

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

IN THE MATTER OF THE PROMULGATION AND	)	CAUSE NO. 531
ESTABLISHMENT OF FIELD RULES TO GOVERN	)	
OPERATIONS FOR THE NIOBRARA AND	)	DOCKET NO. 150400234
FRONTIER FORMATIONS, UNNAMED FIELD,	)	
JACKSON COUNTY, COLORADO	)	TYPE: EXCEPTION LOCATION

NOTICE OF HEARING

TO ALL INTERESTED PARTIES AND TO WHOM IT MAY CONCERN:

APPLICATION LANDS

Township 6 North. Range 80 West. 6<sup>th</sup> P.M.

Section 5: All  
Section 6: All  
Section 7: All

Township 6 North. Range 81 West. 6<sup>th</sup> P.M.

Section 1: All  
Section 12: All  
Section 13: All

Township 7 North. Range 80 West. 6<sup>th</sup> P.M.

Section 4: All  
Section 5: All  
Section 6: All  
Section 7: All  
Section 8: All  
Section 9: All  
Section 15: All  
Section 16: All  
Section 17: All  
Section 18: All  
Section 19: All  
Section 20: All  
Section 21: All  
Section 22: All  
Section 23: All  
Section 24: All  
Section 28: All  
Section 29: All  
Section 30: All  
Section 31: All  
Section 32: All  
Section 33: All

Township 7 North. Range 81 West. 6<sup>th</sup> P.M.

Section 1: All  
Section 2: All  
Section 3: All  
Section 10: All  
Section 11: All  
Section 12: All  
Section 13: All  
Section 24: All  
Section 25: All

Township 8 North. Range 80 West. 6<sup>th</sup> P.M.

Section 31: All  
Section 32: All

Township 8 North. Range 81 West. 6<sup>th</sup> P.M.

Section 34: All  
Section 35: All  
Section 36: All

APPLICATION

On February 12, 2015 (Amended March 5, 2015), EE3 LLC (Operator No. 10450) ("EE3" or "Applicant") filed a verified application pursuant to §34-60-116, C.R.S., for an order to:

1) Modify Order Nos. 531-1, 531-2, 531-4, 531-5, 531-6, 531-7, 531-8, 531-9, 531-11, 531-12, 531-13, 531-14, 531-15, 531-16, and 531-17 to allow 300 foot setbacks as to the unit boundaries of the drilling and spacing units established and/or modified by such orders, for the production of the oil, gas, and associated hydrocarbons from the Niobrara and Frontier Formations;

2) Modify Order Nos. 531-1, 531-2, 531-4, 531-5, 531-6, 531-7, 531-8, 531-9, 531-11, 531-12, 531-13, 531-14, 531-15, 531-16, and 531-17, to allow for 150 foot interwell setbacks, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation; and

3) Approve up to four horizontal wells within all approximate 480-acre and 640-acre drilling and spacing units established by Order Nos. 531-1, 531-2, 531-6, 531-7, 531-8, 531-9, 531-12, 531-13, 531-14, 531-15, 531-16, and 531-17, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation; and

4) Establish four approximate 640-acre drilling and spacing units for the lands described on Exhibit A-1, attached hereto and incorporated herein by reference; approve up to four horizontal wells within each unit; and with the productive intervals of the wellbores no less than 300 feet from the unit boundaries and the interwell setback of no less than 150 feet from the productive interval of another well producing from the Niobrara Formation, without exception being granted by the Director;

### APPLICABLE RULES AND ORDERS

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

- On February 25, 2008, the Commission entered Order No. 531-1, which among other things, established various drilling and spacing units for the drilling and completion of one horizontal well, with the option to drill a second horizontal well in each of the drilling and spacing units, with the permitted wells to be located no closer than 600 feet from the unit boundary, for certain lands in Townships 6 and 7 North, Range 80 West, 6<sup>th</sup> P.M., for the production of gas and associated hydrocarbons from the Niobrara Formation.
- On July 15, 2008, the Commission entered Order No. 531-2, which extended the provisions of Order No. 531-1, which had the effect of establishing various drilling and spacing units for the drilling and completion of one horizontal well, with the option to drill a second horizontal well in each of the drilling and spacing units, with the permitted wells to be located no closer than 600 feet from the unit boundary, for certain lands in Townships 6 and 7 North, Range 80 West, 6<sup>th</sup> P.M., for the production of gas and associated hydrocarbons from the Niobrara Formation.
- On April 4, 2011, the Commission entered Order No. 531-3, which pooled all nonconsenting interests in an approximate 628.00-acre drilling and spacing unit established by Order No. for certain lands located in Section 7, Township 7 North, Range 80 West, 6<sup>th</sup> P.M., for the development and operation of the Niobrara Formation.
- On July 29, 2013, the Commission entered Order No. 531-4, which a) vacated two approximate 641.34-acre and 626.24-acre drilling and spacing units established by Order No. 531-2, b) established an approximate 1,280-acre laydown drilling and spacing unit, and 3) approved up to 16 horizontal wells within the unit, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation.
- On October 28, 2013, the Commission entered Order No. 531-5, which established an approximate 1280-acre drilling and spacing unit, and up to seven horizontal wells within the unit, are hereby approved, for the production of oil, gas and associated hydrocarbons from the Niobrara and Frontier Formations, with the treated interval of the horizontal wellbores to be located no closer than 600 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.
- On October 28, 2013, the Commission entered Order No. 531-6, which approved one additional horizontal well, for a total of three horizontal wells, within an approximate 628-acre drilling and spacing unit established by Order No. 531-2.

- On October 28, 2013, the Commission entered Order No. 531-7, which approved one additional horizontal well, for a total of three horizontal wells, within an approximate 617.38-acre drilling and spacing unit established by Order No. 531-2.
- On October 28, 2013, the Commission entered Order No. 531-8, which established one approximate 640-acre drilling and spacing unit, and approved one vertical well and up to three horizontal wells within the unit, for the production of oil, gas and associated hydrocarbons from the Frontier Formation, with the productive interval of the wellbore to be located no closer than 600 feet from the unit boundaries and no closer than 150 feet from the productive interval of any other wellbore located in the unit, without exception being granted by the Director.
- On December 16, 2013, the Commission entered Order No. 531-9, which established two approximate 640-acre drilling and spacing units and approved up to three horizontal wells within each unit, for the production of oil, gas and associated hydrocarbons from the Frontier Formation, with the productive interval of the wellbore to be located no closer than 600 feet from the unit boundaries and no closer than 150 feet from the productive interval of any other wellbore located in the unit, without exception being granted by the Director.
- On December 16, 2013, the Commission entered Order No. 531-10, which pooled all interests in an approximate 620-acre drilling and spacing unit established by Order No. 531-2.
- On December 16, 2013, the Commission entered Order No. 531-10 which pooled all interests in an approximate 620-acre drilling and spacing unit established for Section 6, Township 6 North, Range 80 West, 6<sup>th</sup> P.M., for the development and operation of the Niobrara Formation.
- On June 17, 2014, the Commission entered Order No. 531-11, which 1) established an approximate 1280-acre drilling and spacing unit for the Application lands for the Niobrara and Frontier Formations; and 2) approve up to 14 horizontal wells within the approximate 1,280-acre drilling and spacing unit, for the production of oil, gas and associated hydrocarbons from the Niobrara and Frontier Formations, with the productive interval of the wellbores to be located no closer than 600 feet from the unit boundaries and no closer than 300 feet from the productive interval of any other well producing within the unit, without exception being granted by the Director.
- On June 17, 2014, the Commission entered Order No. 531-12, which 1) established an approximate 640-acre drilling and spacing unit for the Niobrara Formation; 2) approved up to one horizontal well within the unit with the productive interval of the wellbore to be located no closer than 600 feet from the unit boundaries, without exception being granted by the Director; and 3) pooled all interests within the unit, for the development and operation of the Niobrara Formation, and subjected all nonconsenting parties to cost recovery for the drilling of the well.

- On July 28, 2014 the Commission entered Order No. 531-13, which 1) established an approximate 640-acre drilling and spacing unit and approved a total of up to three horizontal wells within the unit, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation, with the productive interval of the wellbore to be located no closer than 600 feet from the unit boundaries, and no closer than 300 feet from the productive interval of any other wellbore located in the unit, without exception being granted by the Director; and 2) established an approximate 640-acre drilling and spacing unit and approved a total of up to three horizontal wells within the unit, for the production of oil, gas and associated hydrocarbons from the Frontier Formation, with the productive interval of the wellbore to be located no closer than 600 feet from the unit boundaries, and no closer than 300 feet from the productive interval of any other wellbore located in the unit, without exception being granted by the Director.
- On July 28, 2014 the Commission entered Order No. 531-14, which 1) established an approximate 640-acre drilling and spacing unit and approved a total of up to three horizontal wells within the unit, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation, with the productive interval of the wellbore to be located no closer than 600 feet from the unit boundaries, and no closer than 300 feet from the productive interval of any other wellbore located in the unit, without exception being granted by the Director; and 2) established an approximate 640-acre drilling and spacing unit and approved a total of up to three horizontal wells within the unit, for the production of oil, gas and associated hydrocarbons from the Frontier Formation, with the productive interval of the wellbore to be located no closer than 600 feet from the unit boundaries, and no closer than 300 feet from the productive interval of any other wellbore located in the unit, without exception being granted by the Director.
- On July 28, 2014 the Commission entered Order No. 531-15, which 1) established an approximate 640-acre drilling and spacing unit and approved a total of up to three horizontal wells within the unit, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation, with the productive interval of the wellbore to be located no closer than 600 feet from the unit boundaries, and no closer than 300 feet from the productive interval of any other wellbore located in the unit, without exception being granted by the Director; and 2) established an approximate 640-acre drilling and spacing unit and approved a total of up to three horizontal wells within the unit, for the production of oil, gas and associated hydrocarbons from the Frontier Formation, with the productive interval of the wellbore to be located no closer than 600 feet from the unit boundaries, and no closer than 300 feet from the productive interval of any other wellbore located in the unit, without exception being granted by the Director.
- On July 28, 2014 the Commission entered Order No. 531-16, which 1) established an approximate 640-acre drilling and spacing unit and approved a total of up to three horizontal wells within the unit, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation, with the productive interval of the wellbore to be located no closer than 600 feet from the unit boundaries, and no closer than 300 feet from the productive interval of any other wellbore located in the unit, without exception being granted by the Director; and

2) established an approximate 640-acre drilling and spacing unit and approved a total of up to three horizontal wells within the unit, for the production of oil, gas and associated hydrocarbons from the Frontier Formation, with the productive interval of the wellbore to be located no closer than 600 feet from the unit boundaries, and no closer than 300 feet from the productive interval of any other wellbore located in the unit, without exception being granted by the Director.

- On July 28, 2014 the Commission entered Order No. 531-17, which approved two additional horizontal wells, for a total of up to three horizontal wells, within an approximate 640-acre drilling and spacing unit established by Order No. 531-12 for the production of oil, gas and associated hydrocarbons from the Niobrara Formation, with the productive interval of the wellbore to be located no closer than 600 feet from the unit boundaries, and no closer than 300 feet from the productive interval of any other wellbore located in the unit, without exception being granted by the Director.

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, April 13, 2015  
Tuesday, April 14, 2015

Time: 9:00 a.m.

Place: Colorado Oil and Gas Conservation Commission  
1120 Lincoln Street, 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 March 30, 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 March 30, 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 Dorancy, Acting Secretary

Dated: March 6, 2015

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