

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

IN THE MATTER OF THE PROMULGATION AND) CAUSE NO. 535
ESTABLISHMENT OF FIELD RULES TO GOVERN)
OPERATIONS FOR THE NIOBRARA FORMATION,) DOCKET NO. 1407-SP-2080
UNNAMED FIELD, WELD COUNTY, COLORADO)

NOTICE OF HEARING

TO ALL INTERESTED PARTIES AND TO WHOM IT MAY CONCERN:

APPLICATION LANDS

Township 8 North, Range 61 West, 6th P.M.

Section 2: W $\frac{1}{2}$

Section 3: All

APPLICATION

On May 29, 2014 (amended July 2, 2014), Carrizo Oil and Gas, Inc. ("Carrizo" or "Applicant") filed a verified amended application pursuant to §34-60-116, C.R.S., for an order to:

- 1) Vacate two approximate 640-acre drilling and spacing units established by Order No. 535-3, for Sections 2 and 3, Township 8 North, Range 61 West, 6th P.M.;
- 2) Vacate Order No. 535-295 as it applies to Section 2, Township 8 North, Range 61 West, 6th P.M.;
- 3) Vacate Order Nos. 535-215, 535-373, 535-411 and 535-463 in their entirety;
- 4) Establish an approximate 960-acre drilling and spacing unit for the Application Lands, and approve up to 16 horizontal wells within the unit, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation; and
- 5) Require the productive interval of the wellbore to be located no closer than 300 feet from the unit boundaries, and no closer than 300 feet from the productive interval of any other wellbore located in the unit.
- 6) Applicant states that upon vacating the approximate 640-acre drilling and spacing unit for Section 2, Township 8 North, Range 61 West, 6th P.M., the E $\frac{1}{2}$ of Section 2, Township 8 North, Range 61 West, 6th P.M. will no longer be subject to a spacing order and will revert to Rule 318.a.
- 7) Applicant requests that all proposed wells be located on no more than one well pad per quarter section within the unit.

PRIOR RULES AND ORDERS

(available online at: <http://cogcc.state.co.us>, under "ORDERS")

- Rule 318.a. of the Rules and Regulations of the Oil and Gas Conservation Commission requires that, on unspaced lands, wells drilled in excess of 2,500 feet in depth 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.
- On February 22, 2011, Order No. 535-3 established 160 approximate 640-acre drilling and spacing units and approved one horizontal well in each unit for the Niobrara Formation.
- On November 15, 2012, Order No. 535-215 approved up to two horizontal wells within each of two approximate 640-acre drilling and spacing units, for the production of oil, gas, and associated hydrocarbons from the Niobrara Formation. Section 2, Township 8 North, Range 61 West, 6th P.M. is subject to this Order.
- On March 25, 2013, Order No. 535-295 approved up to six horizontal wells within two approximate 640-acre drilling and spacing units, for the production of oil, gas, and associated hydrocarbons from the Niobrara Formation. Section 2, Township 8 North, Range 61 West, 6th P.M. is subject to this Order.
- On July 29, 2013, Order No. 535-373 approved up to 13 horizontal wells within an approximate 640-acre drilling and spacing unit, for the production of oil, gas, and associated hydrocarbons from the Niobrara Formation. Section 2, Township 8 North, Range 61 West, 6th P.M. is subject to this Order.
- On September 16, 2013, Order No. 535-411 approved up to 16 horizontal wells within an approximate 640-acre drilling and spacing unit, for the production of oil, gas, and associated hydrocarbons from the Niobrara Formation. Section 2, Township 8 North, Range 61 West, 6th P.M. is subject to this Order.
- On January 27, 2014, Order No. 535-463 pooled all interests in Section 2, Township 8 North, Range 61 West, 6th P.M., to accommodate the Ross 1-2-8-61 Well (API No. 05-123-38575), and subjected any nonconsenting interests to the cost recovery provisions of §34-60-116(7), C.R.S., for the development and operation of the Niobrara Formation.

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 28, 2014
 Tuesday, July 29, 2014

Time: 9:00 a.m.

Place: Weld County Administration Building
 Events Center
 1150 "O" Street

Greeley, CO 80631

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.

At hearing, the Commission will consider the Application and enter an order pursuant to its authority under the statute. **Any interested party desiring to protest or intervene should file with the Commission a written protest or intervention in accordance with Rule 509., no later than July 14, 2014.** 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 14, 2014.** Pursuant to Rule 511., if the matter is uncontested, it may be approved without a hearing.

OIL AND GAS CONSERVATION COMMISSION
OF THE STATE OF COLORADO

By *Peter J. Gowen*
for Robert J. Fick, Secretary

Dated: July 2, 2014

Colorado Oil and Gas Conservation Commission
1120 Lincoln Street, Suite 801
Denver, Colorado 80203
Website: <http://cogcc.state.co.us>
Phone: (303) 894-2100
Fax: (303) 894-2109

Attorney for Applicant:
Elizabeth Y. Spencer
Holland & Hart LLP
555 17th Street, Suite 3200
Denver, Colorado 80202
(303) 295-8367
eyspencer@hollandhart.com