

RECORD OF PROCEEDINGS

December 15 and 16, 2014

The Colorado Oil and Gas Conservation Commission (“COGCC”) met on December 15 and 16, 2014, at the COGCC Denver Office, 1120 Lincoln St., Suite 801, Denver, CO 80203.

Monday, December 15, 2014 - Roll Call of Commissioners:

Present:

Tom Compton	Chairman
Andrew Spielman	Vice-Chairman (arrived at 9:30 a.m.)
Richard D. Alward	Commissioner
Mike King	Commissioner
Bill Hawkins	Commissioner
John Benton	Commissioner
Deann Craig	Commissioner
Larry Wolk	Commissioner
Tommy Holton	Commissioner
Matt Lepore	Director
Jake Matter	Assistant Attorney General
Jill Dorancy	Acting Secretary

Absent:

Approval of Proceedings:

Commissioner Chairman Compton made a motion to approve the minutes from the October 27, 2014. The motion was seconded by Commissioner Holton and approved unanimously.

DNR Executive Director’s Report:

DNR Executive Director King noted the following:

- 1) They have rolled out the draft water plan for the State, and are very pleased to be at this point. It was presented to the Governor last week. The CWCB is pleased, and we will begin to ask and answer tough questions regarding water and its scarcity. This will be a one year process.
- 2) The task force met in Rifle last week. There was constructive dialogue, and seeds to deal with the conflicts that occur when oil and gas development occurs alongside the urban landscape. This is a window of opportunity to resolve some of the conflicts and provide more opportunity for local input. The task force will make recommendations by the end of February.
- 3) We are weeks away from the new General Assembly—a different legislature with Republicans in charge of the Senate and Democrats in charge of the House. Gaspar Perricone is DNR’s legislative liaison.

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Commissioner Compton asked if the rest of the task force meetings are in Denver. There is one meeting in Greeley and then two more in Denver.

Director's Report:

COGCC Director Lepore noted the following:

- 1) The environmental group's report on naturally occurring radioactive materials in drill cuttings was completed. With horizontal drilling there are more cuttings brought to the surface. No radioactivity in excess of background levels was found in the drill cuttings.
- 2) The enforcement report was sent to the Governor earlier this in December. In 2014, there were 45 enforcement orders issued, a 25% increase in enforcement orders. There was also \$1.4 million in penalties assessed, which is an all time record.
- 3) Permit and Technical Services Manager Jane Stanczyk and Hearings Officer Jill Dorancy went to Salt Lake City, Utah to participate in a multi-state conference on forced pooling for horizontal drilling.
- 4) Field Inspection Manager Margaret Ash was recognized by the Denver Business Journal as one of the Top Women in Energy for 2014.
- 5) Additions to COGCC staff: Hearings Officers Jennifer Bock and James Rouse; a new permit and completion tech, Charles Romanchock; and new Oil and Gas Location Assessment specialist Rebecca Trietz.

Commissioner Comments:

There were no comments.

Public Comments:

- 1) Amanda Harper: Homeowner in western Weld County lives near Boulder County. A taxpayer and agriculturalist. She was speaking on behalf of concerned property owners in her rural neighborhood and as a representative of them. They are requesting an extension of the comment period for 12 wells for section 19 T2N, R68W, Rasmussen Farm. Encana is the operator. Requesting extension for two other applications. The applications are incomplete, negligent, and not ready for approval, they do not protect the health, welfare and safety of the neighborhood. These 12 sites and their industrial facilities are breaking the rules of the COGCC. Rules for good faith effort in submitting evidence have not been followed in the following ways: 1) evidence of surveying inadequate; 2) unresolved road boundaries; 3) complaints have not been resolved; 4) lack of input from government agencies; 5) citizens don't have time to give input. They want 20 days to give further input. Director Lepore also has been in touch with Ms. Harper and will meet with her.
- 2) Shawnda Barry: From Windsor, Colorado. She appeared to discuss two fracking sites. She wanted to offer solutions regarding the Great Western Pace facility. It is a large

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operation on 11 acres. It is surrounded on three sides by residential developments. She noted a CDPHE letter to COGCC asking to move the well site away from residential housing. She cited Rule 604 (“the as far as possible rule”). She quoted Director Lepore’s general statement that in some situations, it is worth taking a harder look—it is worth looking for alternatives. She said she had found alternatives where Great Western owns the minerals and has a surface use agreement in place. She showed a mineral lease map. Oil companies will be subject to Highland Farms restrictive covenants. The roads are not appropriate for heavy industry. She proposes a mineral swap with Great Western. Presented hand-outs to the Commission.

Director Lepore commented on the background of this matter. Director Lepore has visited the community and met twice with Great Western to look at some of these alternatives. Staff will continue to work with all parties.

- 3) Rod Brueske: Here to comment on the rulemaking. University of Colorado research confirms what I’ve been saying—there needs to be an external grand jury investigation regarding enforcement by this agency. He alleges criminal activity involved in interpretation of “pattern of violation” regulations. This agency’s interpretation of laws is failing the citizens of this state in favor of the oil and gas industry.
- 4) Ellen Readio: Resides in Longmont, CO in Boulder County within a historic landmark school. She came to piggyback on comments already made. Proposals for drilling will have direct impact on her family and neighbors. This is regarding the Rasmussen Family Farms and the Pleasant View community. Tens of thousands of trucks would be using the County Road if the proposal is approved. She said she had written a complaint that has yet to be reviewed. Until it is reviewed, it is too early to take action on this matter.

Consent Agenda

Director Lepore suggested that there may be items that should be taken off for further consideration. Commissioner Compton asked if there are any such items. Hearings Officer Dorancy stated that five protested matters had been pulled from the consent agenda. Commissioner Benton asked if Extraction matters were inside city limits. They are not. Commissioner Alward advised that in Group K, he would recuse himself from consideration of the 1412-AW-29 matter. Director Wolk asked if there were any audience comments on the consent agenda. Ms. Dorancy advised that there were none.

With 87 matters listed for the Consent Agenda, Chairman Compton suggested that, in the interest of time, the Commission consider all matters on the Consent Agenda as a single group (not including the Enforcement Group).

Commissioner Benton moved to approve the Consent Agenda (except for the 1412-AW-29 matter in Group K) as recommended by staff as follows:

Commissioner Compton asked the Commission to consider item K (1412-AW-29), so moved by Commissioner Benton seconded by Commissioner Craig. Approved unanimously.

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Group A-

Docket No. 1412-AW-31, Wattenberg Field, Adams County

Applicant: Ward Petroleum Corporation (Operator No. 10359)
Attorneys: J. Michael Morgan & Justin Plaskov

Subject: Request for an order to, among other things: 1) Approve an additional 11 horizontal wells, for a total of up to 12 horizontal wells, in an approximate 640-acre drilling and spacing unit established by Order No. 407-997 for the Application Lands, for the production of oil, gas and associated hydrocarbons from the Codell and Niobrara Formations.

Docket No. 1412-SP-2225, Wattenberg Field, Adams County

Applicant: Ward Petroleum Corporation (Operator No. 10359)
Attorneys: J. Michael Morgan & Justin Plaskov

Subject: Request for an order to, among other things: 1) Establish an approximate 640-acre drilling and spacing unit for the Application Lands, for the production of oil, gas and associated hydrocarbons from the Codell and Niobrara Formations; 2) Approve up to 12 horizontal wells within the unit.

Docket No. 1409-UP-257, Wattenberg Field, Weld County

Applicant: Synergy Resources Corporation (Operator No. 10311)
Attorneys: J. Michael Morgan & Justin Plaskov

Subject: Request for an order to, among other things: Pool all interests in two approximate 480-acre designated horizontal wellbore spacing units established for the Application Lands, for the development and operation of the Codell and Niobrara Formations, effective as of the date of the Application.

Group B-

Docket No. 1412-UP-356, Wattenberg Field, Weld County

Applicant: Great Western Operating Company, LLC (Operator No. 10110)
Attorneys: Jamie L. Jost & James P. Parrot

Subject: Request for an order to, among other things: Pool all interests in an approximate 320-acre designated horizontal wellbore spacing unit established for the Application Lands, for the development and operation of the Niobrara Formation.

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Docket No. 1412-UP-358, Unnamed Field, Wattenberg County

Applicant: Great Western Operating Company, LLC
(Operator No. 10110)

Subject: Request for an order to, among other things: Pool all interests in an approximate 320-acre designated horizontal well spacing unit established for the Application Lands, for the development and operation of the Niobrara Formation.

Docket No. 1412-UP-360, Wattenberg Field, Weld County

Applicant: Great Western Operating Company, LLC
(Operator No. 10110)

Attorneys: Jamie L. Jost & Joseph M. Evers

Subject: Request for an order to, among other things: Pool all interests in an approximate 320-acre designated horizontal wellbore spacing unit established for the Application Lands, for the development and operation of the Niobrara Formation.

Docket No. 1412-UP-361, Wattenberg Field, Weld County

Applicant: Great Western Operating Company, LLC
(Operator No. 10110)

Attorneys: Jamie L. Jost & Joseph M. Evers

Subject: Request for an order to, among other things: Pool all interests in an approximate 160-acre designated horizontal wellbore spacing unit established for the Application Lands, for the development and operation of the Codell Formation.

Group C-

Docket No. 1412-SP-2204, Wattenberg Field, Weld County

Applicant: Anadarko E&P Onshore LLC (Operator No. 2800)

Attorneys: Jamie L. Jost & Joseph M. Evers

Subject: Request for an order to, among other things: 1) Establish an approximate 1280-acre drilling and spacing unit for the Application Lands, for the production of oil, gas and associated hydrocarbons from the Codell Formation; 2) Approve one horizontal well within the unit.

Docket No. 1412-SP-2222, Hereford Field, Weld County

Applicant: Anadarko E&P Onshore LLC (Operator No. 2800)

Attorneys: Jamie L. Jost & Joseph M. Evers

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Subject: Request for an order to, among other things: 1) Establish an approximate 1318.71-acre drilling and spacing unit for the Application Lands, for the production of oil, gas and associated hydrocarbons from the Codell and Niobrara Formations; 2) Approve up to one horizontal well within the unit, for the production of oil, gas and associated hydrocarbons from the Codell Formation; 3) Approve up to one horizontal well within the unit, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation.

Docket No. 1412-SP-2223, Hereford Field, Weld County

Applicant: Anadarko E&P Onshore LLC (Operator No. 2800)
Attorneys: Jamie L. Jost & Joseph M. Evers

Subject: Request for an order to, among other things: 1) Establish an approximate 1305.33-acre drilling and spacing unit for the Application Lands, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation; 2) Approve up to one horizontal well within the unit.

Docket No. 1412-UP-347, Wattenberg Field, Weld County

Applicant: Kerr-McGee Oil & Gas Onshore LP (Operator No. 47120)
Attorneys: Jamie L. Jost & Joseph M. Evers

Subject: Request for an order to, among other things: Pool all interests in one approximate 240-acre designated horizontal wellbore spacing units and three approximate 480-acre designated horizontal wellbore spacing units established for the Application Lands, for the development and operation of the Codell and Niobrara Formations.

Docket No. 1412-UP-365, Wattenberg Field, Weld County

Applicant: Kerr-McGee Oil & Gas Onshore LP (Operator No. 47120)
Attorneys: Jamie L. Jost & Joseph M. Evers

Subject: Request for an order to, among other things: Pool all interests in two approximate 400-acre designated horizontal wellbore spacing units established for the Application Lands, for the development and operation of the Codell and Niobrara Formations.

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Group D-

Docket No. 1412-AW-27, Wattenberg Field, Weld County

Applicant: Bonanza Creek Energy LLC (Operator No. 8960)
Attorneys: Jamie L. Jost & Joseph M. Evers

Subject: Request for an order to, among other things: Approve an additional six horizontal wells, for a total of up to 10 horizontal wells, within an approximate 640-acre drilling and spacing unit established for the Application Lands, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation.

Docket No. 1412-EX-04, Wattenberg Field, Weld County

Applicant: Bonanza Creek Energy LLC (Operator No. 8960)
Attorneys: Jamie L. Jost & Joseph M. Evers

Subject: Request for an order to, among other things: Modify Order No. 407-1105 to allow 460 foot setbacks as to the northern unit boundary and southern unit boundary of the application lands.

Docket No. 1412-UP-325, Wattenberg Field, Weld County

Applicant: Bonanza Creek Energy LLC (Operator No. 8960)
Attorneys: Jamie L. Jost & Joseph M. Evers

Subject: Request for an order to, among other things: Pool all interests in two approximate 320-acre designated horizontal wellbore spacing units established for the Application Lands, for the development and operation of the Niobrara Formation.

Group E-

Docket No. 1412-SP-2174, Unnamed Field, Weld County

Applicant: Noble Energy, Inc. (Operator No. 100322)
Attorneys: Jamie L. Jost & Joseph M. Evers

Subject: Request for an order to, among other things: 1) Establish an approximate 640-acre drilling and spacing unit for the Application Lands, for the production of oil, gas and associated hydrocarbons from the Codell Formation; 2) Approve up to seven horizontal wells within the unit, for the production of oil, gas and associated hydrocarbons from the Codell Formation; 3) Approve an additional six wells, for a total of up to seven horizontal wells,

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within an approximate 640-acre drilling and spacing unit established by Order No. 535-3 for the Application Lands, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation.

Docket No. 1412-SP-2226, Unnamed Field, Weld County

Applicant: Noble Energy, Inc. (Operator No. 100322)

Attorneys: Jamie L. Jost & Joseph M. Evers

Subject: Request for an order to, among other things: 1) Establish an approximate 640-acre drilling and spacing unit for the Application Lands, for the production of oil, gas and associated hydrocarbons from the Codell Formation; 2) Approve up to 10 horizontal wells within the unit, for the production of oil, gas and associated hydrocarbons from the Codell Formation; 3) Approve an additional nine wells, for a total of up to 10 horizontal wells, within an approximate 640-acre drilling and spacing unit established by Order No. 535-3 for the Application Lands, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation.

Docket No. 1412-UP-326, Wattenberg Field, Weld County

Applicant: Noble Energy, Inc. (Operator No. 100322)

Attorneys: Jamie L. Jost & Joseph M. Evers

Subject: Request for an order to, among other things: Pool all interests in two approximate 400-acre designated horizontal wellbore spacing units established for the Application Lands, for the development and operation of the Niobrara Formation.

Docket No. 1412-UP-327, Wattenberg Field, Weld County

Applicant: Noble Energy, Inc. (Operator No. 100322)

Attorneys: Jamie L. Jost & Joseph M. Evers

Subject: Request for an order to, among other things: Pool all interests in an approximate 405.57-acre designated horizontal wellbore spacing unit established for the Application Lands, for the development and operation of the Codell Formation.

Group F-

Docket No. 1412-UP-328, Wattenberg Field, Weld County

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Applicant: Noble Energy, Inc. (Operator No. 100322)
Attorneys: Jamie L. Jost & Joseph M. Evers

Subject: Request for an order to, among other things: Pool all interests in an approximate 649.21-acre designated horizontal wellbore spacing unit established for the Application Lands, for the development and operation of the Niobrara Formation.

Docket No. 1412-UP-334, Wattenberg Field, Weld County

Applicant: Noble Energy, Inc. (Operator No. 100322)
Attorneys: Jamie L. Jost & Joseph M. Evers

Subject: Request for an order to, among other things: Pool all interests in an approximate 400-acre designated horizontal well spacing unit established for the Application Lands, for the development and operation of the Niobrara Formation.

Docket No. 1412-UP-335, Wattenberg Field, Weld County

Applicant: Noble Energy, Inc. (Operator No. 100322)
Attorneys: Jamie L. Jost & Joseph M. Evers

Subject: Request for an order to, among other things: Pool all interests in an approximate 640.32-acre designated horizontal well spacing unit established for the Application Lands, for the development and operation of the Niobrara Formation.

Docket No. 1412-UP-337, Wattenberg Field, Weld County

Applicant: Noble Energy, Inc. (Operator No. 100322)
Attorneys: Jamie L. Jost & Joseph M. Evers

Subject: Request for an order to, among other things: Pool all interests in an approximate 730.58-acre spacing unit established for the Application Lands, for the development and operation of the Niobrara Formation.

Docket No. 1412-UP-340, Wattenberg Field, Weld County

Applicant: Noble Energy, Inc. (Operator No. 100322)
Attorneys: Jamie L. Jost & Joseph M. Evers

Subject: Request for an order to, among other things: Pool all interests in an approximate 404.19-acre designated horizontal wellbore spacing unit established for the Application Lands, for the

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development and operation of the Niobrara Formation.

Group G-

Docket No. 1412-UP-341, Wattenberg Field, Weld County

Applicant: Noble Energy, Inc. (Operator No. 100322)

Attorneys: Jamie L. Jost & Joseph M. Evers

Subject: Request for an order to, among other things: Pool all interests in an approximate 404.19-acre designated horizontal wellbore spacing unit established for the Application Lands, for the development and operation of the Niobrara Formation.

Docket No. 1412-UP-342, Wattenberg Field, Weld County

Applicant: Noble Energy, Inc. (Operator No. 100322)

Attorneys: Jamie L. Jost & Joseph M. Evers

Subject: Request for an order to, among other things: Pool all interests in an approximate 403.87-acre designated horizontal wellbore spacing unit established for the Application Lands, for the development and operation of the Codell Formation.

Docket No. 1412-UP-343, Wattenberg Field, Weld County

Applicant: Noble Energy, Inc. (Operator No. 100322)

Attorneys: Jamie L. Jost & Joseph M. Evers

Subject: Request for an order to, among other things: Pool all interests in an approximate 403.87-acre designated horizontal wellbore spacing unit established for the Application Lands, for the development and operation of the Niobrara Formation.

Docket No. 1412-UP-348, Wattenberg Field, Weld County

Applicant: Noble Energy, Inc. (Operator No. 100322)

Attorneys: Jamie L. Jost & Joseph M. Evers

Subject: Request for an order to, among other things: Pool all interests in an approximate 160-acre drilling and spacing unit established for the Application Lands, for the development and operation of the Codell and Niobrara Formation.

Docket No. 1412-UP-349, Wattenberg Field, Weld County

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Applicant: Noble Energy, Inc. (Operator No. 100322)
Attorneys: Jamie L. Jost & Joseph M. Evers

Subject: Request for an order to, among other things: Pool all interests in an approximate 160-acre drilling and spacing unit established for the Application Lands, for the development and operation of the Codell and Niobrara Formations.

Group H-

Docket No. 1412-SP-2202, Hereford Field, Weld County

Applicant: EOG Resources, Inc. (Operator No. 27742)
Attorneys: Jamie L. Jost & Joseph M. Evers

Subject: Request for an order to, among other things: 1) Establish an approximate 1280-acre drilling and spacing unit for the Application Lands, for the production of oil, gas and associated hydrocarbons from the Codell Formation; 2) Approve one horizontal well within the unit

Docket No. 1412-SP-2215, Unnamed Field, Arapahoe County

Applicant: Verdad Oil & Gas Corporation (Operator No. 10485)
Attorneys: Jamie L. Jost & Joseph M. Evers

Subject: Request for an order to, among other things: 1) Vacate four approximate 80-acre drilling and spacing units established by Order No. 407-87 for the Application Lands, for the production of oil, gas and associated hydrocarbons from the Codell and Niobrara Formations. 2) Establish an approximate 640-acre drilling and spacing unit for the Application Lands, for the production of oil, gas and associated hydrocarbons from the Codell and Niobrara Formations; 3) Approve up to eight horizontal wells within the unit.

Docket No. 1410-UP-298, Wattenberg Field, Weld County

Applicant: PDC Energy, Inc. (Operator No. 69175)
Attorneys: Jamie L. Jost & Joseph M. Evers

Subject: Request for an order to, among other things: Pool all interests in an approximate 320-acre designated horizontal wellbore spacing unit established for the Application Lands, for the development and operation of the Niobrara Formation.

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Docket No. 1410-UP-306, Wattenberg Field, Weld County

Applicant: PDC Energy, Inc. (Operator No. 69175)

Attorneys: Jamie L. Jost & Joseph M. Evers

Subject: Request for an order to, among other things: Pool all interests in an approximate 320-acre designated wellbore spacing unit and an approximate 80-acre designated wellbore spacing unit established for the Application Lands, for the development and operation of the "J" Sand and Codell-Niobrara Formations.

Group I-

Docket No. 1412-UP-371, Wattenberg Field, Weld County

Applicant: Red Hawk Petroleum, LLC (Operator No. 10503)

Attorneys: Brent D. Chicken

Subject: Request for an order to, among other things: Amend Order Nos. 407-514 and 535-104 to include the Codell Formation as to the Application Lands, for the production of oil, gas and associated hydrocarbons from the Codell Formation; 2) Approve the drilling of up to 15 additional horizontal wells, for a total of 16 horizontal wells, in the approximate 1280-acre drilling and spacing unit established for the Application Lands, for the production of oil, gas and associated hydrocarbons from the Codell-Niobrara Formation.

Group J-

Docket No. 1412-AW-32, Unnamed Field, Weld County

Applicant: Carrizo Oil and Gas, Inc. (Operator No. 10338)

Attorneys: Elizabeth Y. Spencer

Subject: Request for an order to, among other things: Approve an additional two horizontal wells, for a total of up to 16 horizontal wells, in an approximate 640-acre drilling and spacing unit established for the Application Lands, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation.

Docket No. 1412-AW-33, Unnamed Field, Weld County

Applicant: Carrizo Oil and Gas, Inc. (Operator No. 10338)

Attorneys: Elizabeth Y. Spencer

Subject: Request for an order to, among other things: 1) Approve an additional 19 horizontal wells, for a total

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of up to 32 horizontal wells, in an approximate 960-acre drilling and spacing unit established for the Application Lands for the production of oil, gas and associated hydrocarbons from the Niobrara Formation.

Docket No. 1412-AW-34, Unnamed Field, Weld County

Applicant: Carrizo Oil and Gas, Inc. (Operator No. 10338)
Attorneys: Elizabeth Y. Spencer

Subject: Request for an order to, among other things: Approve an additional 46 horizontal wells, for a total of up to 48 horizontal wells, in an approximate 640-acre drilling and spacing unit established for the Application Lands, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation.

Docket No. 1412-AW-35, Unnamed Field, Weld County

Applicant: Carrizo Oil and Gas, Inc. (Operator No. 10338)
Attorneys: Elizabeth Y. Spencer

Subject: Request for an order to, among other things: Approve one additional horizontal well, for a total of up to 16 horizontal wells, in an approximate 640-acre drilling and spacing unit established for the Application Lands, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation.

Docket No. 1412-AW-36, Unnamed Field, Weld County

Applicant: Carrizo Oil and Gas, Inc. (Operator No. 10338)
Attorneys: Elizabeth Y. Spencer

Subject: Request for an order to, among other things: Approve an additional 18 horizontal wells, for a total of up to 32 horizontal wells, in an approximate 640-acre drilling and spacing unit established for the Application Lands, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation.

Docket No. 1412-AW-37, Unnamed Field, Weld County

Applicant: Carrizo Oil and Gas, Inc. (Operator No. 10338)
Attorneys: Elizabeth Y. Spencer

Subject: Request for an order to, among other things: Approve an additional 17 horizontal wells, for a total

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of up to 32 horizontal wells, in an approximate 640-acre drilling and spacing unit established for the Application Lands, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation.

Group K-

Docket No. 1412-SP-2205, Unnamed Field, Weld County

Applicant: Cirque Resources LP (Operator No. 10470)

Attorneys: Robert A. Willis & Jillian Fulcher

Subject: Request for an order to, among other things: 1) Establish an approximate 1280-acre drilling and spacing unit for the Application Lands, for the production of oil, gas and associated hydrocarbons from the Codell Formation; 2) Approve up to 4 horizontal wells within the unit.

Docket No. 1412-SP-2207, Unnamed Field, Weld County

Applicant: Cirque Resources LP (Operator No. 10470)

Attorneys: Robert A. Willis & Jillian Fulcher

Subject: Request for an order to, among other things: 1) Establish an approximate 1278.68-acre drilling and spacing unit for the Application Lands, for the production of oil, gas and associated hydrocarbons from the Codell Formation; 2) Approve up to 4 horizontal wells within the unit.

Docket No. 1412-SP-2208, Unnamed Field, Weld County

Applicant: Cirque Resources LP (Operator No. 10470)

Attorneys: Robert A. Willis & Jillian Fulcher

Subject: Request for an order to, among other things: 1) Vacate an approximate 640-acre drilling and spacing unit established by Order No. 535-2 for Section 26, Township 11 North, Range 67 West, 6th P.M., for the production of oil, gas and associated hydrocarbons from the Codell Formation; 2) Establish an approximate 1280-acre drilling and spacing unit for the Application Lands, for the production of oil, gas and associated hydrocarbons from the Codell Formation; 3) Approve up to 4 horizontal wells within the unit.

Docket No. 1412-SP-2209, Unnamed Field, Weld County

Applicant: Cirque Resources LP (Operator No. 10470)

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Attorneys: Robert A. Willis & Jillian Fulcher

Subject: Request for an order to, among other things: 1) Vacate an approximate 640-acre drilling and spacing unit established by Order No. 535-2 for Section 27, Township 11 North, Range 67 West, 6th P.M., for the production of oil, gas and associated hydrocarbons from the Codell Formation; 2) Establish an approximate 1280-acre drilling and spacing unit for the Application Lands, for the production of oil, gas and associated hydrocarbons from the Codell Formation; 3) Approve up to 4 horizontal wells within the unit.

Group L-

Docket No. 1412-UP-322, Wattenberg Field, Weld County

Applicant: Bill Barrett Corporation (Operator No. 10071)

Attorneys: Robert A. Willis & Jillian Fulcher

Subject: Request for an order to, among other things: Pool all interests in an approximate 640-acre drilling and spacing unit established for the Application Lands, effective as of the date of the Application, for development and operation of the Niobrara Formation.

Docket No. 1412-UP-355, Wattenberg Field, Weld County

Applicant: Bill Barrett Corporation (Operator No. 10071)

Attorneys: Robert A. Willis & Jillian Fulcher

Subject: Request for an order to, among other things: Pool all interests in an approximate 1280-acre drilling and spacing unit established for the Application Lands, effective as of the date of the Application, for the development and operation of the Niobrara Formation.

Docket No. 1409-UP-277, Wattenberg & North Riverside Field, Weld County

Applicant: Encana Oil & Gas (USA) Inc. (Operator No. 100185)

Attorneys: Robert A. Willis & Jillian Fulcher

Subject: Request for an order to, among other things: Pool all interests in an approximate 320-acre designated horizontal wellbore spacing unit established for the Application Lands, for the development and operation of the Niobrara Formation.

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Docket No. 1412-UP-368, Wattenberg Field, Weld County

Applicant: Encana Oil & Gas (USA) Inc. (Operator No. 100185)

Attorneys: Robert A. Willis & Jillian Fulcher

Subject: Request for an order to, among other things: Pool all interests in two approximate 400-acre designated horizontal wellbore spacing units established for the Application Lands, effective as of the date of the Application, for the development and operation of the Codell and Niobrara Formations.

Docket No. 1412-UP-369, Wattenberg Field, Weld County

Applicant: Encana Oil & Gas (USA) Inc. (Operator No. 100185)

Attorneys: Robert A. Willis & Jillian Fulcher

Subject: Request for an order to, among other things: Pool all interests in four approximate 400-acre designated horizontal wellbore spacing units established for the Application Lands, effective as of the date of the Application, for the development and operation of the Codell and Niobrara Formation.

Group M-

Docket No. 1412-SP-2210, Unnamed Field, Weld County

Applicant: Cirque Resources LP (Operator No. 10470)

Attorneys: Robert A. Willis & Jillian Fulcher

Subject: Request for an order to, among other things: 1) Vacate an approximate 640-acre drilling and spacing unit established by Order No. 535-2 for Section 28, Township 11 North, Range 67 West, 6th P.M., for the production of oil, gas and associated hydrocarbons from the Codell Formation; 2) Establish an approximate 1280-acre drilling and spacing unit for the Application Lands, for the production of oil, gas and associated hydrocarbons from the Codell Formation; 3) Approve up to 4 horizontal wells within the unit.

Docket No. 1412-SP-2211, Unnamed Field, Weld County

Applicant: Cirque Resources LP (Operator No. 10470)

Attorneys: Robert A. Willis & Jillian Fulcher

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Subject: Request for an order to, among other things: Establish an approximate 634.56-acre drilling and spacing unit for the Application Lands, for the production of oil, gas and associated hydrocarbons from the Codell Formation; 2) Approve up to four horizontal wells within the unit.

Docket No. 1412-SP-2216, Hereford Field, Weld County

Applicant: Anadarko E&P Onshore LLC (Operator No. 2800)
Attorneys: Robert A. Willis & Jillian Fulcher

Subject: Request for an order to, among other things: 1) Vacate two approximate 640-acre drilling and spacing units established by Order No. 421-3 for the Application Lands, for the production of oil, gas, and associated hydrocarbons from the Niobrara Formation; 2) Establish an approximate 1285.19-acre drilling and spacing unit for the Application Lands, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation; 3) Approve one horizontal well within the unit.

Docket No. 1412-SP-2217, Hereford Field, Weld County

Applicant: Anadarko E&P Onshore LLC (Operator No. 2800)
Attorneys: Robert A. Willis & Jillian Fulcher

Subject: Request for an order to, among other things: 1) Establish an approximate 1298.98-acre drilling and spacing unit for the Application Lands, for the production of oil, gas and associated hydrocarbons from the Codell Formation; 2) Approve one horizontal well within the unit.

Group N-

Docket No. 1412-UP-316, Wattenberg Field, Weld County

Applicant: Noble Energy, Inc. (Operator No. 100322)
Attorneys: Robert A. Willis & Jillian Fulcher

Subject: Request for an order to, among other things: Pool all interests in an approximate 200-acre designated horizontal wellbore spacing unit established for the Application Lands, effective as of the Application, for the development and operation of the Niobrara Formation.

Docket No. 1412-UP-317, Wattenberg Field, Weld County

Applicant: Noble Energy, Inc. (Operator No. 100322)
Attorneys: Robert A. Willis & Jillian Fulcher

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Subject: Request for an order to, among other things: Pool all interests in an approximate 200-acre designated horizontal wellbore spacing unit established for the Application Lands, effective as of the Application, for the development and operation of the Niobrara Formation.

Docket No. 1412-UP-318, Wattenberg Field, Weld County

Applicant: Noble Energy, Inc. (Operator No. 100322)
Attorneys: Robert A. Willis & Jillian Fulcher

Subject: Request for an order to, among other things: Pool all interests in an approximate 718.23-acre designated horizontal wellbore spacing unit established for the Application Lands, effective as of the Application, for the development and operation of the Niobrara Formation.

Docket No. 1412-UP-319, Wattenberg Field, Weld County

Applicant: Noble Energy, Inc. (Operator No. 100322)
Attorneys: Robert A. Willis & Jillian Fulcher

Subject: Request for an order to, among other things: Pool all interests in an approximate 398.78-acre designated horizontal wellbore spacing unit established for the Application Lands, effective as of the date of the Application, for the development and operation of the Niobrara Formation.

Docket No. 1412-UP-320, Wattenberg Field, Weld County

Applicant: Noble Energy, Inc. (Operator No. 100322)
Attorneys: Robert A. Willis & Jillian Fulcher

Subject: Request for an order to, among other things: Pool all interests in an approximate 398.23-acre designated horizontal wellbore spacing unit established for the Application Lands, effective as of the Application, for the development and operation of the Niobrara Formation.

Group O-

Docket No. 1412-SP-2212, Unnamed Field, Weld County

Applicant: ConocoPhillips Company (Operator No. 19160)
Attorneys: Jamie L. Jost & Joseph M. Evers

Subject: Request for an order to, among other things: 1) Establish an approximate 1280-acre drilling and

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spacing unit for the Application Lands, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation; 2) Approve up to two horizontal wells within the unit.

Docket No. 1412-SP-2213, Unnamed Field, Arapahoe County

Applicant: ConocoPhillips Company (Operator No. 19160)
Attorneys: Jamie L. Jost & Joseph M. Evers

Subject: Request for an order to, among other things: 1) Vacate an approximate 640-acre drilling and spacing unit established by Order No. 535-155 for Section 35, Township 5 South, Range 64 West, 6th P.M., for the production of oil, gas and associated hydrocarbons from the Niobrara Formation; 2) Establish an approximate 1280-acre drilling and spacing unit for the Application Lands, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation; 3) Approve up to two horizontal wells within the unit.

Docket No. 1412-SP-2214, Unnamed Field, Arapahoe County

Applicant: ConocoPhillips Company (Operator No. 19160)
Attorneys: Jamie L. Jost & Joseph M. Evers

Subject: Request for an order to, among other things: Modify Order No. 535-97 only to allow for the lateral of a given horizontal well to enter the Niobrara Formation anywhere within the unit.

Docket No. 1412-UP-324, Unnamed Field, Arapahoe County

Applicant: ConocoPhillips Company (Operator No. 19160)
Attorneys: Jamie L. Jost & James P. Parrot

Subject: Request for an order to, among other things: Pool all interests in an approximate 640-acre drilling and spacing unit established for the Application Lands, for the development and operation of the Niobrara Formation.

Group Q-

Docket No. 1412-SP-2180, Unnamed Field, Weld County

Applicant: Extraction Oil & Gas, LLC (Operator No. 10459)
Attorneys: Stephen J. Sullivan & Joseph C. Pierzchala

Subject: Request for an order to, among other things: 1) Establish an approximate 1280-acre drilling and spacing unit for the Application Lands, for the

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production of oil, gas and associated hydrocarbons from the Codell Formation; 2) Approve up to four horizontal wells within the unit.

Group R-

Docket No. 1412-SP-2181, Unnamed Field, Weld County

Applicant: Extraction Oil & Gas, LLC (Operator No. 10459)
Attorneys: Stephen J. Sullivan & Joseph C. Pierzchala

Subject: Request for an order to, among other things: 1) Establish an approximate 1300.14-acre drilling and spacing unit for the Application Lands, for the production of oil, gas and associated hydrocarbons from the Codell Formation; 2) Approve up to four horizontal wells within the unit.

Docket No. 1412-SP-2182, Unnamed Field, Weld County

Applicant: Extraction Oil & Gas, LLC (Operator No. 10459)
Attorneys: Stephen J. Sullivan & Joseph C. Pierzchala

Subject: Request for an order to, among other things: 1) Vacate two approximate 640-acre drilling and spacing units established by Order No. 535-2 for Sections 4 and 9, Township 10 North, Range 67 West, 6th P.M., for the production of oil, gas and associated hydrocarbons from the Codell Formation; 2) Establish an approximate 1280-acre drilling and spacing unit for the Application Lands, for the production of oil, gas and associated hydrocarbons from the Codell Formation; 3) Approve up to four horizontal wells within the unit.

Docket No. 1412-SP-2183, Unnamed Field, Weld County

Applicant: Extraction Oil & Gas, LLC (Operator No. 10459)
Attorneys: Stephen J. Sullivan & Joseph C. Pierzchala

Subject: Request for an order to, among other things: 1) Vacate two approximate 640-acre drilling and spacing units established by Order No. 535-2 for Sections 19 and 30, Township 10 North, Range 66 West, 6th P.M., for the production of oil, gas and associated hydrocarbons from the Codell Formation; 2) Establish an approximate 1280-acre drilling and spacing unit for the Application Lands, for the production of oil, gas and associated hydrocarbons from the Codell Formation; 3) Approve up to four horizontal wells within the unit.

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Group S-

Docket No. 1412-SP-2184, Unnamed Field, Weld County

Applicant: Extraction Oil & Gas, LLC (Operator No. 10459)
Attorneys: Stephen J. Sullivan & Joseph C. Pierzchala

Subject: Request for an order to, among other things: 1) Establish an approximate 1280-acre drilling and spacing unit for the Application Lands, for the production of oil, gas and associated hydrocarbons from the Codell Formation; 2) Approve up to four horizontal wells within the unit.

Docket No. 1412-SP-2185, Unnamed Field, Weld County

Applicant: Extraction Oil & Gas, LLC (Operator No. 10459)
Attorneys: Stephen J. Sullivan & Joseph C. Pierzchala

Subject: Request for an order to, among other things: 1) Vacate an approximate 640-acre drilling and spacing unit established by Order No. 535-146 for Section 18, Township 11 North, Range 60 West, 6th P.M., for the production of oil, gas and associated hydrocarbons from the Codell Formation; 2) Establish an approximate 1280-acre drilling and spacing unit for the Application Lands, for the production of oil, gas and associated hydrocarbons from the Codell Formation; 3) Approve up to four horizontal wells within the unit.

Docket No. 1412-SP-2186, Unnamed Field, Weld County

Applicant: Extraction Oil & Gas, LLC (Operator No. 10459)
Attorneys: Stephen J. Sullivan & Joseph C. Pierzchala

Subject: Request for an order to, among other things: 1) Establish an approximate 1280-acre drilling and spacing unit for the Application Lands, for the production of oil, gas and associated hydrocarbons from the Codell Formation; 2) Approve up to four horizontal wells within the unit.

Group T-

Docket No. 1412-SP-2187, Unnamed Field, Weld County

Applicant: Extraction Oil & Gas, LLC (Operator No. 10459)
Attorneys: Stephen J. Sullivan & Joseph C. Pierzchala

Subject: Request for an order to, among other things: 1) Establish an approximate 1305.34-acre drilling and spacing unit for the Application Lands, for the production of oil, gas and associated hydrocarbons

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from the Codell Formation; 2) Approve up to four horizontal wells within the unit.

Docket No. 1412-SP-2189, Hereford Field, Weld County

Applicant: Extraction Oil & Gas, LLC (Operator No. 10459)
Attorneys: Stephen J. Sullivan & Joseph C. Pierzchala

Subject: Request for an order to, among other things: 1) Establish an approximate 1302.08-acre drilling and spacing unit for the Application Lands, for the production of oil, gas and associated hydrocarbons from the Codell Formation; 2) Approve up to four horizontal wells within the unit.

Docket No. 1412-SP-2190, Unnamed Field, Weld County

Applicant: Extraction Oil & Gas, LLC (Operator No. 10459)
Attorneys: Stephen J. Sullivan & Joseph C. Pierzchala

Subject: Request for an order to, among other things: 1) Vacate two approximate 640-acre drilling and spacing units established by Order No. 535-2 for Sections 3 and 10, Township 10 North, Range 67 West, 6th P.M., for the production of oil, gas and associated hydrocarbons from the Codell Formation; 2) Establish an approximate 1280-acre drilling and spacing unit for the Application Lands, for the production of oil, gas and associated hydrocarbons from the Codell Formation; 3) Approve up to four horizontal wells within the unit.

Group U-

Docket No. 1412-SP-2191, Unnamed Field, Weld County

Applicant: Extraction Oil & Gas, LLC (Operator No. 10459)
Attorneys: Stephen J. Sullivan & Joseph C. Pierzchala

Subject: Request for an order to, among other things: 1) Vacate two approximate 640-acre drilling and spacing units established by Order No. 535-2 for Sections 16 and 21, Township 10 North, Range 67 West, 6th P.M., for the production of oil, gas and associated hydrocarbons from the Codell Formation; 2) Establish an approximate 1280-acre drilling and spacing unit for the Application Lands, for the production of oil, gas and associated hydrocarbons from the Codell Formation; 3) Approve up to four horizontal wells within the unit.

Docket No. 1412-SP-2192, Unnamed Field, Weld County

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Applicant: Extraction Oil & Gas, LLC (Operator No. 10459)
Attorneys: Stephen J. Sullivan & Joseph C. Pierzchala

Subject: Request for an order to, among other things: 1) Vacate two approximate 640-acre drilling and spacing units established by Order No. 535-2 for Sections 6 and 7, Township 10 North, Range 67 West, 6th P.M, for the production of oil, gas and associated hydrocarbons from the Codell Formation; 2) Establish an approximate 1280-acre drilling and spacing unit for the Application Lands, for the production of oil, gas and associated hydrocarbons from the Codell Formation; 3) Approve up to four horizontal wells within the unit.

Docket No. 1412-SP-2193, Unnamed Field, Weld County

Applicant: Extraction Oil & Gas, LLC (Operator No. 10459)
Attorneys: Stephen J. Sullivan & Joseph C. Pierzchala

Subject: Request for an order to, among other things: 1) Vacate two approximate 640-acre drilling and spacing units established by Order No. 535-2 for Sections 7 and 18, Township 10 North, Range 66 West, 6th P.M, for the production of oil, gas and associated hydrocarbons from the Codell Formation; 2) Establish an approximate 1280-acre unit for the Application Lands, for the production of oil, gas and associated hydrocarbons from the Codell Formation; 3) Approve up to four horizontal wells within the unit.

Group V-

Docket No. 1412-SP-2194, Unnamed Field, Weld County

Applicant: Extraction Oil & Gas, LLC (Operator No. 10459)
Attorneys: Stephen J. Sullivan & Joseph C. Pierzchala

Subject: Request for an order to, among other things: 1) Vacate two approximate 640-acre drilling and spacing units established by Order No. 535-2 for Sections 2 and 11, Township 10 North, Range 67 West, 6th P.M., for the production of oil, gas and associated hydrocarbons from the Codell Formation; 2) Establish an approximate 1280-acre drilling and spacing unit for the Application Lands, for the production of oil, gas and associated hydrocarbons from the Codell Formation; 3) Approve up to four horizontal wells within the unit.

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Docket No. 1412-SP-2195, Hereford Field, Weld County

Applicant: Extraction Oil & Gas, LLC (Operator No. 10459)
Attorneys: Stephen J. Sullivan & Joseph C. Pierzchala

Subject: Request for an order to, among other things: 1) Establish an approximate 1280-acre drilling and spacing unit for the Application Lands, for the production of oil, gas and associated hydrocarbons from the Codell Formation; 2) Approve up to four horizontal wells within the unit.

Docket No. 1412-SP-2196, Unnamed Field, Weld County

Applicant: Extraction Oil & Gas, LLC (Operator No. 10459)
Attorneys: Stephen J. Sullivan & Joseph C. Pierzchala

Subject: Request for an order to, among other things: 1) Establish an approximate 1280-acre drilling and spacing unit for the Application Lands, for the production of oil, gas and associated hydrocarbons from the Codell Formation; 2) Approve up to four horizontal wells within the unit.

Group W-

Docket No. 1412-SP-2197, Unnamed Field, Weld County

Applicant: Extraction Oil & Gas, LLC (Operator No. 10459)
Attorneys: Stephen J. Sullivan & Joseph C. Pierzchala

Subject: Request for an order to, among other things: 1) Establish an approximate 1280-acre drilling and spacing unit for the Application Lands, for the production of oil, gas and associated hydrocarbons from the Codell Formation; 2) Approve up to four horizontal wells within the unit.

Docket No. 1412-SP-2198, Unnamed Field, Weld County

Applicant: Extraction Oil & Gas, LLC (Operator No. 10459)
Attorneys: Stephen J. Sullivan & Joseph C. Pierzchala

Subject: Request for an order to, among other things: 1) Establish an approximate 1280-acre drilling and spacing unit for the Application Lands, for the production of oil, gas and associated hydrocarbons from the Codell Formation; 2) Approve up to four horizontal wells within the unit.

Docket No. 1412-SP-2199, Unnamed Field, Weld County

Applicant: Extraction Oil & Gas, LLC (Operator No. 10459)
Attorneys: Stephen J. Sullivan & Joseph C. Pierzchala

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Subject: Request for an order to, among other things: 1) Vacate two approximate 640-acre drilling and spacing units established by Order No. 535-2 for Sections 5 and 8, Township 10 North, Range 67 West, 6th P.M, for the production of oil, gas and associated hydrocarbons from the Codell Formation; 2) Establish an approximate 1241.93-acre drilling and spacing unit for Sections 20 and 29, Township 12 North, Range 61 West, 6th P.M., for the production of oil, gas and associated hydrocarbons from the Codell Formation; 3) Establish an approximate 1280-acre drilling and spacing unit for Sections 5 and 8, Township 10 North, Range 67 West, 6th P.M, for the production of oil, gas and associated hydrocarbons from the Codell Formation; 4) Approve up to four horizontal wells within each unit.

Group X-

Docket No. 1412-UP-346, Wattenberg Field, Weld County

Applicant: Catamount Energy Partners LLC (Operator No. 10464)

Attorneys: Stephen J. Sullivan & Joseph C. Pierzchala

Subject: Request for an order to, among other things: Pool all interests in an approximate 363-acre drilling and spacing unit established for the Application Lands, for the development and operation of the Fruitland Coal Seams Formation.

Group Y-

Docket No. 1312-SP-1213, Hereford Field, Weld County

Applicant: Bill Barrett Corporation (Operator No. 10071)

Attorneys: Robert A. Willis

Subject: Request for an order to, among other things: Amend the order, which vacated an approximate 640-acre drilling and spacing unit established by Order Nos. 407-779 and 535-4 for Section 1, Township 6 North, Range 62 West, 6th P.M.; and 2) establish an approximate ~~4078.30~~ **1026.47**-acre drilling and spacing unit for Sections 1 and 2, Township 4 North, Range 62 West, 6th P.M., for the production of oil, gas, and related hydrocarbons from the Niobrara Formation.

Docket No. 1412-SP-2219, Hereford Field, Weld County

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Applicant: Anadarko E&P Onshore LLC (Operator No. 2800)
Attorneys: Robert A. Willis & Jillian Fulcher

Subject: Request for an order to, among other things: 1) Establish an approximate 1338-acre drilling and spacing unit for the Application Lands, for the production of oil, gas and associated hydrocarbons from the Codell Formation; 2) Establish an approximate 1338-acre drilling and spacing unit for the Application Lands, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation; 3) Approve one horizontal well within each unit.

Docket No. 1412-UP-315, Wattenberg Field, Weld County

Applicant: Noble Energy, Inc. (Operator No. 100322)
Attorneys: Robert A. Willis & Jillian Fulcher

Subject: Request for an order to, among other things: Pool all interests in an approximate 398.57-acre designated horizontal wellbore spacing unit established for the Application Lands, effective as of the Application, for the development and operation of the Niobrara Formation.

Group Z-

Docket No. 1412-SP-2203, Unnamed Field, Weld County

Applicant: Bayhorse Petroleum, LLC (Operator No. 10234)
Attorneys: Jamie L. Jost & Joseph M. Evers

Subject: Request for an order to, among other things: 1) Establish an approximate 80-acre drilling and spacing unit for the Application Lands, for the production of oil, gas and associated hydrocarbons from the Shawnee, Lansing-Kansas City, Marmaton, Cherokee, Morrow, Keyes and Mississippian System (St. Genevieve Formation to Warsaw Formations); 2) Approve one well within the unit.

Docket No. 1412-SP-2221, Hereford Field, Weld County

Applicant: Anadarko E&P Onshore LLC (Operator No. 2800)
Attorneys: Jamie L. Jost & Joseph M. Evers

Subject: Request for an order to, among other things: Establish an approximate 1302.07-acre drilling and spacing unit for the Application Lands, for the production of oil, gas and associated hydrocarbons

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from the Formation and approve up to one horizontal well within the unit.

The motion was seconded by Commissioner Holton. The motion was passed unanimously.

Commissioner Benton moved to approve the 1412-AW-29 matter in Group K on the Consent Agenda as recommended by staff, as follows:

Group K-

Docket No. 1412-AW-29, Sulphur Creek Field, Rio Blanco County

Applicant: WPX Energy Rocky Mountain, LLC (Operator No. 96850)

Attorneys: Robert A. Willis & Jillian Fulcher

Subject: Request for an order to, among other things: Approve the equivalent of one well per 10 acre well density for the Application Lands, for the production of gas and associated hydrocarbons from the Williams Fork and Iles Formations (including the Segó Sandstone).

Commissioner Craig seconded the motion. The motion was passed unanimously with Commissioner Alward abstaining.

Enforcement Hearing Matters:

Commissioner Benton moved to approve the Energy Search Company enforcement matter as recommended by staff, as follows:

Docket No. 1407-OV-55, Energy Search Company

Staff: Peter Gowen, Enforcement Officer

Subject: Staff requests approval of an AOC with Energy Search Company (Operator No. 27635), imposing a \$135,000 penalty, with \$108,000 suspended for violations of Rules 210; 326.b; 605.d; 906.a; 907.a.(1); 907.b.(2); and 907.e. at six wells in Adams County

Commissioner Holton seconded the motion. The motion was passed unanimously.

Presentations to the Commission:

Pipeline Whitepaper or "Pipeline Safety 101" -

Presenters – Kirby Wynn for Representative Bob Rankin, and Stuart Ellsworth, COGCC Engineering Manager

Kirby Winn, oil and gas liaison for Garfield County appeared in place of Bob Rankin to present a pipeline whitepaper or "Pipeline Jurisdiction 101". Purpose is to address the information gap regarding pipeline regulations. Overview of hydrocarbon regulation in Colorado. The 2013

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pipeline spill in Parachute creek highlighted this issue. Stakeholder group met for over a year, one to two times a month, including industry, local governments, COGCC. Request the Commission to adopt this document and make it available via the website. Update it as a living document and keep it relevant and up to date. Work with LGDs to use it around the state. Weld County and Garfield County have looked at it as well as CCI, but other Counties should consider it as well.

Commissioner Compton asked if we could adopt; Director Lepore confirmed. Commissioner Craig said she is glad to see this work on midstream pipelines. Commissioner Compton agreed with Commissioner Craig's comments. Stuart Ellsworth, Engineering Manager pointed out that the appendix has specific guidance.

The report was adopted by consensus. Commissioner Alward expressed his gratitude for this work.

The Commission took a break from 9:55 a.m. to 10:15 a.m. Commissioner King was not present after the break until 11:00 a.m.

General Hearing Matters:

Docket No. 1412-SP-2220, Unnamed Field, Arapahoe County

Jill Dorancy, Hearings Officer, advised that Conoco Phillips Company is asking for approval of an Unconventional Resource Unit ("URU"). Ms. Dorancy noted that staff has met with ConocoPhillips and recommends approval.

Jamie Jost spoke on behalf of ConocoPhillips. This is Conoco Phillips first URU request. Conoco is asking for an URU in Arapahoe County. Conoco Phillips holds 100% of the leases in the proposed URU. 2560 acres are proposed to be included in the URU. Conoco Phillips introduced a map outlined the current wells and the four sections proposed for the URU. The initial well in the URU is proposed to run east to west. The three currently producing wells will be excluded from the URU to keep payment to the royalty owners the same going forward. Another well pad location would likely be located in the middle of the URU. The URU is requested for flexibility in the locating of the wells around the current wells and optimal development. Conoco Phillips is requesting vacating Orders 535-118, 535-145 (in part), 535-237, 535-313 (in part), and 535-393, and the establishment a 2560 acre URU. 460-foot setbacks from the unit boundaries are requested. Conoco will limit development to eight well pads. Ms. Jost stated that the engineering and economic evidence supports the establishment of this unit and offered testimony of Conoco Phillips engineers.

Commissioner Craig asked if the economics had been updated and whether there might be a likelihood of delay. Ms. Jost stated that the annual review would address these concerns. Director Lepore noted that 100% of the leases held by Conoco somewhat addresses these concerns. Commissioner Spielman asked for clarification that there would be the ability to develop eight well pads, stated that eight well pads sounds like a lot to him, and asked if there is staff discretion regarding well pad location. Director Lepore noted that there is some discretion and also noted that the Commission would like to see as much consolidation of well pads as possible.

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Commissioner Benton moved to approve the request. Commissioner Holton seconded the motion. The motion was approved unanimously with Commissioner Spielman abstaining from the vote. Commissioner Spielman explained that he is hesitant to approve eight well pads in four sections. Commissioner Craig noted that the Commission should keep an eye out regarding pricing pressure and rural population development as well.

Southwestern URU presentation

Docket No. 1309-SP-1150, Order No. 540-24
Docket No. 1309-SP-1157, Order No. 540-25
Docket No. 1309-SP-1158, Order No. 540-26
Docket No. 1309-SP-1159, Order No. 540-27
Docket No. 1309-SP-1170, Order No. 540-28
Docket No. 1309-SP-1174, Order No. 540-29
Docket No. 1309-SP-1177, Order No. 540-30
Docket No. 1309-SP-1180, Order No. 540-31
Docket No. 1309-SP-1181, Order No. 540-32
Docket No. 1309-SP-1182, Order No. 540-33
Docket No. 1309-SP-1183, Order No. 540-34
Docket No. 1309-SP-1184, Order No. 540-35
Docket No. 1309-UP-186, Order No. 540-36
Docket No. 1309-UP-187, Order No. 540-37
Docket No. 1309-UP-188, Order No. 540-38
Docket No. 1309-UP-190, Order No. 540-39
Docket No. 1309-UP-191, Order No. 540-40
Docket No. 1309-UP-192, Order No. 540-41
Docket No. 1309-UP-193, Order No. 540-42
Docket No. 1309-UP-194, Order No. 540-43
Docket No. 1309-UP-195, Order No. 540-44
Docket No. 1309-UP-196, Order No. 540-45
Docket No. 1309-UP-197, Order No. 540-46
Docket No. 1309-UP-198, Order No. 540-47

Jill Dorancy, Hearings Officer, advised that Southwestern Energy Company, is the successor to Axia Energy's interests in the URUs. Counsel for Southwestern gave a report on the URU. Southwestern witnesses were duly sworn and testified regarding the URU. Southwestern presented on why it will be successful in the Sand Wash Basin. 2015 will involve more and more science to move towards development. The operator's 10 year old Fayetteville shale project in Oklahoma and Arkansas demonstrates success of new venture projects. This project is located in Moffat and Routt Counties—where Southwestern owns 380,000 acres of minerals. There are 18 URUs. Southwestern is dealing with both Moffat and Routt County governments. Southwestern wants to take the time to do it right in the Sand Wash Basin, and succeed where other operators have failed. Southwestern gave a review of its 2014 activity including permitting and recompletion of wells in the Sand Wash area. Commissioners asked for details regarding engineering, 3d seismic work, wildlife and agricultural concerns, and the economics of the URU.

Commissioner Benton asked to review the URU in six months—Ms. Dorancy stated that such a review will be docketed for the Commission's April 2015 hearing.

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Cindy Bargell, attorney for the National Association of Royalty Owners addressed the Commission regarding the URU and the timeline for development of the URU. She noted that the mineral interests are impacted for the duration. She stated that the mineral owners are not receiving royalties but the leases are held by production. She asked how long the lands will be held.

Additional Enforcement Matter:

Docket No. 1410-OV-53, Maralex Resources Inc..

Staff: Britta Beckstead, Assistant Attorney General
Jeremy Ferrin, Enforcement Officer

Subject: Review of Order Finding Violation 1V-489 conditions.

Assistant Attorney General Britta Beckstead and Enforcement Officer Jeremy Ferrin updated the Commission on the Maralex matter, decided at the October hearing. Since the hearing, the parties agreed on a December 8 deadline for the submittal of Form 27 regarding the pits and a 60 day date for removal of items from the pit. Maralex's submittal of Form 27 indicated that Maralex might be appealing the Commission's order.

Rulemaking Hearings:

Docket No. 1412-RM-03, Rulemaking to Implement HB 10-1235

Staff: Matthew Lepore, Director
Jennifer Bock, Hearings Officer

Subject: The Committee on Legal Services recently brought to the Commission's attention the need to amend Rules 604c.(2)G, 605a.(1), and 605a.(4) in order to comply with the "incorporation by reference" requirements of the Administrative Procedures Act ("APA"). In 2010, the General Assembly amended such requirements by adopting House Bill 10-1235, 24-4-103(12.5), C.R.S. (2014). This rulemaking will implement House Bill 10-1235.

Hearings Officer Jennifer Bock advised the Commission that HB 10-235 requires the updating of three rules. The statute requires that a reference in an agency rule fully identify the incorporated code, standard guideline or rule. The staff recommends amending Commission Rules 604.c.(2)G (Berms), 605.a.(1) (Crude Oil and Condensate Tanks), and 605.a.(4) (Electrical equipment installations) in order to comply with HB 10-235. Copies of the referenced codes, etc. are available in the public room. No comments were received on staff's proposal.

Commissioner Alward moved to adopt the recommended rule changes. Commissioner Holton seconded the motion. The motion was passed unanimously.

The Commission took a break from 11:25 a.m. to 11:38 a.m.

Docket No. 1412-RM-02, Enforcement and Penalty Rulemaking

Staff: Matthew Lepore, Director
Dave Kuhlmann, Deputy Director
Bob Randall, Hearings Officer

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Subject: The Colorado Oil and Gas Conservation Commission will consider additions and amendments to the Commission's Rules of Practice and Procedure, 2 C.C.R. 404-1, in a "Enforcement and Penalty Rulemaking."

Hearings Officer Bob Randall introduced himself and the scope of the rulemaking to implement the Penalty Bill and the stakeholder process—including four stakeholder meetings—that the Commission has undertaken. Randall reviewed prehearing orders he has issued. He advised that the hearing would proceed in the following order:

- Procedural issues (the Hearings officer was unaware of any that might come up)
- Staff presentation
- Public comment
- Environmental and conservation parties
- Governmental entities
- Industry

Director Lepore and Deputy Director Kulmann gave an overview of the staff's recommendations on the rulemaking. Director Lepore presented on the 500 series rules, describing the Penalty Bill's key provisions raising penalty amounts, duration of violations, limiting resolution by staff in certain circumstances, remedies for suspending operator activities in the state, and tools to encourage compliance. This rulemaking is required by the passage of HB 14-1356. Executive Order D 2012-002 also motivates the rulemaking because it directed the Commission to undertake a strategic review of its enforcement philosophy and approach and to structure fines and penalties to appropriately respond to non-compliance. Non-500 rules were requested by operators and at staff's initiative.

Deputy Director Kulmann stated the staff is proposing 38 rule amendments—most are clean up to rules and a few are substantive changes. Outreach in addition to stakeholder meetings included technical staff meeting with operators in particular regarding five technical rules with substantive changes. Changes include updated tank and container definitions recommended by industry. Rule 317.r is a new anti-collision rule to make sure well bores do not collide, particularly in the DJ Basin, although the rule is statewide. Rule 317.s applies statewide as well and outlines statewide fracture stimulation setbacks. Previously, this rule only applied in the Greater Wattenberg area. Rule 319.a codifies API standards regarding cementing.

Mr. Kulmann also talked about the complaint process, and the variety of manners in which the COGCC takes complaints from the public. Significant staff time is spent taking the complaints, entering them into the system, and investigating complaints to get enough information. When inspectors have to process complaints, they have less time to do field inspections. OGCC identified areas for improvement in complaint procedures through the LEAN process. Future process will include dedicated staff to assist as well as transparent and easy options to file a complaint. Commissioner Alward asked questions regarding access to the complaint process via mobile devices and what kind of information is being requested of a complainant. Mr. Kulmann replied that the information gathering focuses on routing the complaint to the right staff person with expertise in a particular area. Director King asked about a central dispatch, Director Lepore clarified that the Commission will be asking for two additional staff to handle these complaints. Commissioner Alward asked whether a reporting in an emergency situation would enable someone to have complainant rights and whether there should be exceptions to the

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formal process to allow participation as a complainant. Director Lepore responded that the person could later fill out a form 18, and that these are two separate situations – one reporting an emergency and another beginning a formal process.

The commission recessed for lunch from 12:25 p.m. to 1:35 p.m. Commissioner Wolk was not present when the Commission reconvened. He rejoined the Commission at approximately 1:40 p.m.

Director Lepore reviewed changes to Rule 522. These changes include: rights and responsibilities of complainants, resolution of alleged violations without penalties, the administrative order by consent (“AOC”) process—complainant’s involvement and when AOCs may be used, alleged violations under proposed Rule 522.d.(1), and failure to comply with Commission orders. Director Lepore reviewed changes to Rule 523. These changes include: calculating days of violation, a new penalty matrix, aggravating and mitigating factors, pattern of violations, duration matrix for violations of long durations, gross negligence, and voluntary self-disclosure. Commissioners discussed culpability and penalty duration as well as how much discretion should be left with COGCC staff.

Director Lepore discussed the enforcement program, and noted a 25% increase this year over the previous year. Last year, there was \$1.1 million in penalties, this year, \$1.4 million in penalties. Staff processes NOAVs more quickly, and the median penalty amount has doubled, the average penalty was \$21,000—last year, this year average was \$31,000. This year, 72% of NOAVs have resulted in penalties, up from 40% the previous year. There is no disagreement about the need to increase penalties.

Director Lepore answered numerous questions from individual Commissioners.

Public Comment:

- 1) James Lockhart: Resident of El Paso County, speaking in support of stronger regulations. Need for tighter control of oil and gas operations, especially since new technologies are available.
- 2) Tamra Ward: Representing Colorado Concern, as President and CEO. Keep in mind the need for certainty—industry needs a clear understanding of the rules.
- 3) Jeff Wasden: President of the Colorado Business Roundtable. Supports Colorado businesses and the workforce. The oil and gas industry is well regulated, and Wasden is proud of the industry’s effort to engage in work with communities and landowners.
- 4) Loren Furman: State Chamber of Commerce, members include the oil and gas industry. Strongly recommends that the Commission stay within the intent of the Penalty Bill.
- 5) Kathy Tolman: Citizen from Wheatridge, CO. Confidence of the people of the state of Colorado is important—urges the Commission to hold the industry accountable. Coloradans need to be certain that their clean air and water are protected.
- 6) Mizraim Cordero: Colorado Competitive Council (C3), represents business advocacy group, ensuring that Colorado maintains a good regulatory environment for business.

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Oil and gas industry is a critical part of Colorado's economy, and they already work with regulators.

- 7) Geraldine Conrad: Water is our most important resource. Whatever needs to be done to protect that resource should be paramount.
- 8) Mike Campbell: From Loveland. Wants to say thank you to COGCC for their hard work.
- 9) Tom Slade: Resident of Lakewood. Wants to ask a question—the number of violations and the amount per violation. There has also been an increase in the number of wells, so then what is the proportion of violations to number of wells?

Testimony of Governmental Entities:

CDPHE: Kent Kuster, Oil and Gas liaison for the CDPHE. CDPHE supports this rulemaking. Commenting on the guidance document, he believes that the penalty structure is important to protecting public health and environment. Rule 317.b. for public water supply protection is important. CDPHE believes that instead of being a class 2 violation, violation of Rule 317.b. should be a class 3 violation. This aligns with the importance of public drinking water.

Garfield County: Kirby Wynn, Oil and Gas liaison for Garfield County. Transparency is key; staff is proposing some areas of discretion—this makes sense. He appreciates and values what is happening here to strengthen the enforcement process. The experts do need discretion.

Commissioner Compton asks staff to take another look at Rule 317.b. Director Lepore clarified that since it is in the guidance, we can make changes and we will have a look at the Rule.

The Commission took a break from 3:05 p.m. to 3:16 p.m.

Environmental and Conservation Communities:

- 1) Matt Sura, representing Western Resource Advocates and Conservation Colorado. NGOs are also looking for certainty, like the business community. Goals for this rulemaking are: deterrence and fostering public trust. Deterrence is accomplished by certainty, severity and prompt imposition. Penalties are not certain enough in the draft rules—in a previous draft, all class 3 violations would have received a penalty. Class 3 allowed significant probability of actual or threatened adverse impacts—currently major violations only contemplate actual, significant adverse impact. This will lead to less certainty and more disputes. Mr. Sura's clients suggest alternate language. They are concerned that most complaints are made by phone; therefore the rights of a complainant may not always be inferred when appropriate.
- 2) Laura Belanger of Western Resource Advocates: Testified regarding her research on complainant submissions and explained that most complaints did not have a Form18. The Commissioners discussed the process by which complainants work with the staff and the degree to which they wish to participate in the NOAV process.
- 3) Mike Lozinski was sworn and testified to his experience as a complainant, contacting staff, dealing with a noise complaint. Asked for noise violations not to be averaged.

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- 4) Paul Zogg, attorney for Sierra Club and the Oil and Gas Accountability Project. Introducing Bruce Baizel, Executive Director of the Oil and Gas Accountability Project.
- 5) Bruce Baizel was sworn and testified as follows: Presented a summary of research on deterrence, especially between different states including Texas. The efficient and fair use of penalties increases compliance—monetary sanctions should be frequent enough so that operators understand they will be penalized for noncompliance. It's not about a maximum, but that some penalty is involved is what is important. Rule 523.c. aggravating and mitigating factors—economic benefit may be considered—suggest changing may to shall so that economic benefit is always considered. Cites CSU study on citizen complaints.

Commissioners asked questions regarding groundwater cases, the connection between a large penalty and stock prices, and complaint processing.

The Commission decided to consider testimony from COGA on the non-500 series rules and then deliberate and vote on those rules.

Ms. Jamie Jost, representing the Colorado Oil and Gas Association (“COGA”) and WPX presented on their comments on Rule 316.b. concerning form 21 and the mechanical integrity test rule. COGA requests that the 10 day notice requirement be reduced to 48 hours. Rule 603.f is off the table for this rulemaking, but COGA will continue working on it.

Mike Paules of WPX, co-chair of COGA's environmental health and safety committee. Industry is looking for certainty, clarity and consistency in the Rules.

COGA has the following clean up suggestions: Rule 521.a. ask that a cease and desist order also be served by personal mail, and to 521.b. add language that service is “to the operator's designated agent,” 521.c. want to add “by confirmed electronic copy,” and in 521.e. add that a cease and desist order may be served “by confirmed email.” To Rule 522.d.(1) add “alleged violation” into third sentence so that it tracks the fourth sentence. Commission staff agreed to the proposed changes to c, e, and d.

Mr. Kuhlmann explained staff's request for 10 days notice for MITs, because of notice needed for inspectors to be available.

Commissioner Alward moved to reject the 48 hours proposal, adopt staff's 10-day proposal, and allow the parties to talk more so the Commission can take the matter up at another time if desired. Commissioner Benton seconded the motion. The motion was passed unanimously.

Commissioner Holton moved to accept staff's recommendations for changes to all non-522 and 523 rules as modified by changes agreed upon to Rule 521. Commissioner Alward seconded the motion. The motion was passed unanimously.

Commissioner Alward suggested that staff and industry work on the 1000 series rules. COGA is looking for certainty, clarity and consistency in reclamation rules.

The Commission recessed at 5:02 p.m.

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Tuesday, December 16, 2014 - Roll Call of Commissioners:

Present:

Tom Compton	Chairman
Andrew Spielman	Vice-Chairman
Richard D. Alward	Commissioner
Mike King	Commissioner
Bill Hawkins	Commissioner
John Benton	Commissioner
Deann Craig	Commissioner
Larry Wolk	Commissioner (arrived at 11:00 a.m.)
Tommy Holton	Commissioner
Matt Lepore	Director
Jake Matter	Assistant Attorney General
Bob Randall	Hearing Officer

Absent:

None.

Rulemaking Hearing - Docket No. 1412-RM-02 (continued):

There were no procedural matters.

Opening Statements regarding proposed revisions to Rules 522 and 523 were made by attorneys for the oil and gas industry.

Attorney Jamie Jost appeared on behalf of COGA. She states that two-thirds of GOGA's issues with the proposed rules have been resolved. The Commission must decide the rest. Ms. Jost warned of "serious consequences" if the Commission adopted the staff proposal. The proposed regulations have the potential to destroy companies. The industry wants certainty, clarity and consistency in the Rules.

Attorney Ken Wonstolen appeared upon behalf of Bill Barret Corporation. He questioned whether private parties should be able to prosecute violations of Commission rules.

Attorney David Neslin appeared upon behalf of three mid-sized operators, Bonanza Creek, Encana, and PDC. He stated that his clients were proposing four changes to Rule 522 and four changes to Rule 523. He advised they would call an expert witness in economics, Lisa McDonald, to testify about the impact of the proposed penalties. He noted that adoption of Rule 523 as proposed by the staff would result in much larger increase in penalties than the 40% Commission staff had talked about in the legislative process.

Stan Dempsey, President of the Colorado Petroleum Association advised the Commission that CPA had take a neutral position regarding HB 14-1356. CPA does not believe that the proposed fines and penalties are the incentive. Rather individual company codes of conduct and performance bonuses are the incentives to comply with the regulations. He does not

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believe that HB 14-1356 instructed the Commission to enact the highest standards in the country for oil and gas operations. He reminded the Commission of its statutory duties under the Oil and Gas Conservation Act. He argued that the penalties must be appropriate to the violation. He also said the "Governor does not control the Commission; it is an independent body."

Commissioner King asked Mr. Dempsey if any of the rules on their face violate the Oil and Gas Conservation Act or HB 14-1356. Mr. Dempsey replied they did not except for the provisions identified, such as the penalty proposal.

Commissioner Benton asked Ms. Jost for examples of the proposed rules' potential to destroy companies. Ms. Jost advised they would call a witness on that issue.

Dr. Lisa McDonald was sworn as a witness. She testified regarding her credentials and her study of the comparison of the Commission's proposed fines to those of other states, particularly Texas and Pennsylvania, and the Colorado Department of Public Health and Environment. Colorado has fewer wells and higher average penalties. Colorado has 25% more penalties and the penalties are 25% higher. Dr. McDonald provide several examples of the amounts of fines under Colorado's previous fine structure (\$1,000 per day with a \$10,000 limit) and under the proposed fine matrix. Dr. McDonald concluded that the Commission issues more violation orders and higher penalties than Pennsylvania, Texas, and CDPHE. The Commission needs to retain professional discretion in assessing fines.

Commissioner King noted that discretion, not a strict mathematical approach is what was discussed in the stakeholder meetings.

Commissioner Alward asked Dr. McDonald if she had any information on the nature or severity of violations in other states. Dr. McDonald responded that she did not. Commissioner Alward noted that the dollar amounts may be misleading depending on what the violations were. He also stated that her figures show that the rules have failed if it takes 1,300 days for the operator to come into compliance. Commissioner Alward asked how big of fines the Commission needs to get compliance by operators. Dr. McDonald said she could not answer that question.

Commissioner Craig expressed concern about how much leeway the Commission has in imposing fines. The current director is reasonable, but won't always be here. She is concerned that they don't have certainty and consistency.

Director Lepore stated that the Act now requires a penalty for each day of violation. This has an effect on COGCC's discretion. Such a provision is not in the CDPHE statute. The matrix is just a toll. If a settlement on the amount of the fine cannot be negotiated with the operator, the Commission will decide the case.

Attorney Jamie Jost began the presentation of her case. Two witnesses were sworn, Jimmy Walker with Petron Development Company and Duane Zavadil with Bill Barrett Corporation.

Mr. Zavadil testified that there are economic and non-economic considerations that drive compliance with regulations. He used Weld County wells as an example. The average monthly gross revenue per well is \$13,000 at \$65 oil. The average net revenue is \$6,500 per month at \$65 oil. The average well in Weld County produces 10 BOE/day. Using Dr. McDonald's

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calculations, a \$500,000 fine would offset the revenue of 38 wells for a month. The proposed fines are punitive and will generate ill will between operators and regulators. Money spent on fines won't be spent on drilling the next well. It will hurt jobs, taxes, etc. The strongest driver for compliance is that non-compliance events must be reported in public documents, such as SEC reports. Corporate boards therefore enact measures to ensure compliance. Compensation is based on compliance and leading indicators of compliance. Moreover, no one wants to work for a non-compliant company with a bad reputation.

Jim Walker testified that Petron Development Company operates stripper wells, which he defined as wells producing less than 90 mcf per day or less than 15 barrels of oil per day, for other owners. His company receives \$250 per month to operate a well and there is on average \$60 per day gross income per well. Petron has never been cited for a violation in thirty years. It has had a good relationship with the Commission, but he has noticed a shift in the Commission's attitude since the Governor's order. Petron operates thirty-year-old flow lines and he has to pressure test them. The test itself may rupture the line. If the leak is not discovered for fourteen days and he reports it and cleans it up, he could still receive a fine of \$10,000 per day. This is a total fine of \$140,000, which would put him out of business. He said Petron has been written up for a leaking ball valve, and was also threatened with a pattern-of-violations fine when its sign blew off the lease for the third time.

Commissioner Benton noted that the staff has discretion. Ms. Jost answered that the "enviros" are pushing for the highest fines. Commissioner Benton noted his concern that the non-public companies may not have the same incentive to comply as the public companies.

Commissioner Craig wondered what the appropriate fine would be and stated her concern the bigger companies are different. Reputation is important to bigger companies.

Commissioner Benton asked Mr. Walker, assuming the fine structure stands as proposed, how many of Petron's wells would he plug and how many people would lose their jobs. Mr. Walker's answer was, "All of them." Commissioner Benton stated that he was worried about private companies complying.

Director Lepore commented that the range of operators in this state is one of the biggest challenges but we have to have one set of rules and they need flexibility. The rules have never been used to put an operator out of business. The commission always allows a revenue stream to continue. Thirty-year-old flow lines are a business risk, but things can be done to mitigate that risk, like testing twice a year instead of once a year and replacing old lines. The Commission doesn't want to put anyone out of business, but he can't give a free pass forever.

The Commission took a break from 10:35 a.m. to 10:45 a.m.

Attorney David Neslin presented the changes his client group (Bonanza Creek, Encana, and PDC) wants to Rules 522.b.(3), 522.d.(3), 522.e.(1), and 522.g.(3).

Mr. Randall Ferguson, from PDC Energy, Inc., was sworn and testified regarding two situations where a NOAV was issued but the outcome likely would have been different if the Commission staff and PDC had conferred prior to the issuance of the NOAV.

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Mr. Jason Oates, from Encana, was sworn and testified reading instances were conferences did occur and NOAV's were not issued.

Director Lepore asked to respond to the Rule 522 issues. He advised that all of these issues had been raised in the stake holder process. Ten days to respond to a proposed AOC is ok sometimes, and is not ok other times. With regard to Rule 522.d.(3), there is a meet and confer requirement in the Colorado Rules of Civil procedure, for motions. However, there is no need to confer prior to filing a complaint, or the police issuing a ticket. There are already a great number of opportunities to confer during the NOAV process. Many alleged violations are cut and dried. Current procedure is to issue the NOAV with an attached proposed AOC. Inspectors do not issue NOAV's. An AOC is not an admission of violation. For the public, this is a matter of perception. An operator can still negotiate for the "no admission of liability" language in the AOC, but it should not be the default language. As to the cease and desist issue, if the operator does not have to immediately comply, what would be the point in issuing it?

Mr. Neslin responded to Director Lepore's comments.

Mr. Neslin then presented his client group's position on proposed Rule 523. His clients are concerned about the language in proposed Rule 523.b.(2) that a violation ends when corrective action is commenced. He presented the Merriam-Webster Dictionary definition of "commence" as meaning "to begin". He presented his clients' proposed changes to proposed Rules 523.c.(1) and requested adjustment to the base penalty amounts for minor violations a set forth in the penalty matrix. His clients want the existence of a regularized and comprehensive environmental compliance or audit program to be a mitigating factor in proposed Rule 523.c.(3)B. His clients also want language in proposed Rule 523.e.(1) that gives an operator a rebuttable presumption against imposition of a fine if it conducts a voluntary self-evaluation. Mr. Neslin also suggested a change to the Statement of Basis and Purpose concerning consolidation of violations.

Commissioner Craig expressed concern that voluntary disclosure as proposed by Mr. Neslin's clients' looks like a "get out of jail free card."

Commissioners Compton and Alward also had questions.

Director Lepore gave a rebuttal to the position taken by Mr. Neslin's clients. Director Lepore noted that the existing rule on voluntary disclosure applies to only about 8% of violations. He wants to expand it significantly to cover all violations. As to the "duration" issue, the act has a presumption of how this works. The bill's sponsor expected the Commission to write defining language. Base penalty amounts were lowered once in the staff's proposal in response to industry comments.

Randall Ferguson, from PDC Energy, Inc., testified regarding the voluntary disclosure program.

Jim Katrell testified regarding the need for guidance on the consolidating of violations.

Mr. Neslin responded to Director Lepore's comments.

The Commission took a lunch break from 12:20 p.m. until 12:50 p.m. Upon reconvening, all Commissioners were present except for Commissioner Spielman.

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Attorney Jamie Jost began her presentation on behalf of COGA. In response to a question from Commissioner Benton, Ms. Jost advised that the changes to proposed Rules 522 and 523 sought by COGAS were not the same as those proposed by Mr. Neslin's clients.

Ms. Jost advised that a priority point was the elimination of private prosecutions for alleged violations. Mr. Wonstolen, counsel for Bill Barrett Corporation, presented legal argument to the Commission on the authority of the Commission to adopt rules that allow for private complainants to prosecute NOAV's if the Commission staff declines to pursue the case. Attorney Matt Sura interposed an objection and moved to bar Mr. Wonstolen's presentation for failure to raise the argument in Bill Barrett's Prehearing Statement in violation of Mr. Randall's Prehearing Order and presented argument on the issue. After hearing from Hearing Officer Randall and after oral argument from the parties, Chairman Compton denied Mr. Sura's motion.

At 1:30 p.m., Chairman Compton left the proceedings. Vice-Chairman Spielman assumed the duties of the Chairman for the remainder of the hearing.

Ms. Jost presented COGA's objections and alternate proposals to multiple provisions of the proposed rules in accordance with COGA's Prehearing Statement and Supplemental Prehearing Statement. Numerous questions were asked by individual Commissioners. Ms. Jost and Mr. Wonstolen responded to the questions. Mr. Lepore also responded to questions from the Commission.

Mr. Randall Ferguson, from PDC Energy, Inc., having been previously sworn, presented testimony on the issue of operator liability for the violation of Commission Rules by subcontractors.

Mike Paules, from WPX, provided testimony on the impact of the use of threatened-violation terminology in the proposed rules in different situations. He also testified regarding inspections and inspectors.

The Commission took a break from 2:45 p.m. to 3:00 p.m.

The Commission entertained rebuttal presentations combined with closing arguments.

Mr. Wynn from Garfield County advised the Commission that he gets more complaints from citizens regarding oil and gas operations than the Commission does. Most complainants are not looking for party status in an enforcement process, but rather just want the problem to go away. He asks people if they want to send a complaint to the Commission. The vast majority of people do not want to do so. In his opinion, the written complaint process will not affect most people.

Mr. Zogg and Mr. Sura reiterated their clients' position and answered questions from the Commissioners.

Mr. Neslin, Mr. Wonstolen, and Ms. Jost reiterated their clients' position and answered questions from the Commissioners.

Director Lepore presented rebuttal in favor of the Staff's proposal.

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The Commission deliberated the next step. Commissioner Benton moved to close the record and Commissioner Alward seconded the motion. The motion was discussed. Vice-Chairman Spielman noted that if the record is closed it will be up to each individual Commissioner to each assess the testimony for themselves and come back to deliberate. Commissioner King suggested that staff find out which date works best for the Commission to reconvene. He expressed a desire to resolve the rulemaking before the Legislature convenes on January 7, 2015.

Vice-Chairman Spielman proposed the pending motion be amended to close the record and to direct staff to work to find the best time for the Commission to reconvene. Both Commissioners Benton and Alward agreed. The motion as amended was passed unanimously.

The Commission adjourned at approximately 4:55 p.m.

The Secretary was therefore authorized to issue the following orders:

Order No. 407-1159, Docket No. 1412-AW-31, Wattenberg Field, Adams County

Approve Ward Petroleum Corporation's (Operator No. 10359) request for an order to, among other things: 1) Approve an additional 11 horizontal wells, for a total of up to 12 horizontal wells, in an approximate 640-acre drilling and spacing unit established by Order No. 407-997 for the Application Lands, for the production of oil, gas and associated hydrocarbons from the Codell and Niobrara Formations.

Order No. 407-1162, Docket No. 1412-SP-2225, Wattenberg Field, Adams County

Approve Ward Petroleum Corporation's (Operator No. 10359) request for an order to, among other things: 1) Establish an approximate 640-acre drilling and spacing unit for the Application Lands, for the production of oil, gas and associated hydrocarbons from the Codell and Niobrara Formations; 2) Approve up to 12 horizontal wells within the unit.

Order No. 407-1154, Docket No. 1409-UP-257, Wattenberg Field, Weld County

Approve Synergy Resources Corporation's (Operator No. 10311) request for an order to, among other things: Pool all interests in two approximate 480-acre designated horizontal wellbore spacing units established for the Application Lands, for the development and operation of the Codell and Niobrara Formations, effective as of the date of the Application.

Order No. 407-1184, Docket No. 1412-UP-356, Wattenberg Field, Weld County

Approve Great Western Operating Company, LLC's (Operator No. 10110) request for an order to, among other things: Pool all interests in an approximate 320-acre designated horizontal wellbore spacing unit established for the Application Lands, for the development and operation of the Niobrara Formation.

Order No. 407-1185, Docket No. 1412-UP-358, Unnamed Field, Wattenberg County

Approve Great Western Operating Company, LLC's (Operator No. 10110) request for an order to, among other things: Pool all interests in an approximate 320-acre designated horizontal well spacing unit established for the Application Lands, for the development and operation of the Niobrara Formation.

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Order No. 407-1186, Docket No. 1412-UP-360, Wattenberg Field, Weld County

Approve Great Western Operating Company, LLC's (Operator No. 10110) request for an order to, among other things: Pool all interests in an approximate 320-acre designated horizontal wellbore spacing unit established for the Application Lands, for the development and operation of the Niobrara Formation.

Order No. 407-1187, Docket No. 1412-UP-361, Wattenberg Field, Weld County

Approve Great Western Operating Company, LLC's (Operator No. 10110) request for an order to, among other things: Pool all interests in an approximate 160-acre designated horizontal wellbore spacing unit established for the Application Lands, for the development and operation of the Codell Formation.

Order No. 421-49, Docket No. 1412-SP-2204, Wattenberg Field, Weld County

Approve Anadarko E&P Onshore LLC's (Operator No. 2800) request for an order to, among other things: 1) Establish an approximate 1280-acre drilling and spacing unit for the Application Lands, for the production of oil, gas and associated hydrocarbons from the Codell Formation; 2) Approve one horizontal well within the unit.

Order No. 521-54, Docket No. 1412-SP-2222, Hereford Field, Weld County

Approve Anadarko E&P Onshore LLC's (Operator No. 2800) request for an order to, among other things: 1) Establish an approximate 1318.71-acre drilling and spacing unit for the Application Lands, for the production of oil, gas and associated hydrocarbons from the Codell and Niobrara Formations; 2) Approve up to one horizontal well within the unit, for the production of oil, gas and associated hydrocarbons from the Codell Formation; 3) Approve up to one horizontal well within the unit, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation.

Order No. 421-55, Docket No. 1412-SP-2223, Hereford Field, Weld County

Approve Anadarko E&P Onshore LLC's (Operator No. 2800) request for an order to, among other things: 1) Establish an approximate 1305.33-acre drilling and spacing unit for the Application Lands, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation; 2) Approve up to one horizontal well within the unit.

Order No. 407-1180, Docket No. 1412-UP-347, Wattenberg Field, Weld County

Approve Kerr-McGee Oil & Gas Onshore LP's (Operator No. 47120) request for an order to, among other things: Pool all interests in one approximate 240-acre designated horizontal wellbore spacing units and three approximate 480-acre designated horizontal wellbore spacing units established for the Application Lands, for the development and operation of the Codell and Niobrara Formations.

Order No. 407-1188, Docket No. 1412-UP-365, Wattenberg Field, Weld County

Approve Kerr-McGee Oil & Gas Onshore LP's (Operator No. 47120) request for an order to, among other things: Pool all interests in two approximate 400-acre designated horizontal wellbore spacing units established for the Application Lands, for the development and operation of the Codell and Niobrara Formations.

Order No. 407-1158, Docket No. 1412-AW-27, Wattenberg Field, Weld County

Approve Bonanza Creek Energy LLC's (Operator No. 8960) request for an order to, among other things: Approve an additional six horizontal wells, for a total of up to 10 horizontal wells,

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within an approximate 640-acre drilling and spacing unit established for the Application Lands, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation.

Order No. 407-1160, Docket No. 1412-EX-04, Wattenberg Field, Weld County

Approve Bonanza Creek Energy LLC's (Operator No. 8960) request for an order to, among other things: Modify Order No. 407-1105 to allow 460 foot setbacks as to the northern unit boundary and southern unit boundary of the application lands.

Order No. 407-1170, Docket No. 1412-UP-325, Wattenberg Field, Weld County

Approve Bonanza Creek Energy LLC's (Operator No. 8960) request for an order to, among other things: Pool all interests in two approximate 320-acre designated horizontal wellbore spacing units established for the Application Lands, for the development and operation of the Niobrara Formation.

Order No. 535-589, Docket No. 1412-SP-2174, Unnamed Field, Weld County

Approve Noble Energy, Inc.'s (Operator No. 100322) request for an order to, among other things: 1) Establish an approximate 640-acre drilling and spacing unit for the Application Lands, for the production of oil, gas and associated hydrocarbons from the Codell Formation; 2) Approve up to seven horizontal wells within the unit, for the production of oil, gas and associated hydrocarbons from the Codell Formation; 3) Approve an additional six wells, for a total of up to seven horizontal wells, within an approximate 640-acre drilling and spacing unit established by Order No. 535-3 for the Application Lands, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation.

Order No. 535-615, Docket No. 1412-SP-2226, Unnamed Field, Weld County

Approve Noble Energy, Inc.'s (Operator No. 100322) request for an order to, among other things: 1) Establish an approximate 640-acre drilling and spacing unit for the Application Lands, for the production of oil, gas and associated hydrocarbons from the Codell Formation; 2) Approve up to 10 horizontal wells within the unit, for the production of oil, gas and associated hydrocarbons from the Codell Formation; 3) Approve an additional nine wells, for a total of up to 10 horizontal wells, within an approximate 640-acre drilling and spacing unit established by Order No. 535-3 for the Application Lands, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation.

Order No. 407-1171, Docket No. 1412-UP-326, Wattenberg Field, Weld County

Approve Noble Energy, Inc.'s (Operator No. 100322) request for an order to, among other things: Pool all interests in two approximate 400-acre designated horizontal wellbore spacing units established for the Application Lands, for the development and operation of the Niobrara Formation.

Order No. 407-1172, Docket No. 1412-UP-327, Wattenberg Field, Weld County

Approve Noble Energy, Inc.'s (Operator No. 100322) request for an order to, among other things: Pool all interests in an approximate 405.57-acre designated horizontal wellbore spacing unit established for the Application Lands, for the development and operation of the Codell Formation.

Order No. 407-1173, Docket No. 1412-UP-328, Wattenberg Field, Weld County

Approve Noble Energy, Inc.'s (Operator No. 100322) request for an order to, among other things: Pool all interests in an approximate 649.21-acre designated horizontal wellbore spacing

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unit established for the Application Lands, for the development and operation of the Niobrara Formation.

Order No. 407-1174, Docket No. 1412-UP-334, Wattenberg Field, Weld County

Approve Noble Energy, Inc.'s (Operator No. 100322) request for an order to, among other things: Pool all interests in an approximate 400-acre designated horizontal well spacing unit established for the Application Lands, for the development and operation of the Niobrara Formation.

Order No. 407-1175, Docket No. 1412-UP-335, Wattenberg Field, Weld County

Approve Noble Energy, Inc.'s (Operator No. 100322) request for an order to, among other things: Pool all interests in an approximate 640.32-acre designated horizontal well spacing unit established for the Application Lands, for the development and operation of the Niobrara Formation.

Order No. 407-1176, Docket No. 1412-UP-337, Wattenberg Field, Weld County

Approve Noble Energy, Inc. (Operator No. 100322) request for an order to, among other things: Pool all interests in an approximate 730.58-acre spacing unit established for the Application Lands, for the development and operation of the Niobrara Formation.

Order No. 407-1177, Docket No. 1412-UP-340, Wattenberg Field, Weld County

Approve Noble Energy, Inc.'s (Operator No. 100322) request for an order to, among other things: Pool all interests in an approximate 404.19-acre designated horizontal wellbore spacing unit established for the Application Lands, for the development and operation of the Niobrara Formation.

Order No. 407-1178, Docket No. 1412-UP-341, Wattenberg Field, Weld County

Approve Noble Energy, Inc.'s (Operator No. 100322) request for an order to, among other things: Pool all interests in an approximate 404.19-acre designated horizontal wellbore spacing unit established for the Application Lands, for the development and operation of the Niobrara Formation.

Order No. 407-1179, Docket No. 1412-UP-342, Wattenberg Field, Weld County

Approve Noble Energy, Inc.'s (Operator No. 100322) request for an order to, among other things: Pool all interests in an approximate 403.87-acre designated horizontal wellbore spacing unit established for the Application Lands, for the development and operation of the Codell Formation.

Order No. 407-1191, Docket No. 1412-UP-343, Wattenberg Field, Weld County

Approve Noble Energy, Inc.'s (Operator No. 100322) request for an order to, among other things: Pool all interests in an approximate 403.87-acre designated horizontal wellbore spacing unit established for the Application Lands, for the development and operation of the Niobrara Formation.

Order No. 407-1181, Docket No. 1412-UP-348, Wattenberg Field, Weld County

Approve Noble Energy, Inc.'s (Operator No. 100322) request for an order to, among other things: Pool all interests in an approximate 160-acre drilling and spacing unit established for the Application Lands, for the development and operation of the Codell and Niobrara Formation.

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Order No. 407-1182, Docket No. 1412-UP-349, Wattenberg Field, Weld County

Approve Noble Energy, Inc.'s (Operator No. 100322) request for an order to, among other things: Pool all interests in an approximate 160-acre drilling and spacing unit established for the Application Lands, for the development and operation of the Codell and Niobrara Formations.

Order No. 421-48, Docket No. 1412-SP-2202, Hereford Field, Weld County

Approve EOG Resources, Inc.'s (Operator No. 27742) request for an order to, among other things: 1) Establish an approximate 1280-acre drilling and spacing unit for the Application Lands, for the production of oil, gas and associated hydrocarbons from the Codell Formation; 2) Approve one horizontal well within the unit

Order No. 407-1161, Docket No. 1412-SP-2215, Unnamed Field, Arapahoe County

Approve Verdad Oil & Gas Corporation's (Operator No. 10485) request for an order to, among other things: 1) Vacate four approximate 80-acre drilling and spacing units established by Order No. 407-87 for the Application Lands, for the production of oil, gas and associated hydrocarbons from the Codell and Niobrara Formations. 2) Establish an approximate 640-acre drilling and spacing unit for the Application Lands, for the production of oil, gas and associated hydrocarbons from the Codell and Niobrara Formations; 3) Approve up to eight horizontal wells within the unit.

Order No. 407-1156, Docket No. 1410-UP-298, Wattenberg Field, Weld County

Approve PDC Energy, Inc.'s (Operator No. 69175) request for an order to, among other things: Pool all interests in an approximate 320-acre designated horizontal wellbore spacing unit established for the Application Lands, for the development and operation of the Niobrara Formation.

Order No. 407-1157, Docket No. 1410-UP-306, Wattenberg Field, Weld County

Approve PDC Energy, Inc.'s (Operator No. 69175) request for an order to, among other things: Pool all interests in an approximate 320-acre designated wellbore spacing unit and an approximate 80-acre designated wellbore spacing unit established for the Application Lands, for the development and operation of the "J" Sand and Codell-Niobrara Formations.

Order No. 407-1192 , Docket No. 1412-UP-371, Wattenberg Field, Weld County

Approve Red Hawk Petroleum, LLC's (Operator No. 10503) request for an order to, among other things: Amend Order Nos. 407-514 and 535-104 to include the Codell Formation as to the Application Lands, for the production of oil, gas and associated hydrocarbons from the Codell Formation; 2) Approve the drilling of up to 15 additional horizontal wells, for a total of 16 horizontal wells, in the approximate 1280-acre drilling and spacing unit established for the Application Lands, for the production of oil, gas and associated hydrocarbons from the Codell-Niobrara Formation.

Order No. 535-583, Docket No. 1412-AW-32, Unnamed Field, Weld County

Approve Carrizo Oil and Gas, Inc.'s (Operator No. 10338) request for an order to, among other things: Approve an additional two horizontal wells, for a total of up to 16 horizontal wells, in an approximate 640-acre drilling and spacing unit established for the Application Lands, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation.

Order No. 535-584, Docket No. 1412-AW-33, Unnamed Field, Weld County

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Approve Carrizo Oil and Gas, Inc.'s (Operator No. 10338) request for an order to, among other things: 1) Approve an additional 19 horizontal wells, for a total of up to 32 horizontal wells, in an approximate 960-acre drilling and spacing unit established for the Application Lands for the production of oil, gas and associated hydrocarbons from the Niobrara Formation.

Order No. 535-585, Docket No. 1412-AW-34, Unnamed Field, Weld County

Approve Carrizo Oil and Gas, Inc.'s (Operator No. 10338) request for an order to, among other things: Approve an additional 46 horizontal wells, for a total of up to 48 horizontal wells, in an approximate 640-acre drilling and spacing unit established for the Application Lands, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation.

Order No. 535-586, Docket No. 1412-AW-35, Unnamed Field, Weld County

Approve Carrizo Oil and Gas, Inc.'s (Operator No. 10338) request for an order to, among other things: Approve one additional horizontal well, for a total of up to 16 horizontal wells, in an approximate 640-acre drilling and spacing unit established for the Application Lands, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation.

Order No. 535-587, Docket No. 1412-AW-36, Unnamed Field, Weld County

Approve Carrizo Oil and Gas, Inc.'s (Operator No. 10338) request for an order to, among other things: Approve an additional 18 horizontal wells, for a total of up to 32 horizontal wells, in an approximate 640-acre drilling and spacing unit established for the Application Lands, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation.

Order No. 535-588, Docket No. 1412-AW-37, Unnamed Field, Weld County

Approve Carrizo Oil and Gas, Inc.'s (Operator No. 10338) request for an order to, among other things: Approve an additional 17 horizontal wells, for a total of up to 32 horizontal wells, in an approximate 640-acre drilling and spacing unit established for the Application Lands, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation.

Order No. 527-17, Docket No. 1412-AW-29, Sulphur Creek Field, Rio Blanco County

Approve WPX Energy Rocky Mountain, LLC's (Operator No. 96850) request for an order to, among other things: Approve the equivalent of one well per 10 acre well density for the Application Lands, for the production of gas and associated hydrocarbons from the Williams Fork and Iles Formations (including the Sego Sandstone).

Order No. 535-605, Docket No. 1412-SP-2205, Unnamed Field, Weld County

Approve Cirque Resources LP's (Operator No. 10470) request for an order to, among other things: 1) Establish an approximate 1280-acre drilling and spacing unit for the Application Lands, for the production of oil, gas and associated hydrocarbons from the Codell Formation; 2) Approve up to 4 horizontal wells within the unit.

Order No. 535-606, Docket No. 1412-SP-2207, Unnamed Field, Weld County

Approve Cirque Resources LP's (Operator No. 10470) request for an order to, among other things: 1) Establish an approximate 1278.68-acre drilling and spacing unit for the Application Lands, for the production of oil, gas and associated hydrocarbons from the Codell Formation; 2) Approve up to 4 horizontal wells within the unit.

Order No. 535-607, Docket No. 1412-SP-2208, Unnamed Field, Weld County

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Approve Cirque Resources LP's (Operator No. 10470) request for an order to, among other things: 1) Vacate an approximate 640-acre drilling and spacing unit established by Order No. 535-2 for Section 26, Township 11 North, Range 67 West, 6th P.M., for the production of oil, gas and associated hydrocarbons from the Codell Formation; 2) Establish an approximate 1280-acre drilling and spacing unit for the Application Lands, for the production of oil, gas and associated hydrocarbons from the Codell Formation; 3) Approve up to 4 horizontal wells within the unit.

Order No. 535-608, Docket No. 1412-SP-2209, Unnamed Field, Weld County

Approve Cirque Resources LP's (Operator No. 10470) request for an order to, among other things: 1) Vacate an approximate 640-acre drilling and spacing unit established by Order No. 535-2 for Section 27, Township 11 North, Range 67 West, 6th P.M., for the production of oil, gas and associated hydrocarbons from the Codell Formation; 2) Establish an approximate 1280-acre drilling and spacing unit for the Application Lands, for the production of oil, gas and associated hydrocarbons from the Codell Formation; 3) Approve up to 4 horizontal wells within the unit.

Order No. 407-1169, Docket No. 1412-UP-322, Wattenberg Field, Weld County

Approve Bill Barrett Corporation's (Operator No. 10071) request for an order to, among other things: Pool all interests in an approximate 640-acre drilling and spacing unit established for the Application Lands, effective as of the date of the Application, for development and operation of the Niobrara Formation.

Order No. 407-1183, Docket No. 1412-UP-355, Wattenberg Field, Weld County

Approve Bill Barrett Corporation's (Operator No. 10071) request for an order to, among other things: Pool all interests in an approximate 1280-acre drilling and spacing unit established for the Application Lands, effective as of the date of the Application, for the development and operation of the Niobrara Formation.

Order No. 407-1155, Docket No. 1409-UP-277, Wattenberg & North Riverside Field, Weld County

Approve Encana Oil & Gas (USA) Inc.'s (Operator No. 100185) request for an order to, among other things: Pool all interests in an approximate 320-acre designated horizontal wellbore spacing unit established for the Application Lands, for the development and operation of the Niobrara Formation.

Order No. 407-1189, Docket No. 1412-UP-368, Wattenberg Field, Weld County

Approve Encana Oil & Gas (USA) Inc.'s (Operator No. 100185) request for an order to, among other things: Pool all interests in two approximate 400-acre designated horizontal wellbore spacing units established for the Application Lands, effective as of the date of the Application, for the development and operation of the Codell and Niobrara Formations.

Order No. 407-1190, Docket No. 1412-UP-369, Wattenberg Field, Weld County

Approve Encana Oil & Gas (USA) Inc.'s (Operator No. 100185) request for an order to, among other things: Pool all interests in four approximate 400-acre designated horizontal wellbore spacing units established for the Application Lands, effective as of the date of the Application, for the development and operation of the Codell and Niobrara Formation.

Order No. 535-609, Docket No. 1412-SP-2210, Unnamed Field, Weld County

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Approve Cirque Resources LP's (Operator No. 10470) request for an order to, among other things: 1) Vacate an approximate 640-acre drilling and spacing unit established by Order No. 535-2 for Section 28, Township 11 North, Range 67 West, 6th P.M., for the production of oil, gas and associated hydrocarbons from the Codell Formation; 2) Establish an approximate 1280-acre drilling and spacing unit for the Application Lands, for the production of oil, gas and associated hydrocarbons from the Codell Formation; 3) Approve up to 4 horizontal wells within the unit.

Order No. 535-610, Docket No. 1412-SP-2211, Unnamed Field, Weld County

Approve Cirque Resources LP's (Operator No. 10470) request for an order to, among other things: Establish an approximate 634.56-acre drilling and spacing unit for the Application Lands, for the production of oil, gas and associated hydrocarbons from the Codell Formation; 2) Approve up to four horizontal wells within the unit.

Order No. 421-50, Docket No. 1412-SP-2216, Hereford Field, Weld County

Approve Anadarko E&P Onshore LLC's (Operator No. 2800) request for an order to, among other things: 1) Vacate two approximate 640-acre drilling and spacing units established by Order No. 421-3 for the Application Lands, for the production of oil, gas, and associated hydrocarbons from the Niobrara Formation; 2) Establish an approximate 1285.19-acre drilling and spacing unit for the Application Lands, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation; 3) Approve one horizontal well within the unit.

Order No. 421-51, Docket No. 1412-SP-2217, Hereford Field, Weld County

Approve Anadarko E&P Onshore LLC's (Operator No. 2800) request for an order to, among other things: 1) Establish an approximate 1298.98-acre drilling and spacing unit for the Application Lands, for the production of oil, gas and associated hydrocarbons from the Codell Formation; 2) Approve one horizontal well within the unit.

Order No. 407-1164, Docket No. 1412-UP-316, Wattenberg Field, Weld County

Approve Noble Energy, Inc.'s (Operator No. 100322) request for an order to, among other things: Pool all interests in an approximate 200-acre designated horizontal wellbore spacing unit established for the Application Lands, effective as of the Application, for the development and operation of the Niobrara Formation.

Order No. 407-1165, Docket No. 1412-UP-317, Wattenberg Field, Weld County

Approve Noble Energy, Inc.'s (Operator No. 100322) request for an order to, among other things: Pool all interests in an approximate 200-acre designated horizontal wellbore spacing unit established for the Application Lands, effective as of the Application, for the development and operation of the Niobrara Formation.

Order No. 407-1166, Docket No. 1412-UP-318, Wattenberg Field, Weld County

Approve Noble Energy, Inc.'s (Operator No. 100322) request for an order to, among other things: Pool all interests in an approximate 718.23-acre designated horizontal wellbore spacing unit established for the Application Lands, effective as of the Application, for the development and operation of the Niobrara Formation.

Order No. 407-1167, Docket No. 1412-UP-319, Wattenberg Field, Weld County

Approve Noble Energy, Inc.'s (Operator No. 100322) request for an order to, among other things: Pool all interests in an approximate 398.78-acre designated horizontal wellbore spacing

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unit established for the Application Lands, effective as of the date of the Application, for the development and operation of the Niobrara Formation.

Order No. 407-1168, Docket No. 1412-UP-320, Wattenberg Field, Weld County

Approve Noble Energy, Inc.'s (Operator No. 100322) request for an order to, among other things: Pool all interests in an approximate 398.23-acre designated horizontal wellbore spacing unit established for the Application Lands, effective as of the Application, for the development and operation of the Niobrara Formation.

Order No. 535-611, Docket No. 1412-SP-2212, Unnamed Field, Weld County

Approve ConocoPhillips Company's (Operator No. 19160) request for an order to, among other things: 1) Establish an approximate 1280-acre drilling and spacing unit for the Application Lands, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation; 2) Approve up to two horizontal wells within the unit.

Order No. 535-612, Docket No. 1412-SP-2213, Unnamed Field, Arapahoe County

Approve ConocoPhillips Company's (Operator No. 19160) request for an order to, among other things: 1) Vacate an approximate 640-acre drilling and spacing unit established by Order No. 535-155 for Section 35, Township 5 South, Range 64 West, 6th P.M., for the production of oil, gas and associated hydrocarbons from the Niobrara Formation; 2) Establish an approximate 1280-acre drilling and spacing unit for the Application Lands, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation; 3) Approve up to two horizontal wells within the unit.

Order No. 535-613, Docket No. 1412-SP-2214, Unnamed Field, Arapahoe County

Approve ConocoPhillips Company's (Operator No. 19160) request for an order to, among other things: Modify Order No. 535-97 only to allow for the lateral of a given horizontal well to enter the Niobrara Formation anywhere within the unit.

Order No. 535-616, Docket No. 1412-UP-324, Unnamed Field, Arapahoe County

Approve ConocoPhillips Company's (Operator No. 19160) request for an order to, among other things: Pool all interests in an approximate 640-acre drilling and spacing unit established for the Application Lands, for the development and operation of the Niobrara Formation.

Order No. 535-590, Docket No. 1412-SP-2180, Unnamed Field, Weld County

Approve Extraction Oil & Gas, LLC's (Operator No. 10459) request for an order to, among other things: 1) Establish an approximate 1280-acre drilling and spacing unit for the Application Lands, for the production of oil, gas and associated hydrocarbons from the Codell Formation; 2) Approve up to four horizontal wells within the unit.

Order No. 535-591, Docket No. 1412-SP-2181, Unnamed Field, Weld County

Approve Extraction Oil & Gas, LLC's (Operator No. 10459) request for an order to, among other things: 1) Establish an approximate 1300.14-acre drilling and spacing unit for the Application Lands, for the production of oil, gas and associated hydrocarbons from the Codell Formation; 2) Approve up to four horizontal wells within the unit.

Order No. 535-592, Docket No. 1412-SP-2182, Unnamed Field, Weld County

Approve Extraction Oil & Gas, LLC's (Operator No. 10459) request for an order to, among other things: 1) Vacate two approximate 640-acre drilling and spacing units established by Order No.

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535-2 for Sections 4 and 9, Township 10 North, Range 67 West, 6th P.M., for the production of oil, gas and associated hydrocarbons from the Codell Formation; 2) Establish an approximate 1280-acre drilling and spacing unit for the Application Lands, for the production of oil, gas and associated hydrocarbons from the Codell Formation; 3) Approve up to four horizontal wells within the unit.

Order No. 535-593, Docket No. 1412-SP-2183, Unnamed Field, Weld County

Approve Extraction Oil & Gas, LLC's (Operator No. 10459) request for an order to, among other things: 1) Vacate two approximate 640-acre drilling and spacing units established by Order No. 535-2 for Sections 19 and 30, Township 10 North, Range 66 West, 6th P.M., for the production of oil, gas and associated hydrocarbons from the Codell Formation; 2) Establish an approximate 1280-acre drilling and spacing unit for the Application Lands, for the production of oil, gas and associated hydrocarbons from the Codell Formation; 3) Approve up to four horizontal wells within the unit.

Order No. 421-44, Docket No. 1412-SP-2184, Unnamed Field, Weld County

Approve Extraction Oil & Gas, LLC's (Operator No. 10459) request for an order to, among other things: 1) Establish an approximate 1280-acre drilling and spacing unit for the Application Lands, for the production of oil, gas and associated hydrocarbons from the Codell Formation; 2) Approve up to four horizontal wells within the unit.

Order No. 535-594, Docket No. 1412-SP-2185, Unnamed Field, Weld County

Approve Extraction Oil & Gas, LLC's (Operator No. 10459) request for an order to, among other things: 1) Vacate an approximate 640-acre drilling and spacing unit established by Order No. 535-146 for Section 18, Township 11 North, Range 60 West, 6th P.M., for the production of oil, gas and associated hydrocarbons from the Codell Formation; 2) Establish an approximate 1280-acre drilling and spacing unit for the Application Lands, for the production of oil, gas and associated hydrocarbons from the Codell Formation; 3) Approve up to four horizontal wells within the unit.

Order No. 535-595, Docket No. 1412-SP-2186, Unnamed Field, Weld County

Approve Extraction Oil & Gas, LLC's (Operator No. 10459) request for an order to, among other things: 1) Establish an approximate 1280-acre drilling and spacing unit for the Application Lands, for the production of oil, gas and associated hydrocarbons from the Codell Formation; 2) Approve up to four horizontal wells within the unit.

Order No. 421-45, Docket No. 1412-SP-2187, Unnamed Field, Weld County

Approve Extraction Oil & Gas, LLC's (Operator No. 10459) request for an order to, among other things: 1) Establish an approximate 1305.34-acre drilling and spacing unit for the Application Lands, for the production of oil, gas and associated hydrocarbons from the Codell Formation; 2) Approve up to four horizontal wells within the unit.

Order No. 421-46, Docket No. 1412-SP-2189, Hereford Field, Weld County

Approve Extraction Oil & Gas, LLC's (Operator No. 10459) request for an order to, among other things: 1) Establish an approximate 1302.08-acre drilling and spacing unit for the Application Lands, for the production of oil, gas and associated hydrocarbons from the Codell Formation; 2) Approve up to four horizontal wells within the unit.

Order No. 535-596, Docket No. 1412-SP-2190, Unnamed Field, Weld County

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Approve Extraction Oil & Gas, LLC's (Operator No. 10459) request for an order to, among other things: 1) Vacate two approximate 640-acre drilling and spacing units established by Order No. 535-2 for Sections 3 and 10, Township 10 North, Range 67 West, 6th P.M., for the production of oil, gas and associated hydrocarbons from the Codell Formation; 2) Establish an approximate 1280-acre drilling and spacing unit for the Application Lands, for the production of oil, gas and associated hydrocarbons from the Codell Formation; 3) Approve up to four horizontal wells within the unit.

Order No. 535-597, Docket No. 1412-SP-2191, Unnamed Field, Weld County

Approve Extraction Oil & Gas, LLC's (Operator No. 10459) request for an order to, among other things: 1) Vacate two approximate 640-acre drilling and spacing units established by Order No. 535-2 for Sections 16 and 21, Township 10 North, Range 67 West, 6th P.M., for the production of oil, gas and associated hydrocarbons from the Codell Formation; 2) Establish an approximate 1280-acre drilling and spacing unit for the Application Lands, for the production of oil, gas and associated hydrocarbons from the Codell Formation; 3) Approve up to four horizontal wells within the unit.

Order No. 535-598, Docket No. 1412-SP-2192, Unnamed Field, Weld County

Approve Extraction Oil & Gas, LLC's (Operator No. 10459) request for an order to, among other things: 1) Vacate two approximate 640-acre drilling and spacing units established by Order No. 535-2 for Sections 6 and 7, Township 10 North, Range 67 West, 6th P.M., for the production of oil, gas and associated hydrocarbons from the Codell Formation; 2) Establish an approximate 1280-acre drilling and spacing unit for the Application Lands, for the production of oil, gas and associated hydrocarbons from the Codell Formation; 3) Approve up to four horizontal wells within the unit.

Order No. 535-599, Docket No. 1412-SP-2193, Unnamed Field, Weld County

Approve Extraction Oil & Gas, LLC's (Operator No. 10459) request for an order to, among other things: 1) Vacate two approximate 640-acre drilling and spacing units established by Order No. 535-2 for Sections 7 and 18, Township 10 North, Range 66 West, 6th P.M., for the production of oil, gas and associated hydrocarbons from the Codell Formation; 2) Establish an approximate 1280-acre unit for the Application Lands, for the production of oil, gas and associated hydrocarbons from the Codell Formation; 3) Approve up to four horizontal wells within the unit.

Order No. 535-600, Docket No. 1412-SP-2194, Unnamed Field, Weld County

Approve Extraction Oil & Gas, LLC's (Operator No. 10459) request for an order to, among other things: 1) Vacate two approximate 640-acre drilling and spacing units established by Order No. 535-2 for Sections 2 and 11, Township 10 North, Range 67 West, 6th P.M., for the production of oil, gas and associated hydrocarbons from the Codell Formation; 2) Establish an approximate 1280-acre drilling and spacing unit for the Application Lands, for the production of oil, gas and associated hydrocarbons from the Codell Formation; 3) Approve up to four horizontal wells within the unit.

Order No. 421-47, Docket No. 1412-SP-2195, Hereford Field, Weld County

Approve Extraction Oil & Gas, LLC's (Operator No. 10459) request for an order to, among other things: 1) Establish an approximate 1280-acre drilling and spacing unit for the Application

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Lands, for the production of oil, gas and associated hydrocarbons from the Codell Formation; 2) Approve up to four horizontal wells within the unit.

Order No. 535-601, Docket No. 1412-SP-2196, Unnamed Field, Weld County

Approve Extraction Oil & Gas, LLC's (Operator No. 10459) request for an order to, among other things: 1) Establish an approximate 1280-acre drilling and spacing unit for the Application Lands, for the production of oil, gas and associated hydrocarbons from the Codell Formation; 2) Approve up to four horizontal wells within the unit.

Order No. 535-602, Docket No. 1412-SP-2197, Unnamed Field, Weld County

Approve Extraction Oil & Gas, LLC's (Operator No. 10459) request for an order to, among other things: 1) Establish an approximate 1280-acre drilling and spacing unit for the Application Lands, for the production of oil, gas and associated hydrocarbons from the Codell Formation; 2) Approve up to four horizontal wells within the unit.

Order No. 535-603, Docket No. 1412-SP-2198, Unnamed Field, Weld County

Approve Extraction Oil & Gas, LLC's (Operator No. 10459) request for an order to, among other things: 1) Establish an approximate 1280-acre drilling and spacing unit for the Application Lands, for the production of oil, gas and associated hydrocarbons from the Codell Formation; 2) Approve up to four horizontal wells within the unit.

Order No. 535-604, Docket No. 1412-SP-2199, Unnamed Field, Weld County

Approve Extraction Oil & Gas, LLC's (Operator No. 10459) request for an order to, among other things: 1) Vacate two approximate 640-acre drilling and spacing units established by Order No. 535-2 for Sections 5 and 8, Township 10 North, Range 67 West, 6th P.M, for the production of oil, gas and associated hydrocarbons from the Codell Formation; 2) Establish an approximate 1241.93-acre drilling and spacing unit for Sections 20 and 29, Township 12 North, Range 61 West, 6th P.M., for the production of oil, gas and associated hydrocarbons from the Codell Formation; 3) Establish an approximate 1280-acre drilling and spacing unit for Sections 5 and 8, Township 10 North, Range 67 West, 6th P.M, for the production of oil, gas and associated hydrocarbons from the Codell Formation; 4) Approve up to four horizontal wells within each unit.

Order No. 112-246, Docket No. 1412-UP-346, Wattenberg Field, Weld County

Approve Catamount Energy Partners LLC's (Operator No. 10464) request for an order to, among other things: Pool all interests in an approximate 363-acre drilling and spacing unit established for the Application Lands, for the development and operation of the Fruitland Coal Seams Formation.

Order No. 407-902, Docket No. 1312-SP-1213, Hereford Field, Weld County

Approve Bill Barrett Corporation's (Operator No. 10071) request for an order to, among other things: Amend the order, which vacated an approximate 640-acre drilling and spacing unit established by Order Nos. 407-779 and 535-4 for Section 1, Township 6 North, Range 62 West, 6th P.M.; and 2) establish an approximate ~~1078.30~~ **1026.47**-acre drilling and spacing unit for Sections 1 and 2, Township 4 North, Range 62 West, 6th P.M., for the production of oil, gas, and related hydrocarbons from the Niobrara Formation.

Order No. 421-52, Docket No. 1412-SP-2219, Hereford Field, Weld County

Approve Anadarko E&P Onshore LLC's (Operator No. 2800) request for an order to, among other things: 1) Establish an approximate 1338-acre drilling and spacing unit for the Application

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Lands, for the production of oil, gas and associated hydrocarbons from the Codell Formation; 2) Establish an approximate 1338-acre drilling and spacing unit for the Application Lands, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation; 3) Approve one horizontal well within each unit.

Order No. 407-1163, Docket No. 1412-UP-315, Wattenberg Field, Weld County

Approve Noble Energy, Inc.'s (Operator No. 100322) request for an order to, among other things: Pool all interests in an approximate 398.57-acre designated horizontal wellbore spacing unit established for the Application Lands, effective as of the Application, for the development and operation of the Niobrara Formation.

Order No. 252-13, Docket No. 1412-SP-2203, Unnamed Field, Weld County

Approve Bayhorse Petroleum, LLC's (Operator No. 10234) request for an order to, among other things: 1) Establish an approximate 80-acre drilling and spacing unit for the Application Lands, for the production of oil, gas and associated hydrocarbons from the Shawnee, Lansing-Kansas City, Marmaton, Cherokee, Morrow, Keyes and Mississippian System (St. Genevieve Formation to Warsaw Formations); 2) Approve one well within the unit.

Order No. 421-53, Docket No. 1412-SP-2221, Hereford Field, Weld County

Approve Anadarko E&P Onshore LLC's (Operator No. 2800) request for an order to, among other things: Establish an approximate 1302.07-acre drilling and spacing unit for the Application Lands, for the production of oil, gas and associated hydrocarbons from the Formation and approve up to one horizontal well within the unit.

Order No. 535-614, Docket No. 1412-SP-2220

Approve ConocoPhillips Company's (Operator No. 19160) request for an order to, among other things: 1) Vacate four approximate 640-acre drilling and spacing units established by Order Nos. 535-118, 535-145, 535-313; 2) Establish an approximate 2560-acre unconventional resource unit for the Application Lands, for the production of oil, gas and associated hydrocarbons from the Codell and Niobrara Formations; 3) Approve the appropriate number of horizontal wells within the unit.

Enforcement Orders:

Order No. 1V-490, Docket No. 1407-OV-55, Energy Search Company

Approve an AOC with Energy Search Company (Operator No. 27635), imposing a \$135,000 penalty, with \$108,000 suspended for violations of Rules 210; 326.b; 605.d; 906.a; 907.a.(1); 907.b.(2); and 907.e. at six wells in Adams County

Rule Making Orders:

Order No. 1R-122, Docket No. 1412-RM-03, Rulemaking to Implement HB 10-1235

Approves additions and amendments to Rules 604c.(2)G, 605a.(1), and 605a.(4) of the Commission's Rules of Practice and Procedure, 2 C.C.R. 404-1 in order to comply with the "incorporation by reference" requirements of the Administrative Procedures Act ("APA"), as amended by House Bill 10-1235, 24-4-103(12.5), C.R.S. (2014).

Order No. 1R-121, Docket No. 1412-RM-02, Enforcement and Penalty Rulemaking

RECORD OF PROCEEDINGS

Approves additions and amendments to the Commission's Rules of Practice and Procedure, 2 C.C.R. 404-1, in an "Enforcement and Penalty Rulemaking," except Rules 522 and 523.

-END-

FOR THE COLORADO OIL AND GAS
CONSERVATION COMMISSION



Jill Dorancy, Acting Secretary

Approved:



Tom Compton, Chairman