

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

IN THE MATTER OF THE APPLICATION BY)	CAUSE NO. 407
MARATHON OIL AND GAS COMPANY,)	
PURSUANT TO C.R.S. § 34-60-116, FOR AN)	DOCKET NO. 1210-UP-244
ORDER POOLING ALL NONCONSENTING)	
INTERESTS, FOR THE NIOBRARA FORMATION,)	
WATTENBERG FIELD, LOCATED IN SECTIONS)	
24 AND 25, TOWNSHIP 7 NORTH, RANGE 62)	
WEST, 6 TH P.M., WELD COUNTY, COLORADO)	

NOTICE OF HEARING

TO ALL INTERESTED PARTIES AND TO WHOM IT MAY CONCERN:

On April 27, 1988, the Commission adopted Rule 318A which, among other things, allowed certain drilling locations to be utilized to drill or twin a well, deepen a well or recomplete a well and to commingle any or all Cretaceous Age Formations from the base of the Dakota Formation to the surface. Rule 318A supersedes all prior Commission drilling and spacing orders affecting well location and density requirements of Greater Wattenberg Area wells. On December 5, 2005, Rule 318A was amended, among other things, to allow interior infill and boundary wells to be drilled and wellbore spacing units to be established. On August 8, 2011, Rule 318A was again amended, among other things, to address drilling of horizontal wells. Sections 24 and 25, Township 7 North, Range 62 West, 6th P.M. are subject to Rule 318A for the Niobrara Formation.

On June 4, 2012 (effective May 29, 2012), the Commission entered Order Nos. 407-642 & 535-163 which, among other things, amended Commission Order No. 407-559 to vacate the spacing for Section 24, Township 7 North, Range 62 West, 6th P.M. and amended Commission Order No. 407-501 to vacate the spacing for Section 25, Township 7 North, Range 62 West, 6th P.M. In Order Nos. 407-642 & 535-163, the Commission also established a 1280-acre drilling and spacing unit and authorized up to four horizontal wells within the unit, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation, with the treated interval of any horizontal well to be no closer than 460 feet from the boundaries of the unit, without exception being granted by the Director. Sections 24 and 25, Township 7 North, Range 62 West, 6th P.M. are subject to this Order for the Niobrara Formation.

On August 1, 2012, Marathon Oil and Gas Company ("Marathon" or "Applicant"), by its attorneys, filed with the Commission pursuant to § 34-60-116 C.R.S., a verified application ("Application") for an order to pool all nonconsenting interests in an approximate 1280-acre drilling and spacing unit for the below-described lands ("Application Lands"), for the development and operation of the Niobrara Formation, 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 the Crow Valley 7-62-24-2H Well (API No. 05-123-35246), and to subject any nonconsenting interests to the cost recovery provisions of C.R.S. § 34-60-116(7):

Township 7 North, Range 62 West, 6th P.M.

Section 24: All

Section 25: All

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, October 1, 2012
Tuesday, October 2, 2012

Time: 9:00 a.m.

Place: Routt County Justice Center
1955 Shield Drive
Steamboat Springs, CO 80487

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 September 17, 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 September 17, 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 **September 17, 2012, the Applicant may request that an administrative hearing be scheduled beginning September 17, 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.

OIL AND GAS CONSERVATION COMMISSION
OF THE STATE OF COLORADO

By  _____
Robert J. Frick, Secretary

Dated: September 6, 2012

Colorado Oil and Gas Conservation
Commission
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