

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

IN THE MATTER OF THE APPLICATION OF) CAUSE NO. 407
THE PROMULGATION AND ESTABLISHMENT)
OF FIELD RULES TO GOVERN OPERATIONS) DOCKET NO. 171200829
FOR THE NIOBRARA FORMATION,)
WATTENBERG FIELD, WELD COUNTY,) TYPE: POOLING
COLORADO)

NOTICE OF HEARING

TO ALL INTERESTED PARTIES AND TO WHOM IT MAY CONCERN:

APPLICATION LANDS

Township 5 North, Range 65 West, 6th P.M.
Section 25: NW $\frac{1}{4}$ NW $\frac{1}{4}$
Section 26: N $\frac{1}{2}$ N $\frac{1}{2}$
Section 27: N $\frac{1}{2}$ N $\frac{1}{2}$
Section 28: NE $\frac{1}{4}$ NE $\frac{1}{4}$

APPLICATION

On October 12, 2017, PDC Energy, Inc. (Operator No. 69175) ("PDC" or "Applicant"), filed a verified application pursuant to § 34-60-116, C.R.S. for an order to:

- 1) Pool all interests in an approximate 400-acre designated horizontal wellbore spacing unit, for the development and operation of the Niobrara formation; and
- 2) Subject any non-consenting interests 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. were first incurred for the drilling of the Geib 26V-314 Well (API No. 05-123-44860) ("Well").

APPLICABLE RULES AND ORDERS

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

- Rule 318A, as amended on August 8, 2011 addresses the drilling of horizontal wells under Rule 318A.a.(4)D. Rule 318A was originally established on April 27, 1998 to allow for certain drilling locations to drill or twin an existing well, deepen a well, or recomplete a well. Rule 318A also provided for the commingling of any or all of the Cretaceous Age formations from the Dakota formation to the surface. Rule 318A was first amended on December 5, 2005 to allow for interior infill and boundary wells and spacing units.
- On February 19, 1992, the Commission entered Order No. 407-87 (amended August 20, 1993) which, among other things, established 80-acre drilling and spacing units for the production of oil, gas, and associated hydrocarbons from the Codell-Niobrara formations, the Codell formation, and the Niobrara formation underlying certain lands, including the

Application Lands, with the permitted well locations in accordance with the provisions of Order 407-1.

- On May 18, 2010, the Commission entered Order No. 407-358, which, among other things, pooled all non-consenting interests in a 160-acre wellbore spacing unit for the S½SE¼ of Section 21 and N½NE¼ of Section 28, Township 5 North, Range 65 West, 6th P.M., for the Magnuson F #28-27D well (API No. 05-123-29895), from the Codell and Niobrara formations. Order No. 407-358 is not affected by this Application, and proceeds from any shared lands will be accounted for in the production of the Well.
- On June 30, 2011, the Commission entered Order No. 232-278, which, among other things, pooled all non-consenting interests in a 160-acre wellbore spacing unit for the W½NW¼ of Section 25 and E½NE¼ of Section 26, Township 5 North, Range 65 West, 6th P.M., for the Geib #41-26 well (API No. 05-123-32111), from the Niobrara, Codell, and "J" Sand formations. Order No. 232-278 is not affected by this Application, and proceeds from any shared lands will be accounted for in the production of the Well.
- Also on June 30, 2011, the Commission entered Order No. 232-284, which, among other things, pooled all non-consenting interests in a 160-acre wellbore spacing unit for the SE¼SE¼ of Section 23, SW¼SW¼ of Section 24, NW¼NW¼ of Section 25, and NE¼NE¼ of Section 26, Township 5 North, Range 65 West, 6th P.M., for the Geib #26-26 well (API No. 05-123-32114), from the Niobrara, Codell, and "J" Sand formations. Order No. 232-284 is not affected by this Application, and proceeds from any shared lands will be accounted for in the production of the Well.
- On April 11, 2014, the Commission entered Order No. 407-985, which, among other things, pooled all non-consenting interests in a 400-acre wellbore spacing unit for the SW¼SW¼ of Section 19 and NW¼NW¼ of Section 30, Township 4 North, Range 64 West, 6th P.M., and the S½S½ of Section 24 and N½N½ of Section 25, Township 5 North, Range 65 West, 6th P.M., for the LaSalle 25E-202 well (API No. 05-123-37408), from the Niobrara formation. Order No. 407-985 is not affected by this Application, and proceeds from any shared lands will be accounted for in the production of the Well.
- Also on April 11, 2014, the Commission entered Order No. 407-986, which, among other things, pooled all non-consenting interests in a 320-acre wellbore spacing unit for the N½ of Section 25, Township 5 North, Range 65 West, 6th P.M., for the LaSalle 25F-332 well (API No. 05-123-37340), from the Niobrara formation. Order No. 407-986 is not affected by this Application, and proceeds from any shared lands will be accounted for in the production of the Well.
- On November 7, 2016, the Commission entered Order No. 407-1818, which, among other things, established a 640-acre drilling and spacing unit for the N½ of Section 26 and N½ of Section 27, Township 5 North, Range 65 West, 6th P.M., for the Niobrara and Codell formations, and approved up to nine wells. The Commission vacated Order No. 407-1818 on June 21, 2017 in Order No. 407-2089.

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:

Dates: December 11–13, 2017
Time: 9:00 a.m.
Place: Colorado Oil and Gas Conservation Commission
The Chancery Building
1120 Lincoln Street, Suite 801
Denver, CO 80203

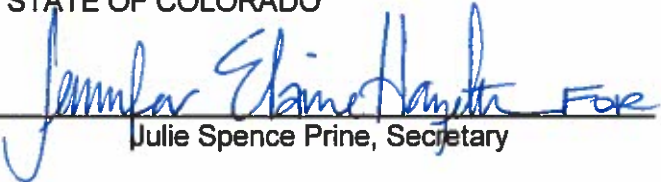
Additional information about the hearing on this Application will be in the Commission's Agenda, which is posted on the Commission website approximately 3 days before the hearing.

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 November 27, 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 November 27, 2017, if a prehearing conference is requested by the Applicant, or any person who has filed a protest or intervention.** 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


Julie Spence Prine, Secretary

Dated: November 3, 2017

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