

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

IN THE MATTER OF ALLEGED VIOLATIONS OF THE RULES ) CAUSE NO. 1V  
AND REGULATIONS OF THE COLORADO OIL AND GAS )  
CONSERVATION COMMISSION BY **ORR ENERGY LLC**, ) DOCKET NO. 1106-OV-10  
WELD COUNTY, COLORADO )

**NOTICE OF ORDER FINDING VIOLATION HEARING**

Pursuant to Rule 522.c., the Colorado Oil and Gas Conservation Commission ("Commission" or "COGCC") Staff will apply to the Commission at its May 16, 2011 hearing for an Order Finding Violation ("OFV") against Orr Energy LLC ("Orr").

The OFV request involves Orr's failure to timely file an application for permit-to-drill ("APD"), Form 2, for the recompletion of several wells in the Codell Formation, along with a Sundry Notice, Form 4, detailing the work, and an updated wellbore diagram. The wells are identified below:

| <i>Well Name/Number</i> | <i>API Number</i> |
|-------------------------|-------------------|
| Lowe #31-34             | 05-123-24464      |
| Lowe #31-85             | 05-123-24890      |
| Lowe #31-24D            | 05-123-24876      |
| South #6-21D            | 05-123-25982      |
| South #6-22D            | 05-123-25984      |
| South #6-23D            | 05-123-25983      |
| South #6-24D            | 05-123-25981      |

COGCC Staff contends Orr violated Rule 303.b. at each well for its failure to timely file an APD, Form 2, for the recompletion of several wells in the Codell Formation, along with a Sundry Notice, Form 4, detailing the work, and an updated wellbore diagram. While it is the assertion of the COGCC Staff that these rule violations may result in damage to correlative rights, the maximum penalty for the violation for each well is set at Ten Thousand dollars (\$10,000). In accordance with Rule 523.d., COGCC Staff seeks the following adjusted fines for these violations:

| <i>Well Name/Number</i>     | <i>Adjusted Fine</i> |
|-----------------------------|----------------------|
| Lowe #31-34D                | \$3,000              |
| Lowe #31-85                 | \$3,000              |
| Lowe #31-24D                | \$3,000              |
| South #6-21D                | \$3,000              |
| South #6-22D                | \$3,000              |
| South #6-23D                | \$3,000              |
| South #6-24D                | \$3,000              |
| <i>Total Adjusted Fines</i> | <i>\$21,000</i>      |

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, June 27, 2011  
Tuesday, June 28, 2011

Time: 9:00 a.m.

Place: Elbert County Fairgrounds  
Ag Building  
95 Ute Avenue  
Kiowa, CO 80117

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

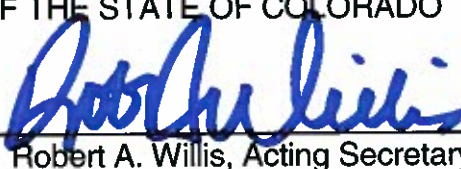
protect the health, safety and welfare of the public and to prevent the waste of oil and gas, either or both, in the operations of said field, and to carry out the purposes of the statute.

**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 June 13, 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 June 13, 2011.** Pursuant to Rule 503.g., if a party who has received notice under Rule 503.b. wishes to receive further pleadings in the above-referenced matter, that party must file a protest or intervention in accordance with these rules. In accordance with the practices of the Commission, should no protests or interventions be filed in this matter by **June 13, 2011, the Applicant may request that an administrative hearing be scheduled during the week of June 13, 2011.** In the alternative, pursuant to Rule 511., if the matter is uncontested, the applicant may request, and the Director may recommend approval on the basis of the merits of the verified application and the supporting exhibits.

IN THE NAME OF THE STATE OF COLORADO

OIL AND GAS CONSERVATION COMMISSION  
OF THE STATE OF COLORADO

By



Robert A. Willis, Acting Secretary

Dated at Suite 801  
1120 Lincoln Street  
Denver, Colorado 80203  
June 2, 2011