STATE OF MICHIGAN
DEPARTMENT OF ENVIRONMENTAL QUALITY
SUPERVISOR OF WELLS

IN THE MATTER OF:

THE PETITION OF PAXTON RESOURCES, L.L.C., FOR AN ORDER FROM THE SUPERVISOR OF WELLS FORMING A 80-ACRE TRENTON FORMATION DRILLING UNIT BY COMPULSORY POOLING ALL INTERESTS INTO THE DRILLING UNIT IN SALINE TOWNSHIP, WASHTENAW COUNTY, MICHIGAN.	) CAUSE NO. 06-2012

NOTICE OF HEARING

Take notice that a contested case hearing will be held before the Supervisor of Wells (Supervisor) in the city of Lansing, Michigan, on the THIRTY-FIRST DAY OF MAY (MAY 31) 2012, BEGINNING AT 1:30 P.M., AT THE DEPARTMENT OF ENVIRONMENTAL QUALITY (DEQ), TOM DOWNS HEARING ROOM, ATRIUM LEVEL, SOUTH TOWER, CONSTITUTION HALL, 525 WEST ALLEGAN STREET, LANSING, MICHIGAN. The hearing will be conducted pursuant to Part 615, Supervisor of Wells, of the Natural Resources and Environmental Protection Act, 1994 PA 451, as amended (NREPA), MCL 324.61501 *et seq.*; the administrative rules, 1996 AACS, 2001 MR 2, 2002 MR 23, R 324.101 *et seq.*; and the Administrative Procedures Act, 1969 PA 306, as amended, MCL 24.201 *et seq.*; MSA 3.560(101) *et seq.*

The hearing is for the purpose of receiving testimony and evidence pertaining to the need or desirability of issuing an order in the matter of the petition of Paxton Resources, L.L.C. (Petitioner), 132 North Otsego Avenue, Gaylord, Michigan 49735.

The Petitioner seeks an order of the Supervisor, approving an exception to the 40-acre drilling units established by Supervisor's Order No. 18-2007, to form an 80-acre Trenton Formation drilling unit for the proposed Lutz D2-22 HD well by compulsory pooling all interests into the drilling unit, pursuant to R 324.304. The proposed drilling unit consists of the S 1/2 of SW 1/4 of Section 22, T4S, R5E, Saline Township, Washtenaw County, Michigan.

You can obtain a copy of the written petition by requesting one in writing from Mr. Gregory J. Vadnais, 132 North Otsego Avenue, Gaylord, Michigan 49735, telephone number 989-732-9400.

Take note that if you wish to participate as a party in the hearing by presenting evidence or cross-examining witnesses, you shall prepare and mail or otherwise deliver to the Petitioner and Supervisor, not less than five days before the hearing date, an answer to the petition in the manner set forth in R 324.1204(6). Proof of mailing or

delivering the answer shall be filed with the Supervisor on or before the date of the hearing. The answer shall state with specificity the interested person's position with regard to the petition. Failure to prepare and serve an answer in a timely manner shall preclude you from presenting evidence or cross-examining witnesses at the hearing. If an answer to the petition is not filed, the Supervisor may elect to consider the petition and enter an order without oral hearing. Mail the answer to the petition to Mr. Gregory J. Vadnais at the above address, and to the Supervisor in care of the Assistant Supervisor of Wells, Mr. Harold R. Fitch, at the address below.

Take further note that you may request a change in the location of the hearing to the county in which the proposed drilling unit is located. If the majority of the owners of the oil and gas rights, which are listed in the petition as not voluntarily pooling their interests into the proposed drilling unit, include in their timely filed answers a request to hold the hearing in the county where the proposed drilling unit is located, the Assistant Supervisor of Wells shall: (i) at the time and place scheduled in this notice adjourn the scheduled hearing; (ii) reschedule the hearing for a location in such county; and (iii) provide, by first-class mail, notice of the rescheduled hearing date, time, and place prior to the rescheduled hearing date to all persons who filed an answer in response to this notice.

Questions regarding the Notice of Hearing should be directed to Ms. Susan Maul, Resource Management Division, DEQ, P.O. Box 30241, Lansing, Michigan 48909-7741, telephone number 517-241-1552. Persons with disabilities needing accommodations for effective participation in this hearing should call or write Ms. Maul at least a week in advance of the hearing date to request mobility, visual, hearing, or other assistance.

Dated: April 26, 2012

Harold R. Fitch

HAROLD R. FITCH
ASSISTANT SUPERVISOR OF WELLS
Office of Oil, Gas, and Minerals
P.O. Box 30256
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