

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

IN THE MATTER OF THE PROMULGATION ) CAUSE NO. 407  
AND ESTABLISHMENT OF FIELD RULES TO )  
GOVERN OPERATIONS FOR THE CODELL ) DOCKET NO. 160800349  
AND NIOBRARA FORMATIONS, WELD AND )  
BROOMFIELD COUNTIES, COLORADO ) TYPE: SPACING

NOTICE OF HEARING

TO ALL INTERESTED PARTIES AND TO WHOM IT MAY CONCERN:

APPLICATION LANDS

Township 1 North, Range 68 West, 6<sup>th</sup> P.M.  
Section 32: W $\frac{1}{2}$ , W $\frac{1}{2}$ W $\frac{1}{2}$ E $\frac{1}{2}$

Township 1 South, Range 68 West, 6<sup>th</sup> P.M.  
Section 5: W $\frac{1}{2}$   
Section 6: E $\frac{1}{2}$ E $\frac{1}{2}$ E $\frac{1}{2}$

APPLICATION

On June 30, 2016, Extraction Oil & Gas, LLC ("Applicant"), Operator No.10459, by and through its attorneys, Welborn Sullivan Meck & Tooley, P.C. filed a verified application pursuant to C.R.S. § 34-60-116 for an order to:

- 1) Vacate Order Nos. 467-8, 407-87 and 499-15 only as they pertain to the Application Lands;
- 2) Establish one approximate 779-acre drilling and spacing unit for the Application Lands for the production of oil, gas and associated hydrocarbons from the Codell and Niobrara Formations, and approve up to a total of 10 horizontal wells within the unit, for the production of oil, gas and associated hydrocarbons from the Codell and Niobrara Formations; and
- 3) Require the productive interval of the wellbore of any permitted wells in the unit to be located no closer than 100 feet from the unit boundaries, and no closer than 150 feet from the productive interval of any other wellbore located in the unit.
- 3) Applicant states that the wells shall be drilled from no more than two wellpads within the unit, or from a legal location on adjacent lands, subject to Rule 318A, unless an exception is granted by the Director.

### APPLICABLE RULES AND ORDERS

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

- On April 16, 1991 (corrected May 17, 1991), the Commission entered Order No. 407-66, which applies to a well or wells drilled, completed or recompleted in the Codell and/or Niobrara Formations, where the production is commingled or dually completed with the "J" Sand formations underlying the Codell-Niobrara Spaced Area. This Order established (1) that the "J" Sand and Codell formations constitute common sources of supply of oil, gas and associated hydrocarbons, and (2) that the size of the voluntary unit for production from the Codell and/or Niobrara Formations not less than that prescribed by Cause No. 407. The Application Lands are subject to this Order.
- On September 16, 1991, the Commission entered Order No. 467-8, which established that the location of all wells drilled to the "J" Sand Formation underlying areas subject to Cause No. 407 and at a legal location pursuant to Rule 318 or Cause No. 467 shall be automatically approved, without hearing, as a legal location for production from the Codell or Niobrara Formations, provided the following conditions are met: (a) the size of the voluntary unit for production from the Codell Formation is either (i) 160-acres or (ii) the same size as the unit for production from the "J" Sand Formation, with the unit for the Codell Formation not less than that prescribed by Cause No. 407; and (b) the location of the wellbore in the Codell Formation is not less than 920 horizontal feet from any existing wellbore in the Codell Formation capable of producing from such Formation and, in addition, not less than 920 horizontal feet from any proposed, permitted well for which the Codell Formation is the identified objective formation. Sections 5 and 6, Township 1 South, Range 68 West, 6th P.M. are subject to this order for the Codell Formation.
- On February 19, 1992, the Commission entered Order No. 407-87, which established 80-acre drilling and spacing units for the production of oil and/or gas from the Codell-Niobrara Formations underlying lands in Adams, Boulder, Jefferson, Larimer, and Weld Counties. The Order allows for dual completion and downhole commingling as to both oil and gas in the Codell-Niobrara Formation. The Application Lands are subject to this Order.
- On November 16, 1992, the Commission entered Order No. 499-15, which established 320-acre drilling and spacing units for certain lands for production from the Dakota Formation, to provide for procedures to obtain exceptions to the permitted well locations and to allow the recompletion and downhole commingling of production from the Dakota, "J" Sand, Codell, Niobrara, Sussex and Shannon Formations. The Application Lands are subject to this Order.

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

Dates: August 29-30, 2016

Time: 9:00 a.m.

Place: Colorado Oil and Gas Conservation Commission  
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 three (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 August 15, 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 August 15, 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: July 21, 2016

Colorado Oil and Gas Conservation Commission  
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