

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

IN THE MATTER OF THE PROMULGATION AND ) CAUSE NO. 352  
ESTABLISHMENT OF FIELD RULES TO GOVERN )  
OPERATIONS FOR THE NIOBRARA ) DOCKET NO. 150300100  
FORMATION, WAGES FIELD, YUMA COUNTY, ) TYPE: SPACING  
COLORADO )

NOTICE OF HEARING

TO ALL INTERESTED PARTIES AND TO WHOM IT MAY CONCERN:

APPLICATION LANDS

Township 5 North, Range 45 West, 6<sup>th</sup> P.M.  
Section 31: SE $\frac{1}{4}$

APPLICATION

On December 23, 2014, Augustus Energy Resources LLC (Operator No. 10489) ("Augustus" or "Applicant") filed a verified application pursuant to §34-60-116, C.R.S., for an order to:

- 1) Establish an approximate 160-acre drilling and spacing unit for the Application Lands, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation;
- 2) Approve two vertical wells within the unit; and
- 3) Require the productive interval of the wellbore to be located no closer than 300 feet from the unit boundaries, and no closer than 600 feet from the productive interval of any other wellbore located in the unit.

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. Section 31, Township 5 North, Range 45 West, 6<sup>th</sup> P.M. is subject to the Rule for wells drilled before July 30, 2006, for production of oil, gas, and associated hydrocarbons from the Niobrara Formation.
- Rule 318B of the Rules and Regulations of the Oil and Gas Conservation Commission requires all wells drilled to the Niobrara Formation in the Special Well Location Rule area to have: 1) no more than four Niobrara wells may drilled in any quarter section; 2) no more than one well may be located in any quarter quarter section; and 3) be located at least 300 feet from the boundary of the quarter section and lease line and at least 900

feet from any producible well drilled to the Niobrara Formation prior to the July 30, 2006. Under this Rule, no minimum distance will be required between wells producing from the Niobrara Formation in any quarter section. Section 31, Township 5 North, Range 45 West, 6<sup>th</sup> P.M. is subject to the Rule for wells drilled after July 30, 2006, for production of oil, gas, and associated hydrocarbons from 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, March 2, 2015  
Tuesday, March 3, 2015

Time: 9:00 a.m.

Place: Colorado Oil and Gas Conservation Commission  
1120 Lincoln St., 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.

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 February 13, 2015. 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 February 13, 2015. 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   
Jill Ddrancy, Acting Secretary

Dated: January 28, 2015

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

Representative for Applicant:  
Duane Zimmerman  
Vice President of Operations  
Augustus Energy Partners II, LLC  
(406) 294-5990, ext 104  
[dzimmerman@augustusenergy.com](mailto:dzimmerman@augustusenergy.com)