

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

IN THE MATTER OF THE PROMULGATION AND)	CAUSE NO. 542
ESTABLISHMENT OF FIELD RULES TO GOVERN)	
OPERATIONS IN THE ORCHARD FIELD,)	DOCKET NO. 1208-UP-211
MORGAN COUNTY, COLORADO)	

NOTICE OF HEARING

TO ALL INTERESTED PARTIES AND TO WHOM IT MAY CONCERN:

Rule 318.a. of the Rules and Regulations of the Oil and Gas Conservation Commission requires that wells drilled in excess of 2,500 feet in depth be located not less than 600 feet from any lease line, and located not less than 1,200 feet from any other producible or drilling oil or gas well when drilling to the same common source of supply. Section 2, Township 4 North, Range 60 West, 6th P.M. is subject to Rule 318.a. for all formations from the base of the J Sand Formation to the surface.

On June 21, 2012, Esenjay Operating, Inc. ("Esenjay" or "Applicant"), by its agents, filed with the Commission pursuant to § 34-60-116 C.R.S., a verified application ("Application") for an order to: 1) establish an approximate 80-acre drilling and spacing unit for the below-described lands ("Application Lands"), and approve up to two directional wells within the unit, for the production of oil, gas and associated hydrocarbons from all formations and depths from the base of the J Sand Formation to the surface, with the treated interval of the wellbore to be located no closer than 600 feet from the unit boundaries, and located not less than 1,200 feet from any other producible or drilling oil or gas well when drilling to the same common source of supply, without exception being granted by the Director; and 2) pool all interests within the approximate 80-acre drilling and spacing unit for the below-described Application Lands, to accommodate the Jones 2-12-4-60 Well ("Well"), for the development and operation of all formations from the base of the J Sand Formation to the surface, effective as of the earlier of the date of the Application, or the date that any of the costs specified in C.R.S. § 34-60-116(7)(b)(II) were first incurred for the drilling of each respective Well, and to subject any nonconsenting interests to the cost recovery provisions of C.R.S. § 34-60-116(7):

Township 4 North, Range 60 West, 6th P.M.
Section 2: NE¼ SW¼, NW¼ SE¼

NOTICE IS HEREBY GIVEN, pursuant to: 1) the general jurisdiction granted to the Oil and Gas Conservation Commission of the State of Colorado (Commission) under § 34-60-105 C.R.S.; 2) specific powers granted pursuant to § 34-60-106 C.R.S.; 3) the Colorado Administrative Procedures Act at § 24-4-105 C.R.S.; and 4) the Commission's Series 500 Rules at 2CCR 404-1, that the Commission has scheduled the above-entitled matter for hearing on:

Date: Monday, August 20, 2012
Tuesday, August 21, 2012

Time: 9:00 a.m.

Place: COGCC Offices
1120 Lincoln Street, Suite 801
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 August 6, 2012, 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 August 6, 2012.** 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 **August 6, 2012, the Applicant may request that an administrative hearing be scheduled beginning August 6, 2012.** 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 J. Frick, Secretary

Dated at Suite 801
1120 Lincoln Street
Denver, Colorado 80203
July 16, 2012

Agent for Esenjay:
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