

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

IN THE MATTER OF THE PROMULGATION) CAUSE NO. 440
AND ESTABLISHMENT OF FIELD RULES TO)
GOVERN OPERATIONS FOR THE WILLIAMS) DOCKET NO. 170100030
FORK AND ILES FORMATIONS, PARACHUTE)
FIELD, GARFIELD COUNTY, COLORADO) TYPE: POOLING

NOTICE OF HEARING

TO ALL INTERESTED PARTIES AND TO WHOM IT MAY CONCERN:

APPLICATION LANDS

Township 7 South, Range 95 West, 6th P.M.
Section 7: S½

APPLICATION

On December 1, 2016, Ursa Operating Company LLC, Operator No. 10447, ("Ursa" or "Applicant") filed a verified application pursuant to §34-60-116, C.R.S., for an order to:

1) Pool all interests in the approximate 320-acre drilling and spacing unit established for the Application Lands for the development and operation of the Williams Fork and Iles Formations; and

2) Subject any nonconsenting 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 or will be first incurred for the drilling of the B&V 24B-07-07-95 Well (API No. 05-045-22705), B&V 14B-07-07-95 Well (API No. 05-045-22706), B&V 23C-07-07-95 Well (API No. 05-045-22707), B&V 23B-07-07-95 Well (API No. 05-045-22708), B&V 23A-07-07-95 Well (API No. 05-045-22710), B&V 13C-07-07-95 Well (API No. 05-045-22712), B&V 24D-07-07-95 Well (API No. 05-045-22714), B&V 14D-07-07-95 Well (API No. 05-045-22715), B&V 24A-07-07-95 Well (API No. 05-045-22716), B&V 13D-07-07-95 Well (API No. 05-045-22717), B&V 13A-07-07-95 Well (API No. 05-045-22718), B&V 13B-07-07-95 Well (API No. 05-045-22719), B&V 14C-07-07-95 Well (API No. 05-045-22720), B&V 14A-07-07-95 Well (API No. 05-045-22721), B&V 24C-07-07-95 Well (API No. 05-045-22722), B&V 23D-07-07-95 Well (API No. 05-045-22723), B&V 33C-07-07-95 Well (API No. 05-045-22843), B&V 33B-07-07-95 Well (API No. 05-045-22844), B&V 33D-07-07-95 Well (API No. 05-045-22846), B&V 33A-07-07-95 Well (API No. 05-045-22847), BMC D 44D-07-07-95 Well (API No. 05-045-23263), BMC D 34B-07-07-95 Well (API No. 05-045-23266), BMC D 34C-07-07-95 Well (API No. 05-045-23268), BMC D 34D-07-07-95 Well (API No. 05-045-23273) and BMC D 34A-07-07-95 Well (API No. 05-045-23275) for the development and operation of the Williams Fork and Iles Formations or the drilling of any other Williams Fork and Iles Formations well authorized by Order No. 440-72 on the Application Lands.

APPLICABLE RULES AND ORDERS

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

- On April 19, 1990, the Commission issued Order No. 440-12 which, among other things, established 320-acre DSUs for certain lands, including Section 7, Township 7 South, Range 95 West, 6th P.M., for the production of gas and associated hydrocarbons from the Mesaverde Formation, with the designation as either E½ and W½ standup DSUs or N½ and S½ laydown DSUs at the discretion of the operator of the first well permitted, with the permitted well to be located on the established DSU no closer than 600 feet from the DSU boundaries and no closer than 1,200 feet from any well producing or producible from the same Mesaverde Formation.
- On April 28, 2014, the Commission entered Order No. 440-72 which established the approximate 320-acre laydown DSU for the S½ of Section 7, Township 7 South, Range 95 West, 6th P.M., and approved the equivalent of one well per 10 acres well density, for the production of gas and associated hydrocarbons from the Williams Fork and Iles Formations. Order No. 440-72 required that all wells drilled to the Williams Fork and Iles Formations in the DSU must be located downhole no closer than 100 feet from the DSU boundaries, unless such boundary abuts or corners lands for which the Commission has not at the time of the well permit application granted the right to drill 10-acre density wells, in which event the wells must be located downhole no closer than 200 feet to such abutting or cornering lands, without exception being granted by the Director.

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: January 30-31, 2017

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 13, 2017.** 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 16, 2017.** 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 15, 2016

Colorado Oil and Gas Conservation Commission
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