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. 170500270
FORMATIONS, WATTENBERG FIELD, ADAMS	j	
COUNTY, COLORADO)	TYPE: SPACING

NOTICE OF HEARING

TO ALL INTERESTED PARTIES AND TO WHOM IT MAY CONCERN:

APPLICATION LANDS

Township 1 South, Range 67 West, 6th P.M.

Section 4: W½
Section 9: W½

APPLICATION

On March 2, 2017, Great Western Operating Company, LLC ("Great Western" or "Applicant") filed a verified application pursuant to §34-60-116, C.R.S., for an order:

- 1) Establishing an approximate 640-acre drilling and spacing unit for the Application Lands, and allowing up to twelve horizontal wells in the unit in order to efficiently and economically develop and recover the oil, gas and associated hydrocarbons from of the Codell and Niobrara Formations in the unit.
- 2) Providing that the treated interval any horizontal well shall be no closer than 460 feet from the boundaries of the unit and not less than 150 feet from the treated interval of another well within the unit, and authorizing up to two well pads in the unit or adjacent thereto, unless an exception is granted by the Director.
- 3) Finding that an approximate 640-acre drilling and spacing unit for the development of the Codell and Niobrara Formations on the Application Lands will prevent waste, protect correlative rights, and maximize the efficient and economic production of the Codell and Niobrara Formations in the Application Lands.
- 4) For such other findings and orders as the Commission may deem proper or advisable in this matter.

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

1

407-1. The Application Lands are subject to this Order for the Codell and Niobrara Formations.

• 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.

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:

May 1-2, 2017

Time:

9:00 a.m.

Place:

The 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 April 17, 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 April 17, 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

Peter Gøwen, Acting Secretary

Dated: March 23, 2017

Colorado Oil and Gas Conservation Commission

1120 Lincoln Street, Suite 801 Denver, Colorado 80203

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

Phone: (303) 894-2100 Fax: (303) 894-2109

Attorneys for Applicant:

Jamie L. Jost

Kelsey H. Wasylenky

Jost Energy Law, P.C. 1401 17th Street, Suite 370

Denver, Colorado 80202

(720) 446-5620

jjost@jostenergylaw.com kwasylenky@jostenergylaw.com