

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

IN THE MATTER OF PROMULGATION AND) CAUSE NO. 407
ESTABLISHMENT OF FIELD RULES TO)
GOVERN OPERATIONS FOR THE CODELL) DOCKET NO. 160100001
AND NIOBRARA FORMATIONS,)
WATTENBERG FIELD, WELD COUNTY,) TYPE: POOLING
COLORADO)

NOTICE OF HEARING

TO ALL INTERESTED PARTIES AND TO WHOM IT MAY CONCERN:

APPLICATION LANDS

Township 3 North, Range 68 West, 6th P.M.
Section 20: S½

On October 18, 2015, Cub Creek Energy, LLC ("Cub Creek" or "Applicant"), Operator #10542, filed a verified application pursuant to §34-60-116, C.R.S., for an order to:

- 1) Establish an approximate 320-acre drilling and spacing unit for the Application Lands, for the production of oil, gas and associated hydrocarbons from the Codell and Niobrara Formations;
- 2) Approve up to 10 horizontal wells within the proposed unit; and
- 3) Require the productive intervals of any horizontal well to be located not less than 460 feet from unit boundaries and not less than 150 feet from the productive interval of any other well from the Codell or Niobrara Formation, without exception being granted by the Director.
- 4) Applicant states that the wells shall be no more than two multi-well pads within the drilling and spacing unit from Rule 318A drilling windows, without exception being granted by the Director.
- 5) Pool all interests in an approximate 320-acre drilling and spacing unit, for development and operation of the Codell and Niobrara Formations; and
- 6) Subject any non-consenting interests to the cost recovery provisions of §34-60-116(7), C.R.S., effective as of the earlier of the date of the Application, or the date that any of the costs specified in §34-60-116(7)(b), C.R.S. were first incurred for the drilling of the Well.
- 7) Applicant requests that the allocation of proceeds from the existing wells within the unit be maintained.

APPLICABLE RULES AND ORDERS

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

- On April 27, 1998, the Commission adopted Rule 318A, the Greater Wattenberg Area Special Well Location, Spacing and Unit Designation Rule.
- On February 19, 1992 (amended August 20, 1993), the Commission entered Order No. 407-87 which, among other things, established 80-acre drilling and spacing units for the production of oil, gas and associated hydrocarbons from the Codell-Niobrara Formations, the Codell Formation, and the Niobrara Formation underlying certain lands, including the Application Lands, with the permitted well locations in accordance with the provisions of Order No. 407-1.
- On December 19, 1983 (amended March 29, 2000), the Commission entered Order No. 407-1 which, among other things, established 80-acre drilling and spacing units for the production of oil, gas and associated hydrocarbons from the Codell Formation, with the unit to be designated by the operator drilling the first well in the quarter section. The permitted well shall be located in the center of either 40-acre tract within the unit with a tolerance of 200 feet in any direction. The operator shall have the option to drill an additional well on the undrilled 40-acre tract in each 80-acre drilling and spacing unit.

NOTICE IS HEREBY GIVEN, pursuant to §§ 34-60-101 to -130, C.R.S. and the Commission's Rules of Practice and Procedure, 2 CCR 404-1, that the Commission has scheduled this matter for hearing on:

Dates: January 26-27, 2016

Time: 9:00 a.m.

Place: Colorado Oil and Gas Conservation Commission
The Chancery Building
1120 Lincoln Street, Suite 801
Denver, CO 80203

Additional information about the hearing on this Application will be in the Commission's Agenda, which is posted on the Commission website approximately 3 days before the hearing.

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 January 12, 2016.** 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 January 12, 2016. 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: December 17, 2015

Colorado Oil and Gas Conservation Commission
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