

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

IN THE MATTER OF THE PROMULGATION) CAUSE NO.
AND ESTABLISHMENT OF FIELD RULES TO)
GOVERN OPERATIONS FOR THE WILLIAMS) DOCKET NO. 1409-SP-2131
FORK AND ILES FORMATIONS, MAMM CREEK)
FIELD, GARFIELD COUNTY, COLORADO)

NOTICE OF HEARING

TO ALL INTERESTED PARTIES AND TO WHOM IT MAY CONCERN:

APPLICATION LANDS

Township 6 South, Range 92 West, 6th P.M.
Section 11: E $\frac{1}{2}$

APPLICATION

On July 17, 2014, Ursa Operating Company LLC ("Ursa" or "Applicant") filed a verified application pursuant to §34-60-116, C.R.S., for an order to:

- 1) Vacate an approximate 320-acre drilling and spacing unit established by Order No. 191-90 for the S $\frac{1}{2}$ of Section 11, Township 6 South, Range 92 West, 6th P.M., for development and production of oil, gas and associated hydrocarbons from the Williams Fork and Iles Formations of the Mesaverde Group;
- 2) Vacate an approximate 160-acre drilling and spacing unit established by Order No. 191-100 for the NE $\frac{1}{4}$ of Section 11, Township 6 South, Range 92 West, 6th P.M., for development and production of oil, gas and associated hydrocarbons from the Williams Fork and Iles Formations.
- 3) Establish an approximate 320-acre drilling and spacing unit for the Application Lands, for the production of gas and associated hydrocarbons from the Williams Fork and Iles Formations;
- 4) Approve up to one well per 10-acre well density within the unit;
- 5) Require the productive interval of the wellbore to be located no closer than 100 feet from the unit boundaries, however, in cases where the lands abut or corner lands in respect of which the Commission has not at the time of drilling permit application granted the right to drill 10-acre density Williams Fork Formation and Iles Formation wells, the permitted well should be located downhole no closer than 200 feet from the unit boundaries. Further, the productive interval of the wellbore shall be located no closer than 200 feet from the productive interval of any other wellbore located in the unit, without exception by the Director; and

6) Applicant requests that the proposed wells be drilled from the surface either vertically or directionally from no more than one well pad located on a given quarter quarter section (or lots or parcels approximately equivalent thereto).

APPLICABLE 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. The SW½ of Section 11 will revert to Rule 318.a. upon the vacating of Order No. 191-90.
- On March 25, 2010, Order No. 191-72 established three approximate 320-acre drilling and spacing units for Sections 11 and 12, Township 6 South, Range 92 West, 6th P.M., and allowed the equivalent of one well per 10-density within the units, for the production of gas and associated hydrocarbons from the Williams Fork and Iles Formations.
- On October 31, 2011, Order No. 191-90, among other things, vacated an approximate 320-acre drilling and spacing unit established by Order No. 191-72 for the E½ of Section 11, Township 6 South, Range 92 West, 6th P.M., and established an approximate 320-acre drilling and spacing unit for the S½ of Section 11, Township 6 South, Range 92 West, 6th P.M., for the production of oil, gas and associated hydrocarbons from the Williams Fork and Iles Formations. Section 11, Township 6 South, Range 92 West, 6th P.M. is subject to this Order for the Williams Fork and Iles Formations.
- On March 17, 2014, Order No. 191-100 established an approximate 160-acre drilling and spacing unit for the NE¼ of Section 11, Township 6 South, Range 92 West, 6th P.M., and approved 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.

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, September 15, 2014
Tuesday, September 16, 2014

Time: 9:00 a.m.

Place: Colorado Oil and Gas Conservation Commission
1120 Lincoln St., Suite 801
Denver, CO 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.

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 August 29, 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 August 29, 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  _____
Robert J. Frick, Secretary

Dated: August 6, 2014

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