

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

IN THE MATTER OF THE PROMULGATION) CAUSE NO. 369
AND ESTABLISHMENT OF FIELD RULES TO)
GOVERN OPERATIONS FOR THE WILLIAMS) DOCKET NO. 150900498
FORK AND ILES FORMATIONS, UNNAMED)
FIELD, MESA COUNTY, COLORADO) TYPE: SPACING

NOTICE OF HEARING

TO ALL INTERESTED PARTIES AND TO WHOM IT MAY CONCERN:

APPLICATION LANDS

Township 9 South, Range 93 West, 6th P.M.
Section 20: All

APPLICATION

On July 15, 2015, Piceance Energy, LLC (Operator No. 10433) ("Piceance" or "Applicant"), filed a verified application pursuant to §34-60-116, C.R.S., for an order to:

- 1) Vacate Orders Nos. 369-4, 369-5 and 369-11 insofar as they apply to production of oil, gas and associated hydrocarbons from the Williams Fork and Iles Formations in the Application Lands;
- 2) Establish an approximate 640-acre drilling and spacing unit within the Application Lands for the production of oil, gas and associated hydrocarbons from the Williams Fork;
- 3) Approve the equivalent of one well per 10-acre density for all wells producing from the Williams Fork and Iles Formations from within the Application Lands; and
- 4) Applicant requests that all wells producing from the Williams Fork and Iles Formations within the Application Lands, including those wells producing from lands subject to the Buzzard Creek Federal Unit, shall be drilled from no more than one well pad in each quarter section, with a total of no more than six well pads in the unit, and be located no closer than 100 feet from the exterior boundaries of the Application Lands, or 200 feet from the exterior boundaries of the Application Lands if the Application Lands abut or corner lands not subject to 10-acre density, 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. 369-4 (also 1-124 and 399-4), which approved the equivalent of one (1) well per 10-acre density for the production of gas and associated hydrocarbons from the Williams Fork and Iles Formations

(including but not limited to the Rollins, Cozzette and Corcoran) in the SE¼ of the Application Lands.

- On September 22, 2008, the Commission entered Order No. 369-5 (also 1-127, 386-4, 399-5 and 429-10), which approved the equivalent of one (1) well per 10-acre density for the production of gas and associated hydrocarbons from the Williams Fork and Iles Formations in the W½ of the Application Lands. Order No. 369-5 requires each well in the W½ of the Application Lands is to be drilled from no more than one well pad per quarter quarter section and to be located no closer than 100 feet from a unit boundary line, or 200 feet from a unit boundary line which abuts or corners lands not subject to 10-acre density, without exception being granted by the Director. Order No. 369-5 directed that all future permitted wells located in the Buzzard Creek Federal Unit be located no closer than 100 feet from the exterior unit boundary, or 200 feet from the exterior unit boundary abutting or cornering lands not subject to 10-acre density, without exception being granted by the Commission.
- On May 6, 2013, the Commission entered Order No. 369-11 (Corrected), which established an approximate 160-acre drilling and spacing unit for the Williams Fork and Iles Formations consisting of the NW¼ of the Application Lands, with the treated interval of the wellbore to be located in accordance with the well location rules established by Order No. 369-5, 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, September 14, 2015
Tuesday, September 15, 2015

Time: 9:00 a.m.

Place: Western State Colorado University
University Center, South Ballroom
600 North Adams Street
Gunnison, Colorado 81231

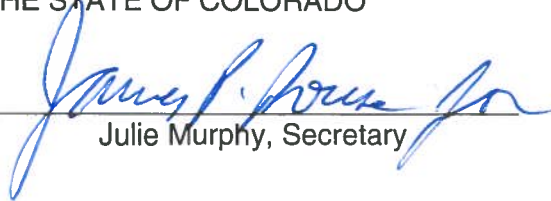
In accordance with the Americans with Disabilities Act, if any party requires special accommodations as a result of a disability for this hearing, please contact Margaret Humecki at (303) 894-2100 ext. 5139, prior to the hearing and arrangements will be made.

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 31, 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 August 31, 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



Julie Murphy, Secretary

Dated: August 7, 2015

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