

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

IN THE MATTER OF THE PROMULGATION AND) CAUSE NO. 440
ESTABLISHMENT OF FIELD RULES TO GOVERN)
OPERATIONS FOR THE WILLIAMS FORK AND) DOCKET NO. 170600391
ILES FORMATION, 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 8: S $\frac{1}{2}$

Section 17: NW $\frac{1}{4}$, W $\frac{1}{2}$ NE $\frac{1}{4}$

APPLICATION

On April 13, 2017, 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, including any nonconsenting interests, in the approximate 560-acre drilling and spacing unit for the Application Lands, proposed by a concurrent spacing application filed by Applicant, for the development and operation of the Williams Fork and Iles Formations; and
- 2) Subject any nonconsenting parties 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., are first incurred for the drilling of the Monument Ridge B #21A-17-07-95 Well (API No. 05-045-22893)("Well").
- 3) Applicant requests that the Commission enter an order that provides for the just and equitable allocation of the proceeds from the Well.

APPLICABLE RULES AND ORDERS

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

- On August 18, 2009, the Commission entered Order No. 440-58, which vacated an existing 320-acre drilling and spacing unit that covered the W $\frac{1}{2}$ of Section 17, Township 7 South, Range 95 West, 6th P.M. and established two approximate 240-acre DSUs consisting of the NW $\frac{1}{4}$ and W $\frac{1}{2}$ NE $\frac{1}{4}$, and SW $\frac{1}{4}$ and W $\frac{1}{2}$ SE $\frac{1}{4}$ of Section 17, Township 7 South, Range 95 West, 6th P.M., for the production of gas and associated hydrocarbons from the Williams Fork and Iles Formations, and authorized the equivalent of one well per ten acres, to be located anywhere in the unit but no closer than 100 feet from the boundaries of the unit without exception being granted by the Director of the

Commission. The order stated that in cases where the lands abut or corner lands in respect of which the Commission has not at the time of drilling permit application granted the right to drill 10-acre density Williams Fork and Iles Formation wells, the well shall be located downhole no closer than 200 feet from the boundary or boundaries of the unit so abutting or cornering such lands without exception being granted by the Director of the Commission.

- On August 18, 2009, the Commission entered Order No. 440-57, which pooled all interests in the drilling and spacing unit established for by Order No. 440-58 for the NW¼ and W½NE¼ of Section 17, Township 7 South, Range 95 West, 6th P.M., and authorized cost recovery pursuant to C.R.S. 34-60-116(7) for the wells drilled within the unit.
- On February 22, 2010, the Commission entered Order No. 440-59, which established an approximate 320-acre drilling and spacing unit consisting of the S½ of Section 8, Township 7 South, Range 95 West, 6th P.M., for the production of gas and associated hydrocarbons from the Williams Fork and Iles Formations, and authorized the equivalent of one well per ten acres, to be located anywhere in the unit but no closer than 100 feet from the boundaries of the unit without exception being granted by the Director of the Commission. The order stated that in cases where the lands abut or corner lands in respect of which the Commission has not at the time of drilling permit application granted the right to drill 10-acre density Williams Fork and Iles Formation wells, the well shall be located downhole no closer than 200 feet from the boundary or boundaries of the unit so abutting or cornering such lands without exception being granted by the Director of the Commission.
- On January 30, 2017, the Commission entered Order No. 440-77, which pooled all interests in the drilling and spacing unit established for by Order No. 440-59 for the S½ of Section 8, Township 7 South, Range 95 West, 6th P.M., and authorized cost recovery pursuant to C.R.S. 34-60-116(7) for the following wells: Monument Ridge B 24A-08-07-95 Well (API No. 05-045-22895), Monument Ridge B 23D-08-07-95 Well (API No. 05-045-22896), Monument Ridge B 33A-08-07-95 Well (API No. 05-045-22901), Monument Ridge B 33B-08-07-95 Well (API No. 05-045-22903), Monument Ridge B 33D-08-07-95 Well (API No. 05-045-22905), Monument Ridge B 33C-08-07-95 Well (API No. 05-045-22906), Monument Ridge B 24C-08-07-95 Well (API No. 05-045-22907), Monument Ridge B 24D-08-07-95 Well (API No. 05-045-22908), Monument Ridge B 34B-08-07-95 Well (API No. 05-045-22909), Monument Ridge B 24B-08-07-95 Well (API No. 05-045-22910), Monument Ridge B 34C-08-07-95 Well (API No. 05-045-22911), Monument Ridge B 34A-08-07-95 Well (API No. 05-045-22912), Monument Ridge B 43C-08-07-95 Well (API No. 05-045-22914), Monument Ridge B 43B-08-07-95 Well (API No. 05-045-22915), Monument Ridge B 44B-08-07-95 Well (API No. 05-045-22916), Monument Ridge B 44D-08-07-95 Well (API No. 05-045-22917), Monument Ridge B 34D-08-07-95 Well (API No. 05-045-22959), Monument Ridge B 43A-08-07-95 Well (API No. 05-045-22960), Monument Ridge B 44A-08-07-95 Well (API No. 05-045-22961), Monument Ridge B 23C-08-07-95 Well (API No. 05-045-22963), Monument Ridge B 44C-08-07-95 Well (API No. 05-045-22964), and Monument Ridge B 43D-08-07-95 Well (API No. 05-045-22965).

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 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 May 26, 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 May 26, 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  _____
Peter Gowen, Acting Secretary

Dated: May 8, 2017

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