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 |) | DOCKET NO. 170100055 |
| NIOBRARA FORMATIONS, WATTENBERG | j | |
| FIELD, WELD COUNTY, COLORADO |) | TYPE: SPACING |

NOTICE OF HEARING

TO ALL INTERESTED PARTIES AND TO WHOM IT MAY CONCERN:

APPLICATION LANDS

Township 6 North, Range 63 West, 6th P.M. Section 19: All

Township 6 North, Range 64 West, 6th P.M. Section 24: All

APPLICATION

On December 1, 2016, Bayswater Exploration & Production, LLC (Operator No. 10261) ("Bayswater" or "Applicant") filed a verified application pursuant to §34-60-116, C.R.S., for an order to:

- 1) Establish one approximate 1,280-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 eight horizontal wells within the unit, for the production of oil, gas and associated hydrocarbons from the Codell and Niobrara Formations; and
- 2) Require the productive interval of the wellbore of any permitted wells in the unit 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.
- 3) Applicant states that the wells shall be drilled from no more than one wellpad within the unit, or from a legal location on adjacent lands.

APPLICABLE ORDERS AND RULES

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

 On April 27, 1988, the Commission adopted Rule 318A, the Greater Wattenberg Area Special Well Location, Spacing and Unit Designation Rule, which was amended on August 8, 2011 to, among other things, address the drilling of horizontal wells and requires that a horizontal wellbore spacing unit must include any governmental quarter-quarter section that are located less than 460' from the completed interval of the wellbore lateral. The Rule does not, however, prohibit the establishment of drilling and spacing units within the Greater Wattenberg Area.

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 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

Julie Murphy, Secretar

Dated: December 20, 2016

Colorado Oil and Gas Conservation Commission 1120 Lincoln Street, Suite 801

Denver, Colorado 80203

Website: http://cogcc.state.co.us

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