

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

APPLICATION OF FREEMAN INVESTMENTS, FOR ) CAUSE NO. 1  
AN ORDER DETERMINING WHETHER THE )  
COMMISSION HAS JURISDICTION OVER ) DOCKET NO. 180700617  
APPLICANT'S ROYALTY UNDERPAYMENT )  
CLAIMS AGAINST HIGHPOINT RESOURCES ) TYPE: GENERAL  
CORPORATION F/K/A BILL BARRETT ) ADMINISTRATIVE  
CORPORATION

NOTICE OF HEARING

TO ALL INTERESTED PARTIES AND TO WHOM IT MAY CONCERN:

WELLS

Pappenheim 6-62-23-0461BH (API No. 05-123-37263)  
Pappenheim 6-62-23-0560BH (API No. 05-123-37264)  
Pappenheim 6-62-23-0659CH (API No. 05-123-37265)  
Pappenheim 6-62-23-0164BH (API No. 05-123-37266)  
Pappenheim 6-62-23-0263BH (API No. 05-123-37268)  
Pappenheim 6-62-23-0362BH (API No. 05-123-37269)  
Pappenheim 6-62-23-0164CDH (API No. 05-123-37826)  
Pappenheim 6-62-23-0659CH (API No. 05-123-37265)  
Pappenheim 6-62-27-4956BH2 (API No. 05-123-38428)  
Pappenheim 6-62-27-3340BH2 (API No. 05-123-39294)  
Pappenheim 6-62-27-3225BH2 (API No. 05-123-39295)  
Pappenheim 6-62-27-1724BH (API No. 05-123-38490)  
Pappenheim 6-62-27-1609BH (API No. 05-123-38491)  
Pappenheim 6-62-27-4841BH2 (API No. 05-123-38430)  
Pappenheim 6-62-27-4956BH2 (API No. 05-123-38428)  
Pappenheim 6-62-27-6457BH2 (API No. 05-123-38429)  
Dutch Lake 11-13H (API No. 05-123-33588)  
Dutch Lake 16-24H (API No. 05-123-33411)  
Dutch Lake 17-25H (API No. 05-123-33406)  
Dutch Lake 6-62-23-0758BH (API No. 05-123-37824)  
Dutch Lake 6-62-23-0857BH (API No. 05-123-37825)  
Fiducial 6-62-34-3225BH2 (API No. 05-123-39298)  
Fiducial 6-62-34-1609BH2 (API No. 05-123-39299)  
Fiducial 6-62-34-1724BH2 (API No. 05-123-39300)  
Fiducial 6-62-34-4841BH2 (API No. 05-123-39262)  
Fiducial 6-62-34-3340BH2 (API No. 05-123-39263)  
Fiducial 6-62-34-6457BH2 (API No. 05-123-39296)  
Fiducial 6-62-34-4956BH2 (API No. 05-123-39297)  
Will 6-62-15-0560BH2 (API No. 05-123-40122)  
Will 6-62-15-0560CH2 (API No. 05-123-40120)  
Will 6-62-15-0461BH2 (API No. 05-123-40124)  
Will 6-62-15-0362AH2 (API No. 05-123-40123)  
Will 6-62-15-0560CH2 (API No. 05-123-40122)  
Will 6-62-15-0461CH2 (API No. 05-123-40119)

Will 6-62-15-0202BH2	(API No. 05-123-39993)
Will 6-62-15-0164C2B	(API No. 05-123-39994)
Will 6-62-15-0164B2B	(API No. 05-123-39995)
Will 6-62-15-0263CH2	(API No. 05-123-39996)
Will 6-62-15-0362BH2	(API No. 05-123-39998)

### APPLICATION

On September 10, 2018, Freeman Investments, a Colorado General Partnership ("Freeman"), by its attorneys, filed an Application for an Order Determining Whether the Commission has Jurisdiction Over Applicant's Royalty Underpayment Claims Against HighPoint Resources Corporation formerly known as Bill Barrett Corporation ("Bill Barrett") pursuant to §34-60-118.5, C.R.S., and Rule 503.b.(10), for an order to:

1) Declare that the Commission does not have jurisdiction over Freeman's royalty underpayment claims against Bill Barrett, and that such royalty underpayment claims should be determined in a district court lawsuit; or

2) In the alternative, if the Commission decides to exercise jurisdiction over Freeman's underpayment claims against Bill Barrett, then the Commission should compel Bill Barrett and certain third parties to produce relevant documents and electronic data and set the parties' dispute for a hearing on the merits.

### APPLICABLE STATUTE

- On July 1, 1990, §34-60-118.5, C.R.S., provided the Colorado Oil and Gas Conservation Commission with exclusive jurisdiction concerning the payment of proceeds derived from the sale of oil, gas or associated products from a well in Colorado including the following:
  - (a) The date on which payment of proceeds is due a payee under section (2) of the section;
  - (b) The existence or nonexistence of an occurrence pursuant to subsection (3) of this section which would justifiably cause a delay in payment; and
  - (c) The amount of the proceeds plus interest, if any due a payee or payer.
- Section 34-60-118.5(2) (a), C.R.S., provides that payment of proceeds derived from the sale of oil, gas, or associated products shall be paid by a payer to the payee commencing not later than six months after the end of the month in which production is first sold, and, thereafter, on a monthly basis not later than sixty days for oil and ninety days for gas and associated products following the end of the calendar month in which subsequent production is sold.
- Section 34-60-118.5(2.5) C.R.S. provides in pertinent part, that upon written request by payee, submitted to payer by certified mail, the payer shall provide to the payee a written explanation of those deductions over which the payer has control and for which the payer has information, whether or not identified with the payment.

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

Date: December 17-18, 2018  
Time: 9:00 a.m.  
Place: Colorado Oil and Gas Conservation Commission  
The Chancery Building  
1120 Lincoln Street, Suite 801  
Denver, Colorado 80203

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

In accordance with the Americans with Disabilities Act, if any party requires special accommodations as a result of a disability for this hearing, please contact Margaret Humecki at (303) 894-2100 ext. 5139, prior to the hearing and arrangements will be made.

At hearing, the Commission will consider the Application and enter an order pursuant to its authority under the statute. **Any interested party desiring to protest or intervene should file with the Commission a written protest or intervention in accordance with Rule 509., no later than December 3, 2018.** Such interested party shall, at the same time, serve a copy of the protest or intervention to the person filing the application. One electronic (cogcc.hearings\_unit@state.co.us), one original and two copies shall be filed with the Commission. **Anyone who files a protest or intervention must be able to participate in a prehearing conference during the week of December 3, 2018, if a prehearing conference is requested by the Applicant, or any person who has filed a protest or intervention.** Pursuant to Rule 511., if the matter is uncontested, it may be approved without a hearing.

OIL AND GAS CONSERVATION COMMISSION  
OF THE STATE OF COLORADO

By   
Julie Spence Prine, Secretary

Dated: November 1, 2018

Colorado Oil and Gas Conservation Commission  
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