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

| IN THE MATTER OF ALLEGED VIOLATIONS OF THE RULES AND |) | CAUSE NO. 1V |
|---|---|-----------------------|
| REGULATIONS OF THE COLORADO OIL AND GAS CONSERVATION | Ś | |
| COMMISSION BY DIVERSIFIED OPERATING CORP. , WELD COUNTY, | Ś | ORDER NO. 1V- |
| COLORADO | í | DOCKET NO. 1108-0V-20 |

NOTICE OF ORDER FINDING VIOLATION HEARING

TO ALL INTERESTED PARTIES AND TO WHOM IT MAY CONCERN:

Pursuant to Rule 522.c., the Colorado Oil and Gas Conservation Commission ("Commission" or "COGCC") Staff will apply to the Commission on August 8, 2011 for an Order Finding Violation ("OFV") against Diversified Operating Corp. ("DOC") (Operator No. 24461), for its operation of oil and gas wells in Weld County (referred to collectively as the "Wells").

COGCC Staff has issued numerous Notices of Alleged Violations ("NOAVs") to DOC alleging certain rule violations which are tabulated below:

| Well Name/Number | API Number | NOAV Number | Rule Violations |
|-----------------------|--------------|-------------|---------------------------------|
| Sooner Unit # 2-21 | 05-123-13330 | 2001060 | 306.e. and 1004.a. |
| Sooner Unit # 1-21A | 05-123-15314 | 2001059 | 306.e. and 1004.a. |
| Seifried # 14-31 | 05-123-12579 | 2001058 | 306.e., 603.j., and 1004.a. |
| Sooner Unit # 14-16 | 05-123-13259 | 2001061 | 306.e. and 1004.a. |
| Sooner Unit # 16-13-8 | 05-123-21379 | 2001062 | 306.e. and 1004.a. |
| K+E # 2-1 | 05-123-21392 | 2001049 | 306.e. and 1004.a. |
| Sooner Unit # 3-28 | 05-123-13249 | 2001057 | 306.e. and 1004.a. |
| Chalk # 31-14 | 05-123-26661 | 2001056 | 306.e. and 1004.a. |
| Showers # 4-4 | 05-123-20859 | 2001051 | 306.e. and 1004.a. |
| Showers # 32-14-H | 05-123-19693 | 2001054 | 306.e., 603.j., and 1004.a. |
| Showers # 5-2 | 05-123-20532 | 2001052 | 306.e. and 1004.a. |
| Sooner Unit # 14-21 | 05-123-13276 | 2001055 | 306.e. and 1004.a. |
| Showers # 32-11 | 05-123-20472 | 2001053 | 306.e. and 1004.a. |
| Seifried # 3-6 | 05-123-12578 | 1897381 | 306.e., 603.j., and 1004.a. |
| Frank # 27-16 | 05-123-20168 | 1897380 | 603.j., 1004.a., and 1004.c.(2) |
| Green #5-3 | 05-123-20102 | 200121140 | 1004.a. |
| Green #5-6 | 05-123-22007 | 200121145 | 1004.a. |
| Sooner Unit # 15-21 | 05-123-13045 | 1237413 | 1004.a. |
| Sooner Unit # 1-20 | 05-123-13655 | 1237421 | 1004.a. |
| Sooner Unit # 9-21 | 05-123-15996 | 1237416 | 1004.a. |
| BJC #33-13X | 05-123-20843 | 12327343 | 1003.d.(3) |

COGCC Staff requests that DOC be found in violation of those rules cited above, and penalized under the relevant provisions of the rules.

NOTICE IS HEREBY GIVEN, that the Oil and Gas Conservation Commission of the State of Colorado, pursuant to the above, has scheduled the above-entitled matter for hearing on:

Date:

Monday, August 8, 2011 Tuesday, August 9, 2011

Time:

9:00 a.m.

Place:

Suite 801, The Chancery Building

1120 Lincoln Street Denver, Colorado 80203

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.

Pursuant to said hearing in the above-entitled matter at the time and place aforesaid, or at any adjourned meeting, the Commission will enter such orders as it deems appropriate to protect the health, safety and welfare of the public and to prevent the waste of oil and gas, either or both, in the operations of said field, and to carry out the purposes of the statute.

In accordance with Rule 509., any interested party desiring to protest the granting of the application or to intervene on the application should file with the Commission a written protest or intervention no later than July 25, 2011, briefly stating the basis of the protest or intervention. Such interested party shall, at the same time, serve a copy of the protest or intervention to the person filing the application. An original and 13 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 July 25, 2011.

IN THE NAME OF THE STATE OF COLORADO

OIL AND GAS CONSERVATION COMMISSION

OF THE STATE OF COLORADO

Robert A. Willis, Enforcement Officer

DOC Address of Record:
Diversified Operating Corporation
15000 W. 6th Ave, Suite 102
Golden, CO 80401

By

Dated at Suite 801 1120 Lincoln Street Denver, Colorado 80203 July 11, 2011