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 CODELL AND NIOBRARA)	DOCKET NO. 170900604
FORMATIONS, WATTENBERG FIELD, WELD	j	
COUNTY, COLORADO	ý	TYPE: SPACING

NOTICE OF HEARING

TO ALL INTERESTED PARTIES AND TO WHOM IT MAY CONCERN:

APPLICATION LANDS

Township 1 North, Range 64 West, 6th P.M. Section 19: S½

Section 30: All

<u>APPLICATION</u>

On July 13, 2017, Verdad Oil & Gas Corporation, Operator No. 10485 ("Verdad" or "Applicant") filed a verified application pursuant to §34-60-116, C.R.S., for an order to:

- 1) Establish an approximate 956.88-acre drilling and spacing unit for the Application Lands, and approve up to 16 horizontal wells in the proposed unit, for the production of oil, gas and associated hydrocarbons from the Codell and Niobrara Formations; and
- 2) Require that the productive interval of any horizontal well shall be no closer than 460 feet from the unit boundaries, and not less than 150 feet from the productive interval of another well within the unit.
- 3) Applicant states that the horizontal wells permitted under this Order will be drilled from no more than four multi-well pads on the surface of the drilling unit, or on adjacent lands with consent of the landowner, subject to Rule 318A, 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")

- On April 27, 1998, the Commission adopted Rule 318A, the Greater Wattenberg Area Special Well Location, Spacing and Unit Designation Rule.
- On February 19, 1992 (amended August 20, 1993), the Commission entered Order No. 407-87 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. 407-1. The Application Lands are subject to this Order for 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:

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

Dated: August 1, 2017

Colorado Oil and Gas Conservation Commission 1120 Lincoln Street, Suite 801

Denver. Colorado 80203

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