

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

IN THE MATTER OF THE APPLICATION OF URSA )	CAUSE NO. 191
OPERATING COMPANY, LLC FOR AN ORDER TO )	
ESTABLISH AN APPROXIMATE 160-ACRE )	DOCKET NO. 1401-SP-2005
DRILLING AND SPACING UNIT FOR THE NW¼ OF )	
SECTION 12, TOWNSHIP 6 SOUTH, RANGE 92 )	
WEST, 6 <sup>TH</sup> P.M., AND TO APPROVE TEN-ACRE )	
BOTTOMHOLE WELL DENSITY FOR THE WILLIAMS )	
FORK AND ILES FORMATIONS, PARACHUTE )	
FIELD, GARFIELD COUNTY, COLORADO )	

NOTICE OF HEARING

TO ALL INTERESTED PARTIES AND TO WHOM IT MAY CONCERN:

Rule 318.a. of the Rules and Regulations of the Oil and Gas Conservation Commission requires that wells drilled in excess of 2,500 feet in depth shall be located not less than 600 feet from any lease line, and located not less than 1,200 feet from any other producible or drilling oil or gas well when drilling to the same common source of supply, unless authorized by order of the Commission upon hearing. Section 12 Township 6 South, Range 92 West, 6<sup>th</sup> P.M. is subject to Rule 318.a. for the Williams Fork and Iles Formation.

On October 31, 2011, the Commission entered Order 191-90 which, among other things, vacated an approximate 320-acre drilling and spacing unit established by Order No. 191-7 for the W½ of Section 12, Township 6 South, Range 92 West, 6<sup>th</sup> P.M., and established an approximate 160-acre drilling and spacing unit for the SW¼ of Section 12, Township 6 South, Range 92 West, 6<sup>th</sup> P.M. and approved the equivalent of one well per 10-acre density within the unit. The NW¼ of Section 12 reverted back to statewide spacing rules, Rule 318.a.

On November 26, 2013, Ursa Operating Company LLC ("Ursa" 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 an approximate 160-acre drilling and spacing unit for the below-described lands ("Application Lands"), and approve the equivalent of one well per 10-acre density within the unit, for the production of oil, gas and associated hydrocarbons from the Williams Fork and Iles Formations, with such wells to be drilled either vertically or directionally from no more than one pad located on a given quarter-quarter section, absent an exception approved by the Commission. Further, the wells may be located downhole anywhere upon the Application Lands, but no closer than 100 feet from the outside boundary of the Application Lands, unless such boundary abuts or corners lands for which the Commission has not at the time of the well permit application granted the right to drill 10-acre density wells, in which event the wells may be drilled no closer than 200 feet to such abutting or cornering lands:

Township 6 South, Range 92 West, 6<sup>th</sup> P.M.  
Section 12:   NW¼

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, January 27, 2014  
Tuesday, January 28, 2014

Time: 9:00 a.m.


Place: Centennial Building  
1313 Sherman Street, Room 318  
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 January 10, 2014, 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 January 13, 2014.** Pursuant to Rule 503.g., if a party who has received notice under Rule 503.b. wishes to receive further pleadings in the above-referenced matter, that party must file a protest or intervention in accordance with these rules. In accordance with the practices of the Commission, should no protests or interventions be filed in this matter by **January 10, 2014, the Applicant may request that an administrative hearing be scheduled beginning January 13, 2014.** 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: December 20, 2013

Colorado Oil and Gas Conservation Commission  
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