

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

IN THE MATTER OF THE PROMULGATION AND) CAUSE NO. 535
ESTABLISHMENT OF FIELD RULES TO GOVERN)
OPERATIONS FOR THE FORT HAYES, CARLILE,) DOCKET NO. 170900589
CODELL AND NIOBRARA FORMATIONS, UNNAMED)
FIELD, WELD COUNTY, COLORADO) TYPE: SPACING

NOTICE OF HEARING

TO ALL INTERESTED PARTIES AND TO WHOM IT MAY CONCERN:

APPLICATION LANDS

Township 8 North, Range 66 West, 6th P.M.

Section 17: All

Section 20: All

APPLICATION

On July 13, 2017, Enerplus Resources (USA) Corporation, Operator No. 10177 ("Enerplus" or "Applicant") filed a verified application pursuant to §34-60-116, C.R.S., for an order to:

- 1) Vacate two approximate 640-acre drilling and spacing units established by Order Nos. 535-2 for Sections 17 and 20, Township 8 North, Range 66 West, 6th P.M., for the production of oil, gas and associated hydrocarbons from the Codell and Niobrara Formations;
- 2) Vacate Order No. 535-94 which pooled all interests in Section 20, Township 8 North, Range 66 West, 6th P.M., for the development and operation of the Niobrara Formation;
- 3) Vacate Order No. 535-157 which affirmed Order No. 535-94;
- 4) Establish an approximate 1,280-acre drilling and spacing unit for the Application Lands and approve up to eight horizontal wells within the proposed unit, for the production of oil, gas, and associated hydrocarbons from the Fort Hays, Carlile, Codell and Niobrara Formations; and
- 5) Require that the productive interval of each proposed horizontal well in the approximate 1,280-acre drilling and spacing unit shall be no closer than 600 feet from the boundaries of the unit and no closer than 150 feet from the productive interval of another well producing from the same source of supply within the unit, unless an exception is granted by the Director.
- 6) Applicant stated that the wells will be drilled from no more than two well pads within the proposed drilling and spacing unit to be located within such unit or adjacent thereto, unless an exception is granted by the Director.

APPLICABLE RULES AND ORDERS

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

- Rule 318.a. of the Commission Rules provides a well to be drilled 2,500 feet or greater shall be located not less than 600 feet from any lease line, and shall be located not less than 1,200 feet from any other producible oil or gas well when drilling to the same common source of supply, unless authorized by the Commission upon hearing. The Application Lands are subject to Rule 318.a. for the Fort Hayes and Carlile Formations.
- On August 10, 2010, the Commission entered Order No. 535-2 which, among other things, established 145 approximate 640-acre drilling and spacing units for Sections 17 and 20, Township 8 North, Range 66 West, 6th P.M., and allowed one horizontal well in each of the Codell and Niobrara Formations. According to the COGCC database, the Brent 20-8-66 #1H Well (API No. 05-123-34670) was drilled in Section 20, Township 8 North, Range 66 West, 6th P.M. pursuant to Order No. 535-2, but has since been plugged and abandoned. Additionally, the Turner #8-66-17-4H Well (API No. 05-123-33580) was drilled in Section 17 of the Application Lands pursuant to Order No. 535-2, but was never completed and is now abandoned.
- On October 31, 2011, the Commission entered Order No. 535-94 which, among other things, pooled all interests in the 640-acre drilling and spacing unit established for Section 20, Township 8 North, Range 66 West, 6th P.M., by Order No. 535-2, and subjected all nonconsenting owners to the cost recovery provisions of §34-60-116(7), C.R.S. for the drilling of the Brent 20-8-66 #1H Well.
- On April 16, 2012, the Commission entered Order No. 535-157 which, among other things, affirmed Order No. 535-94 as to previously unnoticed interested parties.

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: September 11 - 12, 2017

Time: 9:00 a.m.

Place: Durango Public Library
Program Room #2
1900 East Third Avenue
Durango, CO 81301

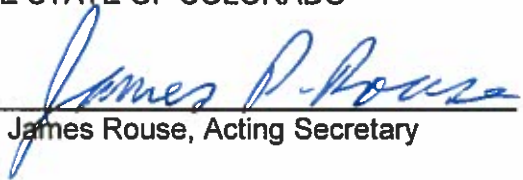
Additional information about the hearing on this Application will be in the Commission's Agenda, which is posted on the Commission website approximately 3 days before the hearing.

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 August 28, 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 August 28, 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


James Rouse, Acting Secretary

Dated: August 2, 2017

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