

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

IN THE MATTER OF PROMULGATION AND) CAUSE NO. 407
ESTABLISHMENT OF FIELD RULES TO)
GOVERN OPERATIONS FOR THE CODELL-) DOCKET NO. 170600374
NIOBRARA FORMATION, WATTENBERG)
FIELD, WELD COUNTY, COLORADO) TYPE: Spacing

NOTICE OF HEARING

TO ALL INTERESTED PARTIES AND TO WHOM IT MAY CONCERN:

APPLICATION LANDS

Township 4 North, Range 63 West, 6th P.M.

Section 27: All

Section 28: All

On April 13, 2017, Bonanza Creek Energy Operating Co., LLC (Operator No. 9860) ("Bonanza Creek" or "Applicant") filed a verified application pursuant to §34-60-116, C.R.S., for an order to:

1) Vacate that portion of Order No. 407-1740 which recognized the establishment of an approximate 640-acre drilling and spacing unit for Section 28, Township 4 North, Range 63 West, 6th P.M., with authority to drill twenty horizontal wells within the unit, for the production of oil, gas and associated hydrocarbons from the Codell and Niobrara Formations.

2) Establish an approximate 1,280-acre drilling and spacing unit for the Application Lands, and authorizing the drilling of twenty horizontal wells within the proposed unit, for the production of oil, gas and associated hydrocarbons from the Codell-Niobrara Formation, with the treated intervals of any horizontal well permitted under this Application located not less than 460 feet from unit boundaries and not less than 150 feet from any other well drilling or producing from the Codell-Niobrara Formation, and the surface location of any permitted well should be located on lands: (1) overlying the drilling and spacing unit from either inside a GWA drilling window or lands outside the GWA windows with landowner consent, absent exception granted by the Director, or (2) outside the drilling and spacing unit with landowner consent, absent exception granted by the Director.

3) Applicant states that the proposed wells will be located on no more than four multi-well pads within the unit, subject to Rule 318A, 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 April 27, 1988, 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 Cretaceous Age Formations from the base of the Dakota Formation to the surface. Rule 318A supersedes all prior Commission drilling and spacing orders affecting well location and density requirements of Greater Wattenberg Area wells. On December 5, 2005, Rule 318A was amended, among other things, to allow interior infill and boundary wells to be drilled and wellbore spacing units to be established. On August 8, 2011, Rule 318A was again amended, among other things, to address drilling of horizontal wells. The Application Lands are subject to Rule 318A for the Codell-Niobrara Formation.

- On August 8, 2011, the Commission entered Order No. 407-466 which, among other things, established an approximate 640-acre drilling and spacing unit for Section 28, Township 4 North, Range 63 West, 6th P.M., with authority to drill one horizontal well within said unit, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation.
- On August 28, 2014, the Commission entered Order No. 407-1007 which, among other things, vacated Order No. 407-466, and established an approximate 640-acre drilling and spacing unit for Section 24, Township 4 North, Range 63 West, 6th P.M., with authority to drill fourteen horizontal wells within said unit, for the production of oil, gas and associated hydrocarbons from the Codell and Niobrara Formations.
- On June 6, 2016, the Commission entered Order No. 407-1740 which, among other things, modified Order 407-466 to authorize an additional six horizontal wells within the approximate 640-acre drilling and spacing unit, for a total of up to twenty horizontal wells, established for Section 28, Township 4 North, Range 63 West, 6th P.M., for the production of oil, gas and associated hydrocarbons from 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: June 12-13, 2017
Time: 9:00 a.m.
Place: Rio Blanco County Courthouse
555 Main Street
Meeker, CO 81641

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 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 accommodations 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 desired to protest or intervention should file with the Commission a written protest or intervention in accordance with Rule**

509. no later than May 26, 2017. Such interested party shall, at the same time, serve a copy of the protest of 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 May 26, 2017.** Pursuant to Rule 511., if the matter is contested, it may be approved without a hearing.

OIL AND GAS CONSERVATION COMMISSION
OF THE STATE OF COLORADO

By: 
for Peter Gowen, Acting Secretary

Dated: May 4, 2017

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