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

IN THE MATTER OF THE PROMULGATION AND) CAUSE NO. 407
ESTABLISHMENT OF FIELD RULES TO GOVERN)
OPERATIONS FOR THE CODELL AND NIOBRARA) DOCKET NO. 161000433
FORMATIONS, WATTENBERG FIELD, WELD	j
COUNTY, COLORADO) TYPE: SPACING

NOTICE OF HEARING

TO ALL INTERESTED PARTIES AND TO WHOM IT MAY CONCERN:

APPLICATION LANDS

Township 4 North, Range 68 West, 6th P.M. Section 1: N½

Township 4 North, Range 67 West, 6th P.M. Section 6: N½

APPLICATION

On August 25, 2016, Great Western Operating Company, LLC ("Great Western" or "Applicant") filed a verified application pursuant to §34-60-116, C.R.S., for an order to:

- 1) Vacate Order No. 407-1695 as it applies to the Application Lands;
- 2) Establish an approximate 575.5185-acre drilling and spacing unit for the Application Lands, for the production of oil, gas and associated hydrocarbons from the Codell and Niobrara Formations:
 - 3) Approve up to nine (9) horizontal wells within the unit; and
- 4) Require the productive interval of the wellbore to be located no closer than 460 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 granted by the Director.
- 5) Applicant requests that the proposed wells will be located on no more than one well pad within the drilling and spacing unit, unless an exception is granted by the Director.

APPLICABLE ORDERS AND RULES

(available online at: http://cogcc.state.co.us, under "Regulation," then select "Orders" or "Rules")

On February 19, 1992, the Commission entered Order No. 407-87 (amended August 20, 1993) which, among other things, established 80-acre drilling and spacing units for the production of oil, gas and associated hydrocarbons from the Codell and Niobrara

1

Formations, with permitted well locations in accordance with the provisions of Order No. 407-1.

- On April 27, 1998, the Commission adopted Rule 318A, which, among other things, allowed certain drilling locations to be utilized to drill or twin a well, deepen a well or recomplete a well and to commingle any or all of the Cretaceous Age Formations from the base of the Dakota Formation to the surface. On December 5, 2005, Rule 318A was amended to allow interior infill and boundary wells to be drilled and wellbore spacing units to be established. On August 8, 2011, Rule 318A was amended to, among other things, address drilling of horizontal wells but did not prohibit the establishment of drilling and spacing units within the Greater Wattenberg Area. The lands encompassing the Application Lands are subject to Rule 318A for many of the wells drilled and producing in the Codell and Niobrara Formations.
- On April 18, 2016, the Commission entered Order No. 407-1695 which, among other things, established an approximate 320-acre drilling and spacing unit for the N ½ of Section 1, Township 4 North, Range 68 West, 6th P.M. for the production of oil, gas and associated hydrocarbons from the Codell and Niobrara Formations and approved up to nine (9) horizontal wells within the unit. Applicant requests that Order No. 407-1695 be vacated as it applies to the Application Lands.

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:

Date:

October 25-26, 2016

Time:

9:00 a.m.

Place:

Northeastern Junior College Hayes Student Center Ballroom

100 College Avenue Sterling, CO 80751

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 October 7, 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 October 7, 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: September 13, 2016

Colorado Oil and Gas Conservation Commission

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