

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 AND CODELL) DOCKET NO. 150500435
FORMATIONS, UNKNOWN FIELD, WELD COUNTY,)
COLORADO) TYPE: SPACING

NOTICE OF HEARING

TO ALL INTERESTED PARTIES AND TO WHOM IT MAY CONCERN:

APPLICATION LANDS

Township 7 North, Range 59 West, 6th P.M.

Section 4: All

Section 9: All

APPLICATION

On May 21, 2015, Caerus WashCo LLC ("Caerus" or "Applicant") filed a verified application pursuant to § 34-60-116 C.R.S. for an order:

- 1) Vacate an approximate 640-acre drilling and spacing unit established by Order 535-315 for Section 4, Township 7 North, Range 59 West, 6th P.M., for the production of oil, gas and associated hydrocarbons from the Niobrara Formation;
- 2) Establish an approximate 1280-acre drilling and spacing unit for the Application Lands, for the production of oil, gas and associated hydrocarbons from the Niobrara and Codell Formations; and
- 3) Approve up to 28 horizontal wells within the unit, with 24 horizontal wells to be drilled to the Niobrara Formation and four horizontal wells to be drilled to the Codell Formation, with the productive interval of each wellbore located no closer than 600 feet from the unit boundaries, and no closer than 100 feet from the productive interval of any other wellbore located within the unit, without exception being granted by the Director
- 4) Applicant states that the proposed wells will be located on no more than four wellpads within the unit or on adjacent lands, without exception granted by the Director.

PRIOR RULES AND ORDERS

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

- Rule 318.a. of the Rules and Regulations of the 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 14, Township 7 North, Range 60 West, 6th P.M. is subject to this Rule for the Niobrara and Codell Formations. Section 4, Township 7 North, Range 59 West, 6th P.M. is subject to this Rule for the Codell Formation.

- On May 6, 2013, the Commission entered Order 535-315 which, among other things, established an approximate 640-acre drilling and spacing unit, and approved up to eight horizontal wells within the unit, for the production of oil and gas and associated hydrocarbons from the Niobrara Formation. Section 9, Township 7 North, Range 59 West, 6th P.M. is subject to this Order for 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 20, 2015
Tuesday, July 21, 2015

Time: 9:00 a.m.

Place: Colorado Oil and Gas Conservation Commission
1120 Lincoln Street, 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 July 6, 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 July 6, 2015.** Pursuant to Rule 511, if the matter is uncontested, it may be approved without a hearing, based on review of the merits of the verified application and supporting exhibits.

OIL AND GAS CONSERVATION COMMISSION
OF THE STATE OF COLORADO

By


Julie Murphy, Secretary

Dated: June 8, 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

Attorneys for Applicant:
David Neslin
Greg Nibert, Jr.
Davis Graham & Stubbs LLP
1550 Seventeenth Street, Suite 500
Denver, Colorado 80202
Phone: (303) 892-9400
david.neslin@dgsllaw.com
greg.nibert@dgsllaw.com