

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

IN THE MATTER OF THE PAYMENT OF) CAUSE NO. 1
PROCEEDS FROM THE PRODUCTION OF OIL)
AND GAS AS ESTABLISHED BY SECTION 34-60-) DOCKET NO. 181000724
118.5, C.R.S., LOWER HORSE DRAW FIELD, RIO)
BLANCO COUNTY, COLORADO) TYPE: GENERAL
ADMINISTRATIVE

NOTICE OF HEARING

TO ALL INTERESTED PARTIES AND TO WHOM IT MAY CONCERN:

WELLS

Lower Horse Draw Unit # 2101	(API No. 05-103-05179)
Lower Horse Draw Unit # 2102	(API No. 05-103-05134)
Lower Horse Draw Unit # 2104	(API No. 05-103-05145)
Lower Horse Draw Unit # 2108	(API No. 05-103-05120)
Lower Horse Draw Unit # 2111	(API No. 05-103-05131)
Lower Horse Draw Unit # 2112	(API No. 05-103-05160)
Lower Horse Draw Unit # 2114	(API No. 05-103-07318)
Lower Horse Draw Unit # 2115	(API No. 05-103-07321)
Lower Horse Draw Unit # 2116	(API No. 05-103-07323)
Lower Horse Draw Unit # 2117	(API No. 05-103-07551)
Lower Horse Draw Unit # 2118	(API No. 05-103-07552)
Lower Horse Draw Unit # 2119	(API No. 05-103-07553)
Lower Horse Draw Unit # 2120	(API No. 05-103-07749)
Lower Horse Draw Unit # 2121	(API No. 05-103-07750)
Lower Horse Draw Unit # 2122	(API No. 05-103-07751)
Lower Horse Draw Unit # 2123	(API No. 05-103-07837)
Lower Horse Draw Unit # 2124	(API No. 05-103-07838)
Lower Horse Draw Unit # 2125	(API No. 05-103-08245)
Lower Horse Draw Unit # 2126	(API No. 05-103-08244)
Lower Horse Draw Unit # 2127	(API No. 05-103-09787)
Lower Horse Draw Unit # 2128	(API No. 05-103-09783)
Lower Horse Draw Unit # 2132	(API No. 05-103-09723)
Lower Horse Draw Unit # 2133	(API No. 05-103-09688)
Lower Horse Draw Unit # 2155	(API No. 05-103-09689)
Lower Horse Draw Unit # 2157	(API No. 05-103-09810)
Lower Horse Draw Unit # 2162	(API No. 05-103-09690)
Lower Horse Draw Unit # 2163	(API No. 05-103-09726)
Lower Horse Draw Unit # 2165	(API No. 05-103-09785)
Lower Horse Draw Unit # 2166	(API No. 05-103-09698)
Lower Horse Draw Unit # 2167	(API No. 05-103-09931)
Lower Horse Draw Unit # 2168	(API No. 05-103-09940)
Lower Horse Draw Unit # 2169	(API No. 05-103-09930)
Lower Horse Draw Unit # 2170	(API No. 05-103-09937)
Lower Horse Draw Unit # 2171	(API No. 05-103-09949)
Lower Horse Draw Unit # 2172	(API No. 05-103-09929)

Lower Horse Draw Unit # 2173	(API No. 05-103-09945)
Lower Horse Draw Unit # 2174	(API No. 05-103-09932)
Lower Horse Draw Unit # 2175	(API No. 05-103-09948)
Lower Horse Draw Unit # 2176	(API No. 05-103-09944)
Lower Horse Draw Unit # 2177	(API No. 05-103-09941)
Lower Horse Draw Unit # 2178	(API No. 05-103-09946)
Lower Horse Draw Unit # 2179	(API No. 05-103-09939)
Lower Horse Draw Unit # 2180	(API No. 05-103-09955)
Lower Horse Draw Unit # 2181	(API No. 05-103-09928)
Lower Horse Draw Unit # 2182	(API No. 05-103-09956)
Lower Horse Draw Unit # 2183X	(API No. 05-103-10004)
Lower Horse Draw Unit # 2184	(API No. 05-103-09968)
Lower Horse Draw Unit # 2185	(API No. 05-103-09926)
Lower Horse Draw Unit # 2186	(API No. 05-103-09942)
Lower Horse Draw Unit # 2187	(API No. 05-103-09943)
Lower Horse Draw Unit # 2188	(API No. 05-103-09933)
Lower Horse Draw Unit # 2189	(API No. 05-103-09936)
Lower Horse Draw Unit # 2191	(API No. 05-103-09947)
Lower Horse Draw Unit # 2192	(API No. 05-103-09966)
Lower Horse Draw Unit # 2193	(API No. 05-103-10005)
Lower Horse Draw Unit # 2194	(API No. 05-103-09938)
Lower Horse Draw Unit # 2203	(API No. 05-103-07338)
Lower Horse Draw Unit # 2204	(API No. 05-103-07272)
Lower Horse Draw Unit # A2205	(API No. 05-103-09229)
Lower Horse Draw Unit # 2212	(API No. 05-103-07344)
Lower Horse Draw Unit # 2214	(API No. 05-103-07392)
Lower Horse Draw Unit # B2215	(API No. 05-103-07291)
Lower Horse Draw Unit # F2221	(API No. 05-103-07452)
Lower Horse Draw Unit # A2223	(API No. 05-103-09595)
Lower Horse Draw Unit # A2228	(API No. 05-103-09801)
Lower Horse Draw Unit # 2231	(API No. 05-103-09858)
Lower Horse Draw Unit # 2238	(API No. 05-103-09960)
Lower Horse Draw Unit # 2241	(API No. 05-103-09961)
Lower Horse Draw Unit # 2250	(API No. 05-103-09963)
Lower Horse Draw Unit # 2252	(API No. 05-103-09962)
Lower Horse Draw Unit # 2252	(API No. 05-103-09962)
Lower Horse Draw Unit # 2255	(API No. 05-103-09981)

APPLICATION

On August 28, 2018, Joseph G. Denton, President of the General Partner of JGDAM I, Ltd. ("JGDAM I, Ltd." or "Payee"), by its attorneys, filed a Payment of Proceeds Hearing Request (Form 38) against Utah Gas OP Ltd., DBA Utah Gas Corporation (Operator No. 10539) ("Utah Gas") pursuant to Rule 503.b.(10) and §34-60-118.5, C.R.S., for an order to:

- 1) Award payment of proceeds and interest due from Utah Gas for production attributable to the abovementioned Wells located in Rio Blanco County under the supervision of the Commission; and
- 2) Award relief for all associated costs and attorney's fees due to Payee attributable to the payment from Utah Gas.

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