

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

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|---------------------------------------|---|----------------------|
| IN THE MATTER OF THE PROMULGATION AND |) | CAUSE NO. 112 |
| ESTABLISHMENT OF FIELD RULES TO |) | |
| GOVERN OPERATIONS FOR THE FRUITLAND |) | DOCKET NO. 181000758 |
| COAL FORMATION, IGNACIO BLANCO FIELD, |) | |
| ARCHULETA COUNTY, COLORADO |) | TYPE: UNITIZATION |

NOTICE OF HEARING

TO ALL INTERESTED PARTIES AND TO WHOM IT MAY CONCERN:

APPLICATION LANDS

Township 32 North, Range 4 West, N.M.P.M.

- Section 7: E/2; E/2W/2; Lots 1 and 2 (W/2NW/4);
Lots 3 and 4 (W/2SW/4)
- Section 8: S/2
- Section 17: All
- Section 18: Lots 1 and 2 (W/2NW/4); Lots 3 and 4
(W/2SW/4); NE/4; E/2NW/4; E/2SW/4;
SE/4
- Section 19: Lots 1 and 2 (W/2NW/4); Lots 3, 4, 5,
and 6 (S/2); NE/4; E/2NW/4
- Section 20: N/2; Lots 1, 2, 3, and 4 (S/2)

Township 32 North, Range 5 West

- Section 11: All
- Section 12: All
- Section 13: All
- Section 14: All
- Section 15: All
- Section 23: N/2; Lots 1, 2, 3, and 4 (S/2)
- Section 24: N/2; Lots 1, 2, 3, and 4 (S/2)

APPLICATION

1. On April 30, 2018, the Commission approved Order No. 112-283 which established an approximate 7,389.15-acre unit for the Application Lands, for the purpose of unit development of the Fruitland formation coal seams pursuant to §34-60-118, C.R.S., the Commission's 400 Series Rules and otherwise applicable law, and by which approval was given to a certain Unit Agreement and Unit Operating Agreement for the Ignacio-Blanco Field, Archuleta County, Colorado. It was further ordered that the plan of unit operations shall not become effective unless, or until the persons owning the required percentages of interest in the unit approve the plan.

2. On August 30, 2018, Red Willow Production Company ("Red Willow" or "Applicant"), filed a verified application for an order confirming that the plan for unit operations has

been approved in writing by those owners of at least eighty percent (80%) of the production or proceeds that will be credited to interests which are free of costs and by those owners who will be required to pay at least eighty percent (80%) of the costs of the unit operation.

APPLICABLE ORDERS AND RULES

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

- On April 30, 2018, the Commission unanimously approved Order No. 112-283, which established an approximate 7,389.15-acre unit for the below-described lands ("Unit Area"), for the purpose of unit development of the Fruitland formation coal seams pursuant to §34-60-118, C.R.S., the Commission's 400 Series Rules and otherwise applicable law, and authorized operations for the Unit Area pursuant to the Unit Agreement and Unit Operating Agreement

Order No. 112-283 further provided as follows:

This Order shall become effective upon approval in writing of the plan of unit operations by those persons who, under the Commission's Order, will be required to pay at least eighty-percent (80%) of the costs of unit operation, and also by the owners of at least eighty-percent (80%) of the production or proceeds thereof that will be credited to interests which are free of cost, such as royalties, overriding royalties, and production payments, and finding by the Commission in a supplemental order, after application, notice, and such supplemental hearing as may be required, that the requisite eighty-percent (80%) approvals have been obtained.

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

Date: October 29-30, 2018
Time: 9:00 a.m.
Place: Colorado Oil and Gas Conservation Commission
The Chancery Building
1120 Lincoln Street, Suite 801
Denver, CO 80203

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

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

At hearing, the Commission will consider the Application and enter an order pursuant to its authority under the statute. **Any interested party desiring to protest or intervene should file with the Commission a written protest or intervention in accordance with Rule 509., no later than October 15, 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 October 15, 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: September 24, 2018

Colorado Oil and Gas Conservation Commission
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