkstub want or well for which payment is but the month and year during which the total quantity of product sold improvement.  The price received per unit of meathousand cubic feet (MCF) or price gas.)  The total amount of severance tax sale.  The payee's interest in the sale, explectional place.  The payee's share of the sale befo	with all applicable non on of name and nun leing made. the sale occurred. attributable to such surement. (Price per e per million British es and any other pro epressed as a decim	formation requi- compliance of their that ider payment, inc r barrel in the Thermal Units oduction taxe al and calcula	lired by CRS 34. letails noted.) utifies the lease, luding the units case of oil and s ("MMBTU") in s or levies appl	of price per the case of ied to the the sixth	
dentified with the payment. The payee's share of the sale after dentified with the payment. An address and telephone number	any deductions or a	adjustments i	nade by the pa	yor or	<u>x</u>
questions answered.	U.C 1 Y C				
Add [Note: This section asks for the add Written explanation of deduction whether or not identified with the See attached.	ns or adjustments	yee may reques s over which	t under 118.(2.5)	- na Proposition and State of the State of t	and the state of t
Meter calibration testing record PAYMEN	s <u>×</u> T OF PROCEE		OR RESPO	-	<u>x</u>
The payor,	2.5). (The payor mu	, respond ust respond v	ed to this requivithin 60 days.)	est on I/we could n following reas	(date) ot provide ons:
lame	**************************************	Contact	Phone Numbe	г	<del></del>

reconciliation.

WELL NAME: Kunsemiller 5-61-21-1724BH	COUNTY: Weld C	ounty, Colorado	
QTR/QTR SEC: TOWNSHIP: RANGE:			
NWNW 21 5N 61W	API NUMBER: 0	5-123-38224	
The payee requests the payor to provide a reconcilia	tion between the follow	50 A	
		GAS O	<u>.L</u>
The month and year during which the sale occurr	red 10/22/09-present		
Volume reported as produced10/22/09-present		_X	
Volume reported as sold <u>10/22/09-present</u>	<del></del> -	_X	
Volumes shown as produced/sold do not agree w	vith:		
Volume reported to the COGCC <u>10/22/09-preser</u>	nt .	_X	
Volume reported to another government agency	10/22/09-present.	_X	
Other information for sales reconciliation (specify	y request)	_X	
See attached.		_	
(date). Produced volumes from this well/lease are higher the following reasons:	gridineds than the said	Percentage of different attributed to this cause	ce
		GAS 0	<u>IL</u>
Shrinkage during transport.			
Used for compression during transport.			
Line loss or fuel use from the gathering line during	ig transport.		
A portion of the natural gas was vented or flared during transport.	or used as fuel		
Contractual overages or underages from previous during this sales period.	s months were rectifi	ed	
Sold by others.			
Other (Please Specify):			
The gas meter(s) at this well site or lease was last	calibrated on?	•	
The gas meter(s) at the sales point was last calibr	ated on?		
CERTIFI I hereby certify that the information provided on this for and complete.		y knowledge, true, correc	ot
Payor's Representative		Date	

FORM 37 Rev

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## State of Colorado Oil and Gas Conservation Commission

1120 Lincoln street, Suite 801, Denver, Colorado 80203 (303) 894-2100 Fax: (303) 894-2109

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information will not replace the need for a	financial audit. PAYEE IN	FORMAT	ION			
NAME OF PAYEE: Colorado State Bank & Trust N A TTEE			1	PHONE NO: 913-563-6253		
ADDRESS: P.O. Box 1588	ADDRESS: P.O. Box 1588			913-563-6	259	
CITY: Tulsa	STATE: OK ZI	P: 74101	E-MAIL: stacy@georgebartonlaw.c			
SIGNATURE:			PAYEE NUMBER	₹:		
	MINERA	L INFOR	MATION			
WELL NAME: Kunsemiller 5-6	i1-21-3225BH	COUNTY:	Weld County, Colora	ado		
QTR/QTR SEC: TOWNS	HIP: RANGE:	API NUME	BER: 05-123-382	223		
NWNW 21 5N 61W	T FOR PAYME			ODMATI	ON	
also attach a copy of the checkstub of the name, number, or a combination unit or well for which payment is been the total quantity of product sold improvement.  The price received per unit of meathousand cubic feet (MCF) or price gas.)  The total amount of severance taxisale.  The payee's interest in the sale, exidecimal place.  The payee's share of the sale before identified with the payment.  The payee's share of the sale after identified with the payment.  An address and telephone number questions answered.	on of name and numeing made. the sale occurred. attributable to such surement. (Price per e per million British ' es and any other pro pressed as a decim re any deductions or a	payment, inc r barrel in the Thermal Unit: oduction taxe al and calcul: r adjustments a	ntifies the lease, pro- luding the units of case of oil and pric s ("MMBTU") in the s or levies applied ated to at least the s s made by the payor	ce per case of to the sixth or or	x x x x x x x x	
**	litional Inforr	nation R	hatsauna			
[Note: This section asks for the add Written explanation of deductio (whether or not identified with t See attached.	litional information pa ns or adjustments	yee may reques s over which	st under 118.(2.5) as a			
Meter calibration testing record	s <u>X</u>	Produ	ction reporting re	ecords 🗵	x	
<u>PAYMEN</u>	T OF PROCEE	DS - PAY	OR RESPONS	<u>E</u>		
The payor,	2.5). (The payor mu	, respond ust respond v	led to this request vithin 60 days.) I/w	on ve could not wing reason:	(date) provide s:	
Vame		Contact	Phone Number			

 $\frac{REQUEST\ FOR\ SALES\ VOLUME\ RECONCILIATION\ INFORMATION}{Payee\ should\ provide\ information\ at\ appropriate\ entries\ to\ request\ information\ regarding\ sales\ volume\ }$ reconciliation.

WELL NAME: Kunsemiller 5-61-21-3225BH	COUNTY: Weld Count	y, Colorado	***************************************
QTR/QTR SEC: TOWNSHIP: RANGE:	API NUMBER: 05-123	3-38223	
The payee requests the payor to provide a reconcilia	tion between the following	volumes:	
		GAS	OIL
The month and year during which the sale occurr	red_10/22/09-present_	_X	
Volume reported as produced 10/22/09-present	<b>⊸</b> ·	X	***************************************
Volume reported as sold <u>10/22/09-present</u>		_X	
Volumes shown as produced/sold do not agree w	vith:		
Volume reported to the COGCC 10/22/09-preser	nt.	_X	
Volume reported to another government agency	10/22/09-present.	_X	
Other information for sales reconciliation (specify	y request)	_X	
See attached.	**************************************		
SALES VOLUME RECONCILE  The payor, (date). Produced volumes from this well/lease are higher the following reasons:	responded to this rea	uest on	well/lease
		Percentage of di	
		attributed to this	cause.
		GAS	OIL
Shrinkage during transport.			13
Used for compression during transport.			
Line loss or fuel use from the gathering line during	g transport.		***************************************
A portion of the natural gas was vented or flared during transport.	or used as fuel		·
Contractual overages or underages from previous during this sales period.	s months were rectified		
Sold by others.			
Other (Please Specify):			8 <del>2 - 10 - 10 - 10 - 10 - 10</del> 4
The gas meter(s) at this well site or lease was last.  The gas meter(s) at the sales point was last calibround the gas meter(s) at the sales point was last calibround the gas meter(s) at the sales point was last calibround the gas meter(s) at the sales point was last calibround the gas meter(s) at the sales point was last calibround the gas meter(s) at this well site or lease was last calibround the gas meter(s) at the sales point was last calibround the gas meter(s) at the sales point was last calibround the gas meter(s) at the sales point was last calibround the gas meter(s) at the sales point was last calibround the gas meter(s) at the sales point was last calibround the gas meter(s) at the sales point was last calibround the gas meter(s) at the sales point was last calibround the gas meter(s) at the sales point was last calibround the gas meter (s) at the sales point was last calibround the gas meter (s) at the sales point was last calibround the gas meter (s) at the gas meter	ated on?	<del></del>	correct
Payor's Representative		Date	

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information will not replace the need for a	financial audit. PAYEE INI	FORMAT	ION	<del></del>	
NAME OF PAYEE: McClintock & N		CIUIIII	PHONE NO:	913-563-62	53
Modification	III.OIOTO EEO			313-303-02	50
ADDRESS: P.O. Box 1588			FAX:	913-563	-6259
CITY: Tulsa	STATE: OK ZIF	P: 74101	E-MAIL: stacy	@georgebar	tonlaw.com
SIGNATURE:	and the second		PAYEE NUME	ER:	
	MINERA	L INFORM	MATION		
WELL NAME: Hawkins 5-61-2	:1-3340BH	COUNTY:	Weld County, Co	lorado	
QTR/QTR SEC: TOWNS		API NUME	BER: 05-123-3	37756	
NWSW 21 5N 61W	T FOR PAYME	NT OF D	POCEEDS II	NEODMA'	TION
Payee should mark appropriate entri- also attach a copy of the checkstub of The name, number, or a combinati- unit or well for which payment is be The month and year during which The total quantity of product sold in measurement.	with all applicable non- on of name and num reing made. the sale occurred.	-compliance d aber that iden	etails noted.) itifies the lease,	property,	ee should
The price received per unit of meathousand cubic feet (MCF) or price gas.)	surement. (Price per per million British 1	barrel in the Thermal Units	case of oil and page ("MMBTU") in t	price per the case of	<u>x</u>
The total amount of severance tax sale.	s and any other pro	duction taxe	s or levies appli	ed to the	_X
The payee's interest in the sale, ex decimal place.	pressed as a decima	al and calcula	ated to at least th	ne sixth	<u>x</u>
The payee's share of the sale befo identified with the payment.	re any deductions or	r adjustments	s made by the pa	ayor or	<u>x</u>
The payee's share of the sale after identified with the payment.	any deductions or a	djustments r	nade by the pay	or or	<u>X</u>
An address and telephone number questions answered.	from which addition	nal informatio	on may be obtair	ned and	
	litional Inforn				
[Note: This section asks for the add Written explanation of deductio (whether or not identified with t See attached.	ns or adjustments	over which	t under 118.(2.5) a n payor has con	s amended by I ntrol or infor	18 1180.] mation,
Meter calibration testing record	s <u>X</u>	Produ	ction reporting	g records	<u>x</u>
PAYMEN	T OF PROCEE	DS - PAY	OR RESPON	<u>ISE</u>	
The payor, as required by CRS 34-60-118.5( information concerning	2.5). (The payor mu	st respond w		I/we could no	ot provide
mormation concerning —————			—— for the fo	niowing reaso	ons:
Name		Contact	Phone Number		

reconciliation.

	T		
WELL NAME: Hawkins 5-61-21-3340BH	COUNTY: Weld Count	ty, Colorado	
QTR/QTR SEC: TOWNSHIP: RANGE:  NWSW 21 5N 61W	API NUMBER: 05-12	3-37756	
The payee requests the payor to provide a reconcilia	tion habiton the following	volumos:	
The payer requests the payor to provide a reconcilia	non between the following	GAS	OIL
The month and year during which the sale occurr	red_10/22/09-present_	_X	
Volume reported as produced _10/22/09-present		Х	
volume reported as produced	* <sub>:</sub>		***************************************
Volume reported as sold 10/22/09-present		_X	
Volumes shown as produced/sold do not agree w	ith:		
Volume reported to the COGCC 10/22/09-presen	<u>t</u> .	_X	
Volume reported to another government agency _	10/22/09-present.	_X	·
Other information for sales reconciliation (specify	request)	_X	
See attached.			
SALES VOLUME RECONCILI	60 8000 80000	31	
The payor, (date). Produced volumes from this well/lease are hig for the following reasons:	, responded to this red ther/less than the sales vo	quest on lumes from this	well/lease
•		Percentage of c	lifference
		attributed to this	s cause.
		GAS	OIL
Shrinkage during transport.		(C <del> </del>	
Used for compression during transport.		***************************************	
Line loss or fuel use from the gathering line durin	g transport.	2	-
A portion of the natural gas was vented or flared of during transport.	or used as fuel	( <del></del> )	-
Contractual overages or underages from previous during this sales period.	months were rectified		
Sold by others.		( <del></del>	-
Other (Blages Specific)			-
Other (Please Specify):			-
The gas meter(s) at this well site or lease was last	calibrated on?	•	
The gas meter(s) at the sales point was last calibrate	ated on?		
CERTIFIC			w.
I hereby certify that the information provided on this fo and complete.	rm is, to the best of my kn	owledge, true,	correct
Payor's Representative		Date	

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## State of Colorado Oil and Gas Conservation Commission

1120 Lincoln street, Suite 801, Denver, Colorado 80203 (303) 894-2100 Fax: (303) 894-2109

FOR OFFICIAL USE ONLY

# PAYMENT OF PROCEEDS – SALES VOLUME RECONCILIATION PAYOR CONTACT FORM

This form may be submitted only by a payee legally entitled to payment from proceeds derived from the sale of oil, gas, or associated products from a well in Colorado. The payee is to complete this form (one form per well) and submit it to the payor issuing the payment. Operator addresses may be found at the COGCC website <u>cogcc.state.co.us</u> at DATABASE under the category NAME, ADDRESS AND FINANCIAL ASSURANCE. This form must be submitted to the payor via certified mail. Using this form to request information will not replace the need for a financial audit.

information will not replace the need for a financial audit.  PAYEE INFOR	RMAT	ION			
NAME OF PAYEE: McClintock & Nikoloric LLC	PHONE NO:	913-563-625	53		
ADDRESS: P.O. Box 1588	FAV.		7		
		FAX:	913-563		
CITY: Tulsa STATE: OK ZIP: 7	4101	E-MAIL: stac	y@georgebart	onlaw.com	
SIGNATURE:		PAYEE NUME	BER:		
MINERALIN	VFOR	MATION			
WELL NAME: Hawkins 5-61-21-4841BH CO	UNTY:	Weld County, Co	olorado		
QTR/QTR SEC: TOWNSHIP: RANGE: NWSW 21 5N 61W	NUME	BER: 05-123-	37755		
REQUEST FOR PAYMENT	OFP	ROCEEDS I	NFORMA	TION	
Payee should mark appropriate entries to show missing information	ation req	uired by CRS 34-	60-118.5. (Pay	ee should	
also attach a copy of the checkstub with all applicable non-com The name, number, or a combination of name and number			neonostv		
unit or well for which payment is being made.	illat luel	iunes the lease,	property,	-	
The month and year during which the sale occurred.					
The total quantity of product sold attributable to such payn measurement.				<u>x</u>	
The price received per unit of measurement. (Price per barrel in the case of oil and price per thousand cubic feet (MCF) or price per million British Thermal Units ("MMBTU") in the case of gas.)  X					
The total amount of severance taxes and any other product sale.	tion taxe	es or levies appli	ed to the	<u>x</u>	
The payee's interest in the sale, expressed as a decimal an decimal place.	d calcul	ated to at least t	he sixth	<u>x</u>	
The payee's share of the sale before any deductions or adjudentified with the payment.	ustment	s made by the p	ayor or	<u>x</u>	
The payee's share of the sale after any deductions or adjus identified with the payment.	tments	made by the pay	or or	_X	
An address and telephone number from which additional in questions answered.			ned and		
Additional Informat	ion R	equested			
[Note: This section asks for the additional information payee m Written explanation of deductions or adjustments over (whether or not identified with the payment), regardin See attached.	er which	and the second control of the contro	market and the state of the sta	Control of the Contro	
Meter calibration testing records	Produ	uction reportin	g records	<u>x</u>	
PAYMENT OF PROCEEDS	- PAY	OR RESPO	NSE		
The payor,,	respond	led to this reque	est on ——	(date)	
as required by CRS 34-60-118.5(2.5). (The payor must re	spond v	within 60 days.)	I/we could n	ot provide	
information concerning ———————————————————————————————————		for the f	ollowing reas	ons:	
Name	Contact	Phone Number			

 $\frac{REQUEST\ FOR\ SALES\ VOLUME\ RECONCILIATION\ INFORMATION}{Payee\ should\ provide\ information\ at\ appropriate\ entries\ to\ request\ information\ regarding\ sales\ volume\ }$ reconciliation.

<b></b>							
WELL NAME:	Hawkins 5-61-21-4841BH	COUNTY: V	Veld County, Colorado				
QTR/QTR	SEC: TOWNSHIP: RANG	E:					
	NWSW 21 5N 61W	API NUMBER:	05-123-37755				
The payee req	quests the payor to provide a recond	ciliation between the		Agosto:			
			GAS	OIL			
The month ar	nd year during which the sale occ	curred_10/22/09-p	resent, X				
Volume repor	rted as produced 10/22/09-prese	ent	<u>X</u> _				
Volume repor	Volume reported as sold 10/22/09-present .						
Volumes sho	wn as produced/sold do not agre	e with:					
Volume repor	rted to the COGCC 10/22/09-pre	sent.	_X				
Volume repor	ted to another government agen	cy 10/22/09-pres	sent. X				
Other Informa	ation for sales reconciliation (spe	cify request)	_X				
See attache	ed.		-				
The payor	ed volumes from this well/lease are g reasons:	responde	d to this request on	rence			
			GAS	OIL			
Shrinkage du	ring transport.		3 <u></u> 3				
Used for com	pression during transport.		S <del></del>				
Line loss or fu	uel use from the gathering line d	uring transport.					
A portion of the during transp	he natural gas was vented or flar ort.	ed or used as fuel	-				
Contractual of during this sa	verages or underages from previ les period.	ious months were	rectified				
Sold by others	s.						
Other (Please	Specify):						
WARE TO THE REST OF THE REST	r(s) at this well site or lease was		·				
		IFICATION					
I hereby certify and complete.	that the information provided on th		st of my knowledge, true, cor	rect			
Payor's Repres	sentative		Date				

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information will not replace the need for a financial audit.				
PAYEE IN	FORMAT	ION		
NAME OF PAYEE: McClintock & Nikoloric LLC	PHONE NO:	913-563-62	253	
ADDRESS: P.O. Box 1588	FAX:	913-56	3-6259	
CITY: Tulsa STATE: OK ZI	P: 74101	E-MAIL: stac	y@georgebar	tonlaw.com
SIGNATURE:		PAYEE NUME	BER:	
MINERA	LINFORM			
WELL NAME: Hawkins 5-61-21-4956BH	COUNTY:	Weld County, Co	olorado	
QTR/QTR SEC: TOWNSHIP: RANGE: NWSW 21 5N 61W	API NUME	BER: 05-123-	37750	
REQUEST FOR PAYME	INT OF D	RUCEEDS I	NEODMA	TION
Payee should mark appropriate entries to show missing in	formation requ	uired by CRS 34-	60-118.5. (Pay	ree should
also attach a copy of the checkstub with all applicable non			our of the second second section of the second section is the second section of the second section of the second section is the second section of the second section is the second section of the second section is the second section of the	
The name, number, or a combination of name and nun unit or well for which payment is being made.	nber that ider	tifies the lease,	property,	
The month and year during which the sale occurred.				211111111111111111111111111111111111111
The total quantity of product sold attributable to such measurement.	payment, inc	luding the units	of	х
The price received per unit of measurement. (Price per thousand cubic feet (MCF) or price per million British gas.)				<u>x</u>
The total amount of severance taxes and any other prosale.	oduction taxe	s or levies appli	ed to the	_X
The payee's interest in the sale, expressed as a decim decimal place.	al and calcula	ated to at least t	he sixth	<u>x</u>
The payee's share of the sale before any deductions o identified with the payment.	r adjustments	s made by the p	ayor or	<u>x</u>
The payee's share of the sale after any deductions or a identified with the payment.	adjustments r	nade by the pay	or or	_x
An address and telephone number from which addition questions answered.	nal informatio	on may be obtain	ned and	
Additional Inform	nation R	equested		
[Note: This section asks for the additional information page. Written explanation of deductions or adjustments (whether or not identified with the payment), regasee attached.	s over which			
Meter calibration testing recordsX	Produ	iction reportin	g records	_X
PAYMENT OF PROCEE	DS - PAY	OR RESPO	<u>NSE</u>	
The payor, ————————————————————————————————————	, respond ust respond v	ed to this reque vithin 60 days.)	est on I/we could r	(date)
nformation concerning				
Name	Contact	Phone Number		

REQUEST FOR SALES VOLUME RECONCILIATION INFORMATION Payee should provide information at appropriate entries to request information regarding sales volume reconciliation.

WELL NAME: Hawkins 5-61-21-4956BH	COUNTY: Weld Coun	ty, Colorado	
QTR/QTR SEC: TOWNSHIP: RANG		3-37750	
NWSW 21 5N 61W			
The payee requests the payor to provide a recor	nciliation between the following		011
		GAS	OIL
The month and year during which the sale or	ccurred 10/22/09-present.	_X	
Volume reported as produced _10/22/09-pres	sent	Х	
volume reported as produced			-
Volume reported as sold <u>10/22/09-present</u>		X	-
Volumes shown as produced/sold do not agr	ree with:		
Volume reported to the COGCC 10/22/09-pr	esent .	_X	
Volume reported to another government age	ncy <u>10/22/09-present</u> .	_X	
Other information for sales reconciliation (sp	ecify request)	_X	
See attached.	-		
SALES VOLUME RECONC	CILIATION - PAYOR RI	<b>ESPONSE</b>	
The payor,	responded to this re-	quest on .	
(date). Produced volumes from this well/lease are for the following reasons:	e higher/less than the sales vo	lumes from this	well/lease
for the following reasons.			
		Percentage of dif attributed to this	
		GAS	OIL
Shrinkage during transport.			
Used for compression during transport.			
Line loss or fuel use from the gathering line of	luring transport.	2	
A portion of the natural gas was vented or fla during transport.	red or used as fuel	0.9-1-1-1-1-1-1-1	
Contractual overages or underages from prev	vious months were rectified		
during this sales period.			
Sold by others.		// <b>*****</b>	
Other (Please Specify):			
The gas meter(s) at this well site or lease was	last calibrated on?		
The gas meter(s) at the sales point was last ca	alibrated on?		
	<u>TIFICATION</u>		
I hereby certify that the information provided on the and complete.	nis form is, to the best of my kn	owledge, true, co	orrect
Payor's Representative		Date	

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information will not replace the need for a financial audit,	AKATION .
PAYEE INFOR	MATION
NAME OF PAYEE: McClintock & Nikoloric LLC	PHONE NO: 913-563-6253
ADDRESS: P.O. Box 1588	FAX: 913-563-6259
CITY: Tulsa STATE: OK ZIP: 74	101 E-MAIL:stacy@georgebartonlaw.com
SIGNATURE:	PAYEE NUMBER:
MINERAL IN	FORMATION
WELL NAME: Hawkins 5-61-21-6457BH COU	NTY: Weld County, Colorado
QTR/QTR SEC: TOWNSHIP: RANGE:	NUMBER: 05-123-37751
NWSW 21 5N 61W	OF PROCEEDS INFORMATION
Payee should mark appropriate entries to show missing informaticalso attach a copy of the checkstub with all applicable non-compliance. The name, number, or a combination of name and number the unit or well for which payment is being made.  The month and year during which the sale occurred.	ion required by CRS 34-60-118.5. (Payee should liance details noted.)
The total quantity of product sold attributable to such payme measurement.	ent, including the units of X
The price received per unit of measurement. (Price per barre thousand cubic feet (MCF) or price per million British Therms gas.)	I in the case of oil and price per
The total amount of severance taxes and any other production sale.	on taxes or levies applied to the
The payee's interest in the sale, expressed as a decimal and decimal place. $ \\$	calculated to at least the sixth
The payee's share of the sale before any deductions or adjust identified with the payment.	stments made by the payor orx
The payee's share of the sale after any deductions or adjustr identified with the payment.	nents made by the payor orX
An address and telephone number from which additional infequestions answered. $% \label{eq:continuous}%$	ormation may be obtained and
Additional Information	
[Note: This section asks for the additional information payee may Written explanation of deductions or adjustments over (whether or not identified with the payment), regarding See attached.	which payor has control or information,
Meter calibration testing records	Production reporting recordsX
PAYMENT OF PROCEEDS -	PAYOR RESPONSE
The payor,, re	esponded to this request on (date)
as required by CRS 34-60-118.5(2.5). (The payor must resinformation concerning	pond within 60 days.) I/we could not provide
and an action of the state of t	ioi tile ioliowilly reasons.
Name Co	ontact Phone Number

reconciliation.

WELL NAME: Hawkins 5-61-21-6457BH	COUNTY: Weld Coun	ty, Colorado	
QTR/QTR SEC: TOWNSHIP: RANGE:	APINUMBER: 05-12	3-37751	
NWSW 21 5N 61W			
The payee requests the payor to provide a reconciliat	ion between the following	volumes: GAS	OIL
The month and year during which the sale occurr	ed 10/22/09-present.	_X	
Volume reported as produced10/22/09-present	<b>•</b>	_X	
Volume reported as sold <u>10/22/09-present</u>	<b>-</b> -	_X	
Volumes shown as produced/sold do not agree w	ith:		
Volume reported to the COGCC 10/22/09-presen	<u>t</u> .	_X	
Volume reported to another government agency _	10/22/09-present.	X	
Other information for sales reconciliation (specify	request)	_X	4
See attached.			
SALES VOLUME RECONCILI	ATION - PAYOR RI	ESPONSE	
The payor,	mesponded to this recher/less than the sales vo	quest on llumes from this	well/lease
		Percentage of d	lifference
		attributed to this	
		GAS	OIL
Shrinkage during transport.		CAS	OIL
Used for compression during transport.			
		***************************************	-
Line loss or fuel use from the gathering line during			***************************************
A portion of the natural gas was vented or flared o during transport.	or used as fuel	( <del>-                                   </del>	(%
Contractual overages or underages from previous during this sales period.	months were rectified		
Sold by others.			
Other (Plane Crested)		0.	
Other (Please Specify):			
	-		
The gas meter(s) at this well site or lease was last	calibrated on?	•	
The gas meter(s) at the sales point was last calibra	ated on?		
CERTIFIC	CATION		
hereby certify that the information provided on this for and complete.		owledge, true,	correct
Payor's Representative		Date	
		Jaco	

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information will not replace the need for a financial audit.  PAYEE IN	EODMAT	ION	
NAME OF PAYEE: McClintock & Nikoloric LLC	FORMAT		13-563-6253
ADDRESS: P.O. Box 1588	FAX:	r I	
	Г	913-563-6259	
	IP: 74101	E-MAIL: stacy@	georgebartonlaw.com
SIGNATURE: MINEDA	LINEODA	PAYEE NUMBER	₹:
MINERA	L INFORM	MATION	
WELL NAME: Kunsemiller 5-61-21-0108BH	COUNTY:	Weld County, Color	ado
QTR/QTR SEC: TOWNSHIP: RANGE: NWNW 21 5N 61W	API NUMB	BER: 05-123-382	211
REQUEST FOR PAYME Payee should mark appropriate entries to show missing in also attach a copy of the checkstub with all applicable non The name, number, or a combination of name and nun unit or well for which payment is being made.	nformation requ n-compliance d	ired by CRS 34-60- etails noted.)	118.5. (Payee should
The month and year during which the sale occurred.  The total quantity of product sold attributable to such	payment, inc	luding the units of	
measurement.			<u>X</u>
The price received per unit of measurement. (Price per thousand cubic feet (MCF) or price per million British gas.)			
The total amount of severance taxes and any other prosale.	oduction taxe:	s or levies applied	to the _x
The payee's interest in the sale, expressed as a decim decimal place.	al and calcula	ated to at least the	sixth X
The payee's share of the sale before any deductions o identified with the payment.	r adjustments	s made by the payo	or or
The payee's share of the sale after any deductions or a identified with the payment.	adjustments r	made by the payor	or
An address and telephone number from which addition questions answered.			l and 
Additional Inform		•	
[Note: This section asks for the additional information pag Written explanation of deductions or adjustments (whether or not identified with the payment), rega See attached.	s over which		
Meter calibration testing recordsx	Produ	ction reporting r	ecords <u>x</u>
PAYMENT OF PROCEE	DS - PAY	OR RESPONS	<u>E</u>
The payor,			
Name	Contact	Phone Number	

 $\underbrace{REQUEST\ FOR\ SALES\ VOLUME\ RECONCILIATION\ INFORMATION}_{\text{Payee should provide information at appropriate entries to request information regarding sales volume}$ reconciliation.

		Y		
WELL NAME: Kunsemiller 5-61-21-0108BH		COUNTY: Weld Count	ty, Colorado	
QTR/QTR SEC: TOWNSHIP: RANG	E:	APINUMBER: 05-12	3-38211	
NWNW 21 5N 61W  The payee requests the payor to provide a recond				
The payor requests the payor to provide a recond	лиси	tion between the following	GAS GAS	OIL
The month and year during which the sale occ	urr	ed 10/22/09-present.	_X	
Volume reported as produced 10/22/09-prese	ent		_X	-
Volume reported as sold 10/22/09-present			_X	
Volumes shown as produced/sold do not agre	e w	ith:		
Volume reported to the COGCC 10/22/09-pre	sen	<u>t_</u> .	_X	<del>2</del>
Volume reported to another government agend	су_	10/22/09-present.	_X	
Other information for sales reconciliation (spe	cify	request)	X	
See attached.				
SALES VOLUME RECONCE  The payor, (date). Produced volumes from this well/lease are for the following reasons:		responded to this red	nuest on	s well/lease
			Percentage of o	
			GAS	OIL
Shrinkage during transport.			-	-
Used for compression during transport.				
Line loss or fuel use from the gathering line du	ırin	g transport.		
A portion of the natural gas was vented or flare during transport.	ed c	or used as fuel	Section 100 (100 ft)	1
Contractual overages or underages from previduring this sales period.	ous	months were rectified		
Sold by others.				
Other (Please Specify):				
The gas meter(s) at this well site or lease was I	ast	calibrated on?	- continuente con	
The gas meter(s) at the sales point was last cal	libra	ated on?		
CERT I hereby certify that the information provided on thi and complete.		CATION rm is, to the best of my kn	owledge, true,	correct
Payor's Representative		<u></u>	Date	

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Cindination will not replace the need for a		INFOR	MAT	ION	
PAYEE INFORMAT  NAME OF PAYEE: McClintock & Nikoloric LLC					ONE NO: 913-563-6253
			3000000	0.00000000	
ADDRESS: P.O. Box 1588				FA	X: 913-563-6259
CITY: Tulsa	STATE: OK	ZIP: 7	4101	E-N	AAIL: stacy@georgebartonlaw.com
SIGNATURE:				PAY	EE NUMBER:
	MINE	RAL IN	FORM	1AT	ION
WELL NAME: Kunsemiller 5-6	1-21-1609BH	COL	INTY:	Weld	County, Colorado
QTR/QTR SEC: TOWNS	HIP: RANG	SE: API	NUMB	FR:	05-123-38212
NWNW 21 5N 61W			1101112	-11.	55 (25 552)2
Payee should mark appropriate entri- also attach a copy of the checkstub v The name, number, or a combinati unit or well for which payment is b The month and year during which	es to show missir with all applicable on of name and eing made.	ng informat non-comp number ti	tion requ liance de	ired b etails	noted.)
The total quantity of product sold a measurement.	attributable to s	uch paym	ent, incl	uding	g the units of
The price received per unit of measthousand cubic feet (MCF) or price gas.)	surement. (Price per million Brit	per barre ish Therm	el in the al Units	case ("MN	of oil and price per MBTU") in the case of
The total amount of severance taxe sale.	es and any other	r producti	on taxes	s or le	evies applied to thex
The payee's interest in the sale, ex decimal place.	pressed as a de	cimal and	calcula	ted to	o at least the sixth
The payee's share of the sale before identified with the payment.	e any deduction	ns or adju	stments	mad	e by the payor orX
The payee's share of the sale after identified with the payment.	any deductions	or adjust	ments n	nade l	by the payor orx
An address and telephone number questions answered.	from which add	litional inf	ormatio	n may	y be obtained and
Add	itional Info	ormati	on Re	eaue	ested
	itional information ns or adjustme	n payee ma ents over	y request r which	unde	r 118.(2.5) as amended by HB 1180. ]
Meter calibration testing record	s <u>x</u>		Produ	ction	reporting records X
PAYMEN'	Г OF PROC	EEDS -	PAYO	OR I	RESPONSE
The payor, — as required by CRS 34-60-118.5(2 information concerning —	b). (The payor	must res	pond w	ithin i	
Name		С	ontact F	Phone	e Number

reconciliation.

r		——————————————————————————————————————		
WELL NAME:	Kunsemiller 5-61-21-1609BH	COUNTY: Weld Co	unty, Colorado	
	SEC: TOWNSHIP: RANGE		123-38212	
	WNW 21 5N 61W	L		
The payee req	uests the payor to provide a reconci	lation between the followi	ng volumes:  GAS OI	L
The month an	d year during which the sale occu	rred_10/22/09-present_	_X	
Volume rener	ted as produced_10/22/09-preser	nt .	Х	
volume repor	ted as produced 10/22/00 produc			_
Volume repor	ted as sold 10/22/09-present	•	_X	
Volumes show	vn as produced/sold do not agree	with:		
Volume repor	ted to the COGCC 10/22/09-pres	ent	_X	
Volume repor	ted to another government agenc	y 10/22/09-present.	_X	
Other informa	tion for sales reconciliation (spec	ify request)	_X	
See attache	d			
	SALES VOLUME RECONCI	IIATION DAVODI	DECDONCE	
The payor	ed volumes from this well/lease are	responded to this	request on	lease
			Percentage of difference	
			attributed to this cause.	ě
			GAS OI	L
Shrinkage dur	ing transport.			
Used for comp	pression during transport.			
Line loss or fu	el use from the gathering line dur	ing transport.	-	
A portion of the	e natural gas was vented or flared ort.	d or used as fuel		
Contractual ov	verages or underages from previo	us months were rectified	d	
Sold by others	SEC. 1		***************************************	***********
Other (Please	Specify):			
(	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,			
The gas meter	(s) at this well site or lease was la	st calibrated on?		
The gas meter	(s) at the sales point was last calil	brated on?		
I hereby certify and complete.	CERTII that the information provided on this	FICATION form is, to the best of my	knowledge, true, correc	:t
Payor's Repres	entalive	-	Date	

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1120 Lincoln street, Suite 801, Denver, Colorado 80203 (303) 894-2100 Fax: (303) 894-2109

# PAYMENT OF PROCEEDS – SALES VOLUME RECONCILIATION PAYOR CONTACT FORM

This form may be submitted only by a payee legally entitled to payment from proceeds derived from the sale of oil, gas, or associated products from a well in Colorado. The payee is to complete this form (one form per well) and submit it to the payor issuing the payment. Operator addresses may be found at the COGCC website <a href="mailto:cogcc.state.co.us">cogcc.state.co.us</a> at DATABASE under the category NAME, ADDRESS AND FINANCIAL ASSURANCE. This form must be submitted to the payor via certified mail. Using this form to request information will not replace the need for a financial audit.

(mornialist) viii riot replace the need for a	PAYEE IN	FORMAT	ION			
NAME OF PAYEE: McClintock & N	ikoloric LLC		PHC	NE NO: 913	3-563-625	3
ADDRESS: P.O. Box 1588			FAX	(:	913-563-	6259
CITY: Tulsa	STATE: OK ZI	P: 74101	E-M.	AIL: stacy@ge	eorgebarto	onlaw.com
SIGNATURE:			PAYE	E NUMBER:		
	MINERA	L INFORM	ITAN	ON		
WELL NAME: Kunsemiller 5-6	1-21-1724BH	COUNTY:	Weld (	County, Colorad	lo	
QTR/QTR SEC: TOWNS NWNW 21 5N 61W	HIP: RANGE:	API NUMB	ER:	05-123-3822	4	
REQUES: Payee should mark appropriate entri- laso attach a copy of the checkstub wathen ame, number, or a combination unit or well for which payment is but the month and year during which the total quantity of product sold a measurement.  The price received per unit of measthousand cubic feet (MCF) or price gas.)  The total amount of severance taxs sale.  The payee's interest in the sale, ex	with all applicable nor on of name and nur eing made. the sale occurred. attributable to such surement. (Price pe per million British es and any other pro	nformation requi- n-compliance d mber that iden payment, incl r barrel in the Thermal Units	uired by etails n tiffies t luding case of s ("MMI s or lev	CRS 34-60-11 oted.) he lease, prop the units of of oil and price BTU") in the c	8.5. (Paye erty, per per ase of	
decimal place.  The payee's share of the sale before						<u>x</u>
identified with the payment.  The payee's share of the sale after identified with the payment.	any deductions or	adjustments r	nade b	y the payor or	5	<u>x</u>
An address and telephone number questions answered.	from which additio	nal informatio	on may	be obtained a	nd	
Add	itional Infori	mation Re	eaue	sted		
[Note: This section asks for the add Written explanation of deductio (whether or not identified with t See attached.	itional information pa ns or adjustments	yee may reques s over which	t under	118.(2.5) as am		
Meter calibration testing record	s <u>X</u>	Produ	ction	reporting rec	ords	х
PAYMEN	T OF PROCEE	DS - PAY	OR R	ESPONSE		
The payor,	2.5). (The payor mu	, respond ust respond w	ed to t vithin 6	his request or 0 days.) I/we for the follow	could no	(date) t provide ns:
Name		Contact	Phone	Number		

REQUEST FOR SALES VOLUME RECONCILIATION INFORMATION

Payee should provide information at appropriate entries to request information regarding sales volume reconciliation.

Payor's Representative		Date	
and complete.			on sol
CERTIFIC I hereby certify that the information provided on this fo		owledge true	orrect
The gas meter(s) at the sales point was last calibrate	ated on?	•	
The gas meter(s) at this well site or lease was last	calibrated on?		
Other (Please Specify):			
Sold by others.			
during this sales period.			
during transport.  Contractual overages or underages from previous	months were rectified		
A portion of the natural gas was vented or flared of	or used as fuel	<del></del>	
Line loss or fuel use from the gathering line during	g transport.		
Used for compression during transport.			
Shrinkage during transport.			
		GAS	OIL
		Percentage of di attributed to this	
for the following reasons:	memess man me sales vol	ames num tills	Memicase.
The payor,	responded to this rea	uest on	well/losso
SALES VOLUME RECONCILI	ATION - PAVOR RE	SPONSE	
See attached.			
Other information for sales reconciliation (specify	request)	_X	
Volume reported to another government agency		_X	
Volume reported to the COGCC 10/22/09-presen	<u>t</u> .	_X	
Volumes shown as produced/sold do not agree w	ith:		
Volume reported as sold 10/22/09-present		_X	
Volume reported as produced10/22/09-present	<del>-</del>	_X	
The month and year during which the sale occurre		_X	2
MII and a second	40/00/00	GAS	<u> </u>
The payee requests the payor to provide a reconciliat	ion between the following v		OIL
NWNW 21 5N 61W	API NUMBER: 05-123	3-38224	
WELL NAME: Kunsemiller 5-61-21-1724BH  QTR/QTR SEC: TOWNSHIP: RANGE:	COUNTY: Weld County	y, Colorado	
MELL MAME: Kunggmiller F 64 24 4724DH	COUNTY, Wold County	. Colorada	

FORM 37 Rev

01/10

## State of Colorado Oil and Gas Conservation Commission

Oil and Gas Conservation Commission
1120 Lincoln street, Suite 801, Denver, Colorado 80203 (303) 894-2100 Fax: (303) 894-2109

FOR OFFICIAL USE ONLY

# PAYMENT OF PROCEEDS – SALES VOLUME RECONCILIATION PAYOR CONTACT FORM

This form may be submitted only by a payee legally entitled to payment from proceeds derived from the sale of oil, gas, or associated products from a well in Colorado. The payee is to complete this form (one form per well) and submit it to the payor issuing the payment. Operator addresses may be found at the COGCC website cogcc.state.co.us at DATABASE under the category NAME, ADDRESS AND FINANCIAL ASSURANCE. This form must be submitted to the payor via certified mail. Using this form to request information will not replace the need for a financial audit.

information will not re	eplace the need for a		EODMAT	LON		
NAME OF DAVE		PAYEE IN	FURMAI	-		
NAME OF PAYEE	McClintock & N	ikoloric LLC		PHONE NO:	913-563-62	53
ADDRESS: P.C	). Box 1588			FAX:	913-563	3-6259
CITY: Tulsa	_	STATE: OK Z	IP: 74101	E-MAIL: stac	y@georgebar	tonlaw.com
SIGNATURE:				PAYEE NUME	BER:	
		MINERA	L INFOR	MATION		
WELL NAME:	Kunsemiller 5-6	1-21-3225BH	COUNTY:	Weld County, Co	olorado	
	EC: TOWNSI NW 21 5N 61W	HIP: RANGE:	API NUME	BER: 05-123-	38223	
1400		T FOR PAYM	L ENT OF P	ROCEEDS I	NFORMA'	TION
also attach a copy The name, number unit or well for wh The month and ye	of the checkstub wer, or a combination in a combination in a combination is been during which the combine is a combine in	the sale occurred.	n-compliance on the state of th	details noted.) ntifies the lease,	property,	ee should
measurement.	or product sold a	attributable to such	payment, inc	riuding the units	of	_X
The price received thousand cubic for gas.)	d per unit of meas eet (MCF) or price	surement. (Price pe per million British	r barrel in the Thermal Unit	e case of oil and s ("MMBTU") in	price per the case of	<u>x</u>
The total amount sale.	of severance taxe	es and any other pr	oduction taxe	es or levies appli	ed to the	_X
The payee's interedecimal place.	est in the sale, ex	pressed as a decim	al and calcul	ated to at least t	he sixth	<u>x</u>
The payee's share identified with the		e any deductions o	or adjustment	s made by the pa	ayor or	<u>x</u>
The payee's share identified with the		any deductions or	adjustments i	made by the pay	or or	_X
An address and to questions answer		from which addition	nal information	on may be obtair	ned and	
		itional Infor				
Written explanat	ion of deduction	itional information pa ns or adjustment he payment), reg	s over which	st under 118.(2.5) ( n payor has co	ns amended by I ntrol or infor	∄ 1180. ] 'mation ,
Meter calibration	testing records	s <u>x</u>	Produ	ıction reporting	g records	<u>x</u>
	<u>PAYMEN</u>	r of procee	DS - PAY	OR RESPO	<u>ISE</u>	
The payor, ———as required by CF information conce		5). (The payor mi		led to this reque vithin 60 days.) for the fo		
Name			Contact	Phone Number		

reconciliation.

			_				
WELL NAME:	Kunsemiller 5-61-21-3225BH		COUNTY:	We	ld Count	ty, Colorado	
QTR/QTR S	EC: TOWNSHIP: RAN	GE:			Γ		
	VNW 21 5N 61W		API NUMBI			3-38223	
The payee requ	ests the payor to provide a reco	ncilia	tion between	the fo	ollowing	volumes: GAS	OIL
						GAS	UIL
The month and	l year during which the sale of	ccurr	ed 10/22/09	)-pre	sent.	_X	
Volume reporte	ed as produced 10/22/09-pres	sent	_•			_X	
Volume reporte	ed as sold 10/22/09-present		<b></b> •			_X	
Volumes show	n as produced/sold do not ag	ree w	ith:				
Volume reporte	ed to the COGCC 10/22/09-pr	resen	<u>t</u> .			_X	
Volume reporte	ed to another government age	псу_	10/22/09-p	reser	<u>ıt</u> .	_X	
Other informati	ion for sales reconciliation (sp	ecify	request)			_X	***************************************
See attached					7)		
The payor,(date). Produced for the following	I volumes from this well/lease a reasons:	re hig	, respond ther/less than	ded to	o this rec sales vo	quest on lumes from this Percentage of a attributed to this	difference
						attributed to this	s cause.
						GAS	OIL
Shrinkage durir	ng transport.						
Used for compr	ession during transport.					-	* <u>**************************</u>
Line loss or fue	l use from the gathering line o	durin	g transport.				-
A portion of the during transpor	natural gas was vented or fla t.	red o	or used as fu	iel			
Contractual ove during this sale	erages or underages from prev s period.	vious	months we	re re	ctified		***************************************
Sold by others.							
Other (Please S	pecify):					***************	
-							
rne gas meter(s	s) at this well site or lease was	last	calibrated o	n?			
The gas meter(s	at the sales point was last c	alibra	ated on? _				
I hereby certify th and complete.	<u>CER</u> at the information provided on the		CATION rm is, to the I	best (	of my kn	owledge, true,	correct
Payor's Represer	ntative				P	Date	



25 TYP E E PC INT PAIC PO PAI	KUNSER 2 00 0 40 3.54	AME  QUANTITY  LLER 05- 1690  11449  57  696  S 5-61-21 1106	VA 1)-71-0108 2 4 170 FACTOR 10 110 FACTOR 11 34	GROS	0EDUG 340 30 331 47 3 106 319 44 2 3	TIONS 30 SEV 82 CON	HET	INTEREST	0 01041567 0 01041567 0 01041567 0 01041567	20883 VALUE 49 34 47 49	DEDUC	SEV CON ADV SEV CON	\$3,114.80 NET SHARE
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16 RG RI 2 16 PP RI 0 115 G RI 3 116 O RI 49. 120 PP RI 0 120 PP RI 0 130 PP RI 0 140 O RI 49					15	83 CON			0 01041667		0 16	CON	
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D5 HA 16 RG AI 2 16 PP RI C 16 G RI 3						24 SEV			0 01041667		0 01		
D5 HA 16 RG AI 2 16 PP RI C 16 G RI 3						D9 CON			0 01041667		0.00		
D5 HA 16 RG RI 2 16 PP RI C 16 G RI J	19.87	492	11 24	574 32		20 ADV	22591 18	0 0104166		255 98	17 92		235 32
16 RG RI 2 16 PP RI C 16 G RI 3 16 O RI 49	0.000					74 SEV			0.01041667		2 56		
16 RG RI 2 16 PP RI C 16 G RI 3 16 O RI 49					17	20 CON			0.01041667		0 18	CON	
16 PP RI C 16 G RI J 16 O RI 49		5 5-61-21	6457BH						2.00		0.00		
16 G RI 3 16 O RI 49	2 80	2023		£68 43		79 ADV	5210 99	0 0104166		59 05		ADV	51 29
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Page 2 of 3



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May 21, 2018

Stacy A. Burrows Law Offices of George A. Barton, P.C. 7227 Metcalf Ave. #301 Overland Park, KS 66204

Re: Response to Form 37s Submitted by McClintock & Nikoloric LLC and U.S. Bank, NA as Trustee of the T.E. McClintock Trust

Dear Stacy:

This letter is in response to the Form 37s submitted by the Law Offices of George A. Barton, P.C. on behalf of McClintock & Nikoloric LLC and U.S. Bank, NA as Trustee of the T.E. McClintock Trust (collectively referred to herein as "McClintock"). Through this letter, HighPoint Operating Corporation<sup>1</sup> responds to the Form 37s for each of the wells identified on page 1 of your letter of March 22, 2018, and in each respective Form 37. As the Form 37s request data for multiple wells, HighPoint has provided its certification for the information provided for all eight (8) of these wells at the end of this letter.

HighPoint appreciates the opportunity to explain the royalty payments made to McClintock. Form 37 allows McClintock to request specific categories of information from HighPoint, according to statute or Colorado Oil and Gas Conservation Commission ("Commission") rules and regulations. Through the Form 37, a payee can request: (1) "payment

<sup>1</sup> On April 2, 2018, Bill Barrett Corporation changed its name to HighPoint Operating Corporation. For consistency, I will refer to the company as HighPoint.

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of proceeds information" required by section 34-60-118.5(2.3) of the Colorado Revised Statutes;

(2) an "explanation of deductions or adjustments over which pay[e]r has control or information,

(whether or not identified with the payment)" as allowed by section 34-60-118.5(2.5); (3)

"Meter calibration testing records" as allowed under section 34- 60-106(1)(e) and Commission

Rules 205 and 329; (4) "production reporting records" as allowed under section 34-60-106(1)(e)

and Commission Rules 205 and 329; and (5) "sales volume reconciliation information" as

allowed by Commission Rule 329(e). Accordingly, HighPoint will respond to the information

that the Form 37 and related statutes and regulations allow McClintock, as a payee, to request.

In addition to the Form 37, McClintock has submitted a request for 18 additional

categories of information. HighPoint has attempted to answer McClintock's requests as

completely as possible. But much of the requested information goes beyond the records that the

above referenced statutes and regulations require HighPoint to provide or maintain in its

possession. McClintock also requests information for which HighPoint does not have

information; i.e., prices that HighPoint never received and information related to products that

HighPoint never sold. Finally, HighPoint cannot produce much of the requested information

because it constitutes confidential business information or a trade secret that is protected by law.

Without waiving any objections or rights, and reserving any and all objections or legal rights.

HighPoint has answered, in part, McClintock's additional inquiries that are not allowed by the

Form 37, regulations, or statute.

McClintock requests data for nearly a ten-year period from October 2009 to the present.

First, McClintock's request seeks data outside the record retention requirements of the applicable

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Energy in the Law®

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statutes and regulations. See, e.g., Colo. Rev. Stat. § 34-60-106(1)(e) (five-year limit for record

retention); Commission Rule 329(e) (one-year limit for sales volume reconciliation). Second,

the time period reaches past any applicable statute of limitation that would apply in the court

system.

Third, HighPoint has not owned the McClintock leases for the entirety of that time

period. HighPoint acquired the McClintock Leases in 2012. Fourth, the subject wells were

drilled in 2013 and began producing hydrocarbons in late 2013 and/or early 2014. See

HPO\_00107 - HPO\_00137. Thus, the request for information since October 22, 2009 to the date

of first production is not applicable. Accordingly, HighPoint will respond with data dating back

to the most appropriate retention period required by law or regulation.

While HighPoint will attempt to answer all of McClintock's requests to the extent

possible, HighPoint notes that Commission Rule 329(e) prevents the abuse of the Form 37

process:

The Commission may act to prohibit or terminate any abuse of the reconciliation process, such as the submittal by a payee of multiple repeated requests for sales

volume reconciliation regarding the same well. Such action by the Commission may include, but is not limited to, reliving the payer from its obligation to answer

the request and limiting or prohibiting the payee's submittal of additional requests.

Commission Rule 329(e). McClintock's requests extend well beyond the appropriate time

period, seek information not required by statute or regulation, and seek confidential information.

While HighPoint responds in good faith in an attempt to answer McClintock's questions,

HighPoint does not waive its right to seek relief from the Commission for the impropriety of

McClintock's requests.

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**FORM 37 RESPONSE** 

McClintock attached only an October 2015 (Colorado State Bank) and a February 2017

(McClintock & Nikoloric LLC) check stub with its Form 37s. The October 2015 check stub

shows deductions taken against McClintock's royalties for compression ("COMP") and

processing ("PRC"). HighPoint refunded the McClintocks for all compression and processing

deductions previously taken, on their February 22, 2016 checks (#195973 & #195974).

HighPoint's methodology going forward from March 2016 accounted for these deduction

adjustments, as you can see from a review of those check stubs.

Therefore, as both parties have all of the check stubs, HighPoint will use McClintock's

January 2018 check stub that reflects the adjustments as a reference to respond to McClintock's

Form 37s. McClintock's January 2018 check stub is attached as Exhibit 1. HighPoint has also

attached as Exhibit 2-HPO\_00138 a pay detail for McClintock from the inception of royalty

payments from each of the 8 wells.

I. Payment of Proceeds and Written Explanation of Deductions or Adjustments

The payment-of-proceeds information requested by McClintock can largely be answered

by reference to McClintock's check stubs. As seen in Exhibit 1, p. 1, McClintock owns a royalty

interest in well number 18392, Kunsemiller 05-61-21-1609BH, located in the Denver-Julesburg

Basin, Weld County, Colorado.

For this well, and the other seven wells, HighPoint sold unprocessed gas under a

percentage-of-proceeds ("POP") contract to an unaffiliated party shortly downstream of the

wellhead. Under the POP contract, HighPoint received a set percentage of the proceeds that the

unaffiliated party received for the unaffiliated party's subsequent re-sale of various hydrocarbon products attributable to HighPoint's unprocessed gas. HighPoint accounted for the constituents of the unprocessed gas on a three-stream basis, which is customary for Securities and Exchange Commission reporting requirements. In other words, McClintock's check stub shows entries for the following product codes: (1) "O"-oil; (2) "RG"-residue gas; and (3) "PP"-plant products (natural gas liquids). As explained below, the check stub also contains entries for "G"-gas. Page 3 of **Exhibit 1**, McClintock's January 2018 check stub, describes these product codes.

McClintock's Form 37s only request information on gas, so HighPoint will not address oil.

### a. RG-Residue Gas

### i. Payment of Proceeds

As seen in Exhibit 2, p. 1, line 1 under the well number (18392) and well name for the Kunsemiller 05-61-21-1609BH well lists the following information after "11/17 RG":

- The column "Price" after the "Type" (RI or royalty interest) reflects the price received per MCF for RG. See Colo. Rev. Stat. § 34-60-118.5(2.3)(d).
- The next column "Quantity" reflects the total quantity in thousand cubic feet ("MCF") of RG attributable to HighPoint's wellhead sale of unprocessed gas. See id. § 34-60-118.5(2.3)(c).
- The next column "Deductions" reflects the severance ("SEV"), ad valorem ("ADV"), and conservation ("CON") taxes applied to the sale. *See id.* § 34-60-118.5(2.3)(e).

- The column marked "Interest" reflects McClintock's decimal interest in the sale.

  See id. § 34-60-118.5(2.3)(f).
- The next column "Value" reflects McClintock's dollar-value share of the sale before any deductions or adjustments. *See id.* § 34-60-118.5(2.3)(g). This number is McClintock's share of the *gross value* not of the net value HighPoint actually received.
- The last column "Net Share" reflects McClintock's dollar-value share of the sale after all deductions or adjustments. *See id.* § 34-60-118.5(2.3)(h). HighPoint only deducted the three taxes-ADV, SEV, and CON-from McClintock's share of RG as allowed by law and the leases.

### ii. Explanation of Other Deductions or Adjustments

HighPoint incurred a number of costs related to the sale of unprocessed gas that was later processed by the unaffiliated party to which HighPoint sold. For residue gas obtained from the unprocessed gas produced from Kunsemiller 05-61-21-1609BH, as reflected in the "Gross-Deductions" column, in addition to the SEV, ADV, and CON deduction previously discussed above, HighPoint incurred charges for "CFUEL"—fuel and "COMP"—compression.

As reflected in the "Owner- Deductions" column to the right, HighPoint did not charge McClintock for either CFUEL or COMP. Both entries show the amount of 0.00 for deductions for fuel and compression to McClintock. As noted above, HighPoint only charged McClintock the three required taxes.

As is customary in oil and gas operations, some gas may have been used by HighPoint or a third party to power compressor stations. Some gas may also have been unavoidably lost or unaccounted for as the gas traveled from the wellhead to the unaffiliated party's processing plant. All volumes for gas used as fuel or otherwise lost or unaccounted for from the wellhead to the inlet of the processing plant were credited to McClintock at the sales price identified above. HighPoint never received sales proceeds for these volumes.

### b. G—Gas

### i. Payments of Proceeds

The G entries reflect a relatively small amount of unprocessed gas that the unaffiliated party could not accept for processing at its processing plants. That gas was "bypassed" around the processing plants for a fee. HighPoint was charged the fee but did not charge the bypass fee to McClintock. HighPoint received 100% of the value of the unaffiliated party's resale of the bypass gas minus the bypass fee. In other words, there was no POP charged to the unprocessed gas designated as G. The bypass option ensured that HighPoint had a market for its gas, which allowed the wells to keep producing rather than be shut in due to the unaffiliated party's capacity constraints.

Like the RG - residue gas - entry, the G - gas - entry (see line 3 on p. 1 of Exhibit 1) contains all of the payment-of-proceeds information.

• The column "Price" the price received per thousand cubic feet ("MCF") for G. See Colo. Rev. Stat. § 34-60-118.5(2.3)(d).

- The column "Quantity" reflects the total quantity in MCF of G attributable to HighPoint's wellhead sale of unprocessed gas. *See id.* § 34-60-118.5(2.3)(c).
- The column "Gross Deductions" reflects the severance ("SEV"), ad valorem ("ADV"), and conservation ("CON") taxes applied to the sale. *See id.* § 34-60-1 18.5(2.3)(e).
- The column "Interest" reflects McClintock's interest in the sale. *See id.* § 34-60-118.5(2.3)(f).
- The column "Value" reflects McClintock's dollar-value share of the sale before any deductions or adjustments. *See id.* § 34-60-118.5(2.3)(g). This number is McClintock's share of the *gross value* not of the net value HighPoint actually received.
- The column "Net Share" reflects McClintock's dollar-value share of the sale after all deductions or adjustments. *See id.* § 34-60-118.5(2 .3)(h). HighPoint only deducted the three taxes-ADV, SEV, and CON-from McClintock's share of G as allowed by law and the leases.

### ii. Explanation of Deductions or Adjustments

HighPoint incurred a number of costs related to the sale of unprocessed gas that was bypassed by the unaffiliated party to which HighPoint sold. For gas produced from Kunsemiller 05-61-21-1609BH, as reflected below in the "Gross-Deductions" column, in addition to the SEV, ADV, and CON deductions discussed above, HighPoint incurred charges for "CGATH"-gathering and "COMP"- compression.

As reflected in the column "Owner-Deductions" for G, HighPoint did not charge McClintock for either CGATH or COMP. HighPoint only charged McClintock the three taxes.

### c. <u>PP—Plant Products</u>

i. Payments of Proceeds

Line 2 on p. 1 of **Exhibit 1** contains the payment of proceeds information for PP for the Kunsemiller 05-61-21-1609BH well as follows:

- The column "Price" reflects the price received per gallon for PP. See Colo. Rev. Stat. § 34-60-118.5(2.3)(d). As explained below, the PP price was adjusted to account for the POP reduction to the value HighPoint received for the sale of its unprocessed gas at the wellhead.
- The column "Quantity" reflects the total quantity in gallons of PP attributable to HighPoint's wellhead sale of unprocessed gas. *See id.* § 34-60-118.5(2.3)(c).
- The column "Gross- Deductions" reflects the severance ("SEV"), ad valorem ("ADV"), and conservation ("CON") taxes applied to the sale. *See id.* § 34-60-1 18.5(2.3)(e).
- The column "Interest" reflects McClintock's interest in the sale. *See id.* § 34-60-118.5(2.3)(f).
- The column "Value" reflects McClintock's dollar-value share of the sale before any deductions or adjustments, excepting the adjustment to the price received for PP to incorporate the POP contract structure. As explained below, this value also

accounts for condensate that was collected and sold. See further explanation

below. See id. § 34-60-118.5(2.3)(g).

The column "Net Share" reflects McClintock's dollar-value share of the sale after

all deductions or adjustments. See id. § 34-60-118.5(2 .3)(h). HighPoint only

deducted the three taxes-ADV, SEV, and CON-from McClintock's share of PP as

allowed by paragraph law and the lease.

ii. Explanation of Deductions or Adjustments

HighPoint incurred a number of costs related to the sale of unprocessed gas that was later

processed into plant products by the unaffiliated party to which HighPoint sold. For plant

products obtained from the unprocessed gas produced from the Kunsemiller 05-61-21-1609BH

well, as reflected in the column "Gross- Deductions" in addition to SEV, ADV, and CON

discussed above, HighPoint incurred charges for "PRC"-processing.

As reflected in the column "Owner- Deductions" HighPoint did not charge McClintock

for PRC. Again, HighPoint only charged McClintock the three taxes.

HighPoint also gathers heavier liquid hydrocarbons that fall out of the unprocessed gas

stream during gathering or compression. These liquids are commonly referred to as

"condensate." HighPoint sells the condensate to an unaffiliated party. The price and value

received for the volume of condensate is added into the price and value of plant products

reported on McClintock's check stubs.

The price received for plant products from the unaffiliated purchaser contains an

adjustment for the value of the POP retained by the unaffiliated party from its eventual re-sale of

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products obtained from HighPoint's unprocessed gas. The price received for plant products is

reduced by the value of the POP divided by the total gallons of plant products and includes the

price received for condensate. Rather than accounting for the POP through reductions to

volumes for residue gas or plant products, the POP is entirely accounted for through the price

received for plant products.

II. <u>Meter Calibration Testing Records</u>

Also included are the meter calibration testing records for the 8 wells listed on the

Form 37's and in your letter of March 22, 2018 as required by sections 34-60-106(1)(e) and

118.5(2.5). <sup>2</sup> HPO 00001 – HPO 00106.

HighPoint has provided meter calibration records from October 2013, when the 8 wells

were drilled to present. There are no meter calibration records for any time periods prior to

October 2013, as requested.

III. Production Reporting Records

HighPoint has included the production reporting records for the 8 wells listed on

the Form 37's and in your letter of March 22, 2018. These records are publicly available on the

Commission's website, but are produced at HPO 00107 to HPO 00137.

IV. Sales Volume Reconciliation

To reconcile sales volumes for the production related to McClintock's January

2018 check stub, HighPoint has produced its internal production records for November 2017,

<sup>2</sup> HighPoint is producing the Bates numbered Exhibits referred to herein. Any other documents and large attachments to this letter will be loaded into an FTP site due to the volume and size of the data requested by

McClintock, which FTP site will be noted in the accompanying email.

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which is attached as Exhibit 3. HPO 00139. As a comparison between HighPoint's internal

production and sale records and the Commission's records show, the gas produced, flared<sup>3</sup>, and

used volumes match. The only difference is that the "Gas Sold" entry in the Commission's

records incorrectly includes a small volume of gas that was used not sold. This small amount of

gas used is reflected in the "Gas Shrink" entry in HighPoint's internal records.

Please do not hesitate to contact me if you have any further questions.

Very truly yours,

BEATTY & WOZNIAK, P.C.

Karen L. Spaulding

Enc: Exhibits 1-3 and Ftp site

cc: Ken Wonstolen (w/out enc.)

<sup>3</sup> The flare volumes in the attached Exhibit 3 are correct, but are slightly different than what was initially reported to the COGCC. The flared volumes as reported to the COGCC will be corrected by HighPoint.

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### **CERTIFICATION**

I hereby certify that the information provided in this letter and related exhibits are, to the best of my knowledge, true, correct, and complete.