

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

IN THE MATTER OF THE APPLICATION OF HRM RESOURCES, LLC FOR AN ORDER TO POOL ALL INTERESTS IN AN APPROXIMATE 160-ACRE DRILLING AND SPACING UNIT ESTABLISHED FOR SECTION 36, TOWNSHIP 6 NORTH, RANGE 66 WEST, 6TH P.M., FOR THE CODELL AND NIOBRARA FORMATIONS, BRACEWELL FIELD, WELD COUNTY, COLORADO

CAUSE NO. 381 DOCKET NO. 1302-UP-33

NOTICE OF HEARING



02299296

TO ALL INTERESTED PARTIES AND TO WHOM IT MAY CO.

On June 27, 1983, the Commission entered Order No. 381-1 which, among other things, established 80-acre drilling and spacing units for the production of oil and associated hydrocarbons from the Codell Formation underlying certain lands in the Bracewell Field. Section 36, Township 6 North, Range 66 West, 6th P.M. is subject to this Order for the Codell Formation.

On June 18, 1984, the Commission entered Order No. 381-2 which, among other things, established 80-acre drilling and spacing units for the production of oil and associated hydrocarbons from the Niobrara Formation. By Order No. 381-2, the Niobrara Formation was included in the spaced area of the Bracewell Field as provided for in Order No. 381-1. Section 36, Township 6 North, Range 66 West, 6th P.M. is subject to this Order for the Niobrara Formation.

On June 18, 1984, the Commission entered Order No. 381-3 which, among other things, permitted multiple completion of wells in the Codell and Niobrara Formations, and where there is no difference in ownership between formations, to commingle production from the formations in the well-bore for existing wells and wells to be drilled. Section 36, Township 6 North, Range 66 West, 6th P.M. is subject to this Order for the Codell and Niobrara Formations.

On February 18, 1985, the Commission entered Order No. 381-5 which, among other things, approved an optional additional well on each established 80-acre drilling and spacing unit in the undrilled 40-acre tract, for the production of oil and associated hydrocarbons from the Codell and Niobrara Formations. The additional well would be subject to the Order Nos. 381-1, 381-2, and 381-3. Section 36, Township 6 North, Range 66 West, 6th P.M. is subject to this Order for the Codell and Niobrara Formations.

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 supercedes 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. Section 36, Township 6 North, Range 66 West, 6th P.M. is subject to this Rule for the Codell and Niobrara Formations.

On December 13, 2012, HRM Resources, LLC ("HRM" or "Applicant"), by its attorneys, filed with the Commission pursuant to §34-60-118 C.R.S. a concurrent application ("Concurrent Application"), Docket No. 1302-SP-23, for an order to: 1) vacate two approximate 80-acre drilling and spacing units established by Order Nos. 381-1 and 381-2; and 2) establish an approximate 160-acre drilling and spacing unit, and approve up to five vertical and/or directional wells to be drilled within the unit, for the production of oil, gas and associated hydrocarbons from the Codell and Niobrara Formations.

On December 13, 2012, HRM, by its attorneys, filed with the Commission pursuant to §34-60-118 C.R.S. a verified application ("Application") for an order to pool all interests in an approximate 160-acre drilling and spacing unit established for the below-described lands ("Application Lands"), for the development and operation of the Codell and Niobrara Formations, 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)(i) were first incurred for the drilling of the Hiner 31-36 Well, the Hiner 41-36 Well, the Hiner 6-2-36 Well, the Hiner 32-36 Well, and the Hiner 42-36 Well ("Wells"), and to subject any nonconsenting interests to the cost recovery provisions of C.R.S. §34-60-116(7).

Township 6 North, Range 66 West, 6th P.M. Section 36:NE¼

Due to a publication error beyond the Operator's control, this Notice of Hearing was not published at least 10 days in advance of the February 11, 2013 hearing. The Commission will consider this application for conditional approval at the February 11, 2013 hearing. This Notice of Hearing is being republished with a new Protest/Intervention date of March 11, 2013. The Order of the Commission shall become effective on March 12, 2013 if no protest or intervention is received. If a protest or intervention is received, the Commission's Order will be vacated, and the matter set for hearing during the week of March 11, 2013.

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, February 11, 2013 Tuesday, February 12, 2013

Time: 9:00 a.m.

Place: Colorado Oil and Gas Conservation Commission Offices The Chancery Building 1120 Lincoln Street, Suite 801 Denver, CO 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 Humeckl 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 January 28, 2013, 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 January 28, 2013. 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 January 28, 2013, the Applicant may request that an administrative hearing be scheduled beginning January 28, 2013. 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: January 15, 2013

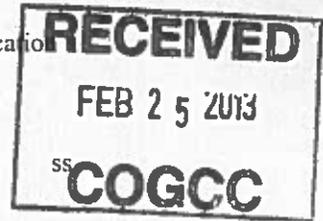
Colorado Oil and Gas Conservation Commission 1120 Lincoln Street, Suite 801

Website: http://cogcc.state.co.us Phone: (303) 894-2100 Fax: (303) 894-2109

Attorneys for HRM: Kenneth A. Wonstolen Gregory J. Nibert Jr. Beatty & Wozniak, P.C. 216 16th Street, Suite 1100 Denver, Colorado 80202 (303) 407-4499 kwonstolen@bwnenergylaw.com gnlbert@bwnenergylaw.com

The Tribune February 9, 2013

Affidavit of Publication



STATE OF COLORADO

County of Weld,

I Jennifer Usher

of said County of Weld, being duly sworn, say that I am an advertising clerk of

THE GREELEY TRIBUNE,

that the same is a daily newspaper of general circulation and printed and published in the City of Greeley, in said county and state; that the notice or advertisement, of which the annexed is a true copy, has been published in said daily newspaper for consecutive (days); that the notice was published in the regular and entire issue of every number of said newspaper during the period and time of publication of said notice, and in the newspaper proper and not in a supplement thereof; that the first publication of said notice was contained in the Ninth day of February A.D. 2013 and the last publication thereof: in the issue of said newspaper bearing the date of the Ninth day of February A.D. 2013 that said The Greeley Tribune has been published continuously and uninterruptedly during the period of at least six months next prior to the first issue thereof contained said notice or advertisement above referred to; that said newspaper has been admitted to the United States mails as second-class matter under the provisions of the Act of March 3, 1879, or any amendments thereof; and that said newspaper is a daily newspaper duly qualified for publishing legal notices and advertisements within the meaning of the laws of the State of Colorado.

February 9, 2013

Total Charges: \$293.68

[Signature]

9th day of February, 2013

My Commission Expires 6/14/2013

[Signature]

Notary Public

