

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

IN THE MATTER OF THE APPLICATION OF GREAT	)	CAUSE NO. 407
WESTERN OPERATING COMPANY, LLC FOR AN	)	
ORDER TO ESTABLISH TWO APPROXIMATE 320-	)	DOCKET NO. 1307-SP-1136
ACRE HORIZONTAL DRILLING AND SPACING UNITS	)	
FOR SECTION 1, TOWNSHIP 1 NORTH, RANGE 65	)	
WEST, 6 <sup>TH</sup> P.M., AND APPROVE UP TO SIX	)	
HORIZONTAL WELLS WITHIN EACH UNIT, FOR THE	)	
CODELL-NIOBRARA FORMATION, WATTENBERG	)	
FIELD, WELD COUNTY, COLORADO	)	

NOTICE OF HEARING

TO ALL INTERESTED PARTIES AND TO WHOM IT MAY CONCERN:

On February 19, 1992, the Commission issued Order No. 407-87 (amended August 20, 1993) which, among other things, established 80-acre drilling and spacing units for the production of oil, gas and associated hydrocarbons from the Codell and Niobrara Formations, with the permitted well locations in accordance with the provisions of Order No. 407-1. Section 1, Township 1 North, Range 65 West, 6<sup>th</sup> P.M. is subject to this Order for the Codell-Niobrara Formation.

On April 27, 1988, the Commission adopted Rule 318A, which among other things, allowed certain drilling locations to be utilized to drill or twin a well, deepen a well or recomplete a well and to commingle any or all Cretaceous Age Formations from the base of the Dakota Formation to the surface. Rule 318A supersedes all prior Commission drilling and spacing orders affecting well location and density requirements of Greater Wattenberg Area wells. On December 5, 2005, Rule 318A was amended, among other things, to allow interior infill and boundary wells to be drilled and wellbore spacing units to be established. On August 8, 2011, Rule 318A was again amended, among other things, to address drilling of horizontal wells. Section 1, Township 1 North, Range 65 West, 6<sup>th</sup> P.M. is subject to this Order for the Codell-Niobrara Formation.

On May 30, 2013, Great Western Operating Company, LLC ("Great Western" or "Applicant"), by its attorneys, filed with the Commission pursuant to §34-60-116 C.R.S., a verified application ("Application") for an order to establish two approximate 320-acre horizontal drilling and spacing units for the below-described lands ("Application Lands"), and approve up to six horizontal wells within each unit, for the production of oil, gas, and associated hydrocarbons from the Codell-Niobrara Formation, with the treated interval of the wellbore to be located no closer than 460 feet from the unit boundaries and no closer than 150 feet from the treated interval of any other wellbore located in the unit, without exception being granted by the Director:

<u>Township 1 North, Range 65 West, 6<sup>th</sup> P.M.</u>		
Section 1:	E½	(DSU#1)
Section 1:	W½	(DSU#2)

Applicant has an executed Surface Use Agreement and surface owner consent to locate the wellpads outside of the designated GWA drilling windows. If, however, there is a change in the location of the wellpads, then Applicant requests approval to locate the wellpads for the

proposed horizontal wells anywhere within the unit, subject to Rule 318A.

Applicant requests a finding by the Commission that Applicant may use its existing surface blanket bond to locate the wellpads for the proposed horizontal wells at a surface location outside the applicable GWA drilling window, within the unit. Applicant will identify the GWA window to be forfeited in its Rule 511 testimony.

Applicant states that existing vertical/directional wells within the unit shall be excluded from the proposed horizontal drilling and spacing unit, and that the allocation of proceeds from existing vertical/directional wells shall continue to pay on their current spacing or leasehold status.

NOTICE IS HEREBY GIVEN, pursuant to: 1) the general jurisdiction granted to the Oil and Gas Conservation Commission of the State of Colorado under §34-60-105 C.R.S.; 2) specific powers granted pursuant to §34-60-106 C.R.S.; 3) the State Administrative Procedures Act at §24-4-105 C.R.S.; and 4) the Commission's Series 500 Rules at 2 CCR 404-1, that the Commission has scheduled the above-entitled matter for hearing on:

Date: Monday, July 29, 2013  
Tuesday, July 30, 2013

Time: 9:00 a.m.

Place: Colorado Oil and Gas Conservation Commission  
1120 Lincoln Street, Suite 801  
Denver, Colorado 80203

In accordance with the Americans with Disabilities Act, if any party requires special accommodations as a result of a disability for this hearing, please contact Margaret Humecki at (303) 894-2100 ext. 5139, prior to the hearing and arrangements will be made.

Pursuant to said hearing in the above-entitled matter at the time and place aforesaid, or at any adjourned meeting, the Commission will enter such orders as it deems appropriate to protect the health, safety and welfare of the public and to prevent the waste of oil and gas, either or both, in the operations of said field, and to carry out the purposes of the statute.

**In accordance with Rule 509., any interested party desiring to protest the granting of the application or to intervene on the application should file with the Commission a written protest or intervention no later than July 15, 2013, briefly stating the basis of the protest or intervention.** Such interested party shall, at the same time, serve a copy of the protest or intervention to the person filing the application. One electronic (cogcc.hearings\_unit@state.co.us), one original and two copies shall be filed with the Commission. **Anyone who files a protest or intervention must be able to participate in a prehearing conference during the week of July 15, 2013.** Pursuant to Rule 503.g., if a party who has received notice under Rule 503.b. wishes to receive further pleadings in the above-referenced matter, that party must file a protest or intervention in accordance with these rules. In accordance with the practices of the Commission, should no protests or interventions be filed in this matter by **July 15, 2013, the Applicant may request that an administrative hearing be scheduled beginning July 15, 2013.** In the alternative, pursuant to Rule 511., if the matter is uncontested, the applicant may request, and the Director may recommend approval on the basis of the merits of the verified application and the supporting exhibits.

OIL AND GAS CONSERVATION COMMISSION  
OF THE STATE OF COLORADO

By   
Robert J. Frick, Secretary

Dated: June 28, 2013

Colorado Oil and Gas Conservation Commission  
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