

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

IN THE MATTER OF THE PROMULGATION) CAUSE NO. 407
AND ESTABLISHMENT OF FIELD RULES TO)
GOVERN OPERATIONS FOR THE CODELL) DOCKET NO. 170700415
AND NIOBRARA FORMATIONS,)
WATTENBERG FIELD, WELD COUNTY,) TYPE: SPACING
COLORADO)

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 10: All

Section 15: All

APPLICATION

On April 28, 2017, Confluence DJ LLC, Operator No.10518 ("Confluence" or "Applicant") filed a verified application pursuant to §34-60-116, C.R.S., for an order to:

A. Vacate Order Nos. 407-528, 535-103, and 407-1740, but only as to Section 10, Township 4 North, Range 63 West, 6th P.M.

B. Establish an approximate 1280-acre drilling and spacing unit for the Application Lands and approve up to four horizontal wells within the proposed unit, for the production of oil, gas and associated hydrocarbons from the Codell Formation and up to 16 horizontal wells within the proposed unit, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation.

C. Providing that setbacks for the Application Lands be as follows:

a. Any horizontal wells to be drilled under this Application for production from the Codell and Niobrara Formations will be drilled from the surface of the drilling unit, or on adjacent lands with consent of the landowner, from no more than four surface locations, subject to Rule 318A, unless an exception is granted by the Director.

b. The wellbores of any horizontal wells to be drilled under this Application may enter the Codell and Niobrara Formations anywhere within the unit, or on adjacent lands, without exception being granted by the Director.

c. For any permitted wells to be drilled under this Application for production from the Codell and Niobrara Formations, the productive interval of any permitted well shall be located no closer than 460 feet from the unit boundary and the productive intervals of the wells shall be

not less than 150 feet from the productive interval of another well producing from the same formation, without exception being granted by the Director.

APPLICABLE RULES AND ORDERS

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

- On April 27, 1998, the Commission adopted Rule 318A, the Greater Wattenberg Area Special Well Location, Spacing and Unit Designation Rule.
- On December 12, 2011, the Commission entered Order Nos. 407-528 and 535-103 which, among other things, established 51 approximate 640-acre drilling and spacing units, including Section 10 of the Application Lands, and approved up to two horizontal wells within the unit, for production of oil, gas and associated hydrocarbons from the Niobrara Formation, with the treated interval of the wellbore for the permitted well to be no closer than 460 feet from the unit boundaries.
- On June 6, 2016, the Commission entered Order No. 407-1740 which, among other things, modified Order No. 407-528 to include the Codell Formation and approve an additional 18 horizontal wells, for a total of up to 20 horizontal wells, within the existing approximate 640-acre drilling and spacing unit established by Order No. 407-528 for Section 10 of the Application Lands, 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: July 24-25, 2017
Time: 9:00 a.m.
Place: Colorado Oil and Gas Conservation Commission
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.

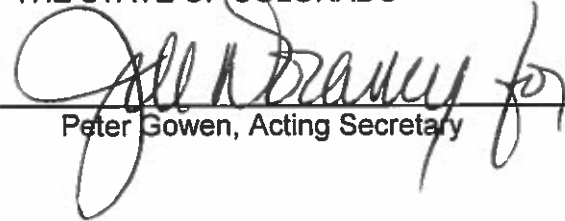
In accordance with the Americans with Disabilities Act, if any party requires special accommodations as a result of a disability for this hearing, please contact Margaret Humecki at (303) 894-2100 ext. 5139, prior to the hearing and arrangements will be made.

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 July 10, 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 July 10, 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: June 15, 2017

Colorado Oil and Gas Conservation Commission
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