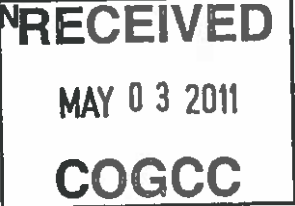




BEFORE THE OIL AND GAS CONSERVATION COMMISSION
OF THE STATE OF COLORADO



IN THE MATTER OF AN APPLICATION
CONCERNING PAYMENT OF
PROCEEDS IN THE WATTENBERG
FIELD, WELD COUNTY, COLORADO

CAUSE NO. 1

DOCKET NO. 1105-GA-05

REQUEST FOR APPROVAL UNDER RULE 511

ORIGINAL

COMES NOW, K. P. Kauffman, Inc. ("Applicant"), by and through its undersigned attorneys, and petitions the Hearing Officer for the Commission to recommend approval of its unprotested Application in the captioned matter, based on the merits of the verified application and its supporting exhibit, and without the necessity of an administrative hearing.

The Application in this matter seeks an order finding that a condition specified for the suspension of payments under the Payment of Proceeds Act, C.R.S. 34-60-118.5 ("the Act"), exists with respect to an undivided mineral interest in 76.245 acres in Section 22, SE1/4, Township 5 North, Range 66 West, 6th P.M., Weld County, Colorado ("Application Lands"), on which production has been established from the following wells:

- Strong #1-7
- Strong #2-8
- Strong #3-15
- Strong #4-22

At present, Applicant has put payments of proceeds for the Strong Wells into suspense.

As a legal matter, "[c]ompliance with the payment deadlines is suspended ... when payments are withheld ... due to any of the following reasons: ... A reasonable doubt by the payor as to the payee's identity, whereabouts, or clear title to an interest in proceeds ...," and the Commission has the jurisdiction to determine the "existence or nonexistence of an occurrence ... which would justifiably cause a delay in payment" *Id.*

Such doubt about the payee's identity – who is either Tuscany Parcel 2 LLC or Integrated Financial Associates, Inc. - and its title to an interest in proceeds is summarized in Exhibit A, attached to the Application, which Exhibit was prepared by Heidi Hande, attorney for Applicant in this matter, and a qualified title examiner. Ms. Hande's sworn statement attesting to her opinion, along with her resume, are attached hereto.

Accordingly, Applicant respectfully requests that this matter be recommended for approval by the Hearing Officer, without the necessity of an administrative hearing, and placed on the Consent Agenda of the Commission at its May 16, 2011, hearing.

Dated this 3rd day of May, 2011.

BEATTY & WOZNIAK, P.C.

By: _____

Kenneth A. Wonstolen
Heidi Hande
216 Sixteenth Street, Suite 1100
Denver, Colorado 80202-5155
303-407-4499

Applicant's Address
1675 Broadway, Suite 2800
Denver, CO 80202

STATE OF COLORADO)
)ss
CITY AND COUNTY OF DENVER)

1. I am an attorney at Beatty & Wozniak, P.C., with an office at 216 Sixteenth Street, Suite 1100, Denver, Colorado, 80202, and I am a qualified oil and gas title examiner.

3. Based upon these Materials Examined, I prepared the Summary of Title Dispute attached to K.P. Kauffman's Application for an order that a condition specified for the suspension of payments under the Payment of Proceeds Act, C.R.S. 34-60-118.5 ("the Act"), exists with respect to an undivided mineral interest in 76.245 acres in Section 22, SE1/4, Township 5 North, Range 66 West, 6th P.M., Weld County, Colorado ("Application Lands"), on which production has been established from the Strong #1-7, Strong #2-8, Strong #3-15 and Strong #4-22 wells.

DATED this 3rd day of May, 2011.

Heidi Hande

My Commission Expires:

March 3, 2015

NOTARY PUBLIC

Residing at:

MARY GRACE T. GO-HOVELAND
Notary Public
State of Colorado

BEATTY & WOZNIAK, P.C.

Energy in the Law®



HEIDI HANDE ATTORNEY AT LAW

Columbine Place, Suite 1100
216 Sixteenth Street
Denver, Colorado 80202-5115

303-407-4499 | ph
303-407-4494 | fax

hhande@bwenergylaw.com

EXPERIENCE

- | | |
|--------------|--|
| 2008-Present | BEATTY & WOZNIAK, P.C., Associate
Primary practice focuses on oil, gas and mineral title examination and due diligence matters. Also represents clients in the acquisition and divestiture of producing and non-producing oil and gas properties. |
| 2007-2008 | DAVIS, GRAHAM & STUBBS, LLP, Associate |
| 2007 | FOLKESTAD, FAZEKAS, BARRICK & PATOILE, P.C., Associate |
| 2006 | THE HONORABLE LELAND P. ANDERSON (RET.), FIRST JUDICIAL DISTRICT, JEFFERSON COUNTY, COLORADO, Law Clerk |
| 2001-2003 | THE CONSENSUS COUNCIL, Program Coordinator and Media Manager |

EDUCATION

- | | |
|------|--|
| 2006 | J.D., UNIVERSITY OF WYOMING COLLEGE OF LAW
<i>Wyoming Law Review</i>
Excellence in Advocacy Award (formerly <i>Order of the Barristers</i>) |
| 2002 | B.A., Environment and Natural Resources / Psychology, UNIVERSITY OF WYOMING |
| 2001 | B.S., Political Science, UNIVERSITY OF WYOMING |

BAR AND COURT ADMISSIONS

Wyoming Bar, Mineral Law Section
Colorado Bar, Natural Resource and Environmental Law Sections
Denver Bar Association

PUBLICATIONS

- 2010 "Leasing Minerals Below a River," *The Rocky Mountain Landman*, Vol. 28, Issue 5
2009 "Extending an Undeveloped Federal or State Lease," *The Rocky Mountain Landman*, Vol. 36, Issue 10, Co-Author
2009 "Probate Conveyances in Colorado," *The Rocky Mountain Landman*, Vol. 26, Issue 5, Co-Author
2008 "Federal Case Law Update," *State Bar of Texas, Oil, Gas and Energy Resources Law Section Report*
2006 "Is the EPA's Unitary Waters Theory All Wet?," *Wyoming Law Review*, 6 WYO. L. REV. 401
-

PRESENTATIONS

- 2009 "North Dakota Recording Statutes," EOG Resources, Inc., *Title University Seminar*, January 21-22
-

PROFESSIONAL AFFILIATIONS

Rocky Mountain Mineral Law Foundation, *Mineral Title Examination* Special Institute
Committee Member
Denver Association of Oil and Gas Title Lawyers, Secretary/Treasurer and Federal Reporter
Denver Association of Petroleum Landmen

PUBLIC AND COMMUNITY SERVICE

Leadership Douglas County, Graduate
Bicycle Douglas County, Member
Douglas County Open Space, Volunteer
Castle Rock Winefest, Volunteer