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

IN THE MATTER OF THE PROMULGATION AND ESTABLISHMENT OF FIELD RULES TO GOVERN OPERATIONS FOR THE CODELL FORMATION, WATTENBERG FIELD, WELD COUNTY, COLORADO

CAUSE NO. 407

DOCKET NO. 171200831

TYPE: POOLING

NOTICE OF HEARING

TO ALL INTERESTED PARTIES AND TO WHOM IT MAY CONCERN:

APPLICATION LANDS

Township 6 North, Range 67 West, 6th P.M.

Section 19:

SE¼SE¼

Section 20:

S1/2S1/2

Section 29:

N½N½

Section 30: NE¼NE¼

APPLICATION

On or before October 12, 2017, Great Western Operating Company, LLC (Operator No. 10110) ("Great Western" or "Applicant"), filed a verified application pursuant to §34-60-116, C.R.S., for an order to:

- 1. Subject additional parties to the pending order in Docket No. 171000705 for the development and operation of the Raindance FD 20-399HC Well (API No. 05-123-45196) on the Application Lands, including the cost recovery provisions of §34-60-116(7), C.R.S., authorized thereby, as applicable; and
- 2. Providing that the Commission's order subjecting additional parties to the pending order in Docket No. 171000705, including the cost recovery provisions of C.R.S. §34-60-116(7), be made 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)(II), C.R.S., are first incurred for the drilling of the Raindance FD 20-399HC Well (API No. 05-123-45196) to the Codell Formation on the Application Lands.

APPLICABLE ORDERS AND RULES

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

- On April 27, 1998, the Commission adopted Rule 318A, the Greater Wattenberg Area Special Well Location, Spacing and Unit Designation Rule. The Application Lands are subject to this Order for the Codell Formation.
- 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-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 No. 407-1. The Application Lands are subject to certain aspects of this Rule for the Codell Formation.

- On January 7, 2013, the Commission entered Order No. 407-742, as corrected, which, among other things, vacated certain 80-acre drilling and spacing units established by Order No. 407-87 for portions of Sections 19 and 30, Township 6 North, Range 67 West, 6th P.M., and established two 320-acre and 480-acre drilling and spacing units for portions of Sections 19 and 30, Township 6 North, Range 67 West, 6th P.M., approved up to four horizontal wells within each unit for the production of oil, gas and associated hydrocarbons from the Codell-Niobrara Formation, with the treated interval of the horizontal wellbores to be no closer than 460 feet from the unit boundaries, and no closer than 150 feet from the treated interval of any other wellbore located in the unit, without exception being granted by the Director.
- On September 16, 2013, the Commission entered Order No. 407-851 which, among other things, established an approximate 480-acre horizontal drilling and spacing unit for portions of Sections 19 and 30, Township 6 North, Range 67 West, 6th P.M., and approved up to 12 horizontal wells within the unit for the production of oil, gas, and associated hydrocarbons from the Codell-Niobrara Formation, with the treated interval of the wellbore to be located no closer than 460 feet from the unit boundaries and no closer than 150 feet from the treated interval of any other wellbore located in the unit, without exception being granted by the Director.
- On September 15, 2014, the Commission entered Order No. 407-1104 which, among other things, vacated an approximate 320-acre drilling and spacing unit established by Order No. 407-472 for Section 30, Township 6 North, Range 67 West, 6th P.M., vacated Order No. 407-851 in its entirety, and modified Order No. 407-742 to reflect a corrected acreage of 450 acres for the drilling and spacing unit established for Sections 19 and 30, Township 6 North, Range 67 West, 6th P.M. The SE¼ of Section 19 and the E½ of Section 30, Township 6 North, Range 67 West, 6th P.M., are subject to Order No. 407-1104.
- On March 20, 2017, the Commission entered Order No. 407-1898 which, among other things, established an approximate 1,715.781-acre drilling and spacing unit for portions of Sections 19, 20, 29, and 30, Township 6 North, Range 67 West, 6th P.M., and Sections 23, 24, 25, and 26, Township 6 North, Range 68 West, 6th P.M., for the production of oil, gas and associated hydrocarbons from the Niobrara, Codell, Carlile, and Greenhorn Formations, and approved up to 25 horizontal wells within the unit, with the productive interval of any horizontal well to be located no closer than 460 feet from the unit boundaries, and no closer than 150 feet from the productive interval of any other wellbore located in the unit, unless the Director grants an exception. Order No. 407-1898 further provides that the Raindance FD #19-21HN Well (API No. 05-123-37633) shall be plugged and abandoned prior to the completion of the first horizontal well drilled in the 1,715.781-acre drilling and spacing unit established by this Order, or the first horizontal well drilled in the 771.229-acre drilling and spacing unit established by Order No. 407-1900, whichever occurs first. The current allocation of proceeds for the Raindance FD

#19-21HN Well (API No. 05-123-37633) shall be maintained until the well is plugged and abandoned. Upon the plugging and abandonment of the Raindance FD #19-21HN Well (API No. 05-123-37633), Order No. 407-1104 shall be deemed vacated. Portions of the Application Lands are subject to Order No. 407-1898.

- On March 20, 2017, the Commission entered Order No. 407-1899 which, among other things, pool all interests in an approximate 1,715.781-acre drilling and spacing unit established for portions of Sections 19, 20, 29, and 30, Township 6 North, Range 67 West, 6th P.M., and Sections 23, 24, 25, and 26, Township 6 North, Range 68 West, 6th P.M., and to subject any nonconsenting interests to the cost recovery provisions of §34-60-116(7), C.R.S., for the drilling of the Raindance FC 23-232HNX Well, Raindance FC 23-232HN Well, Raindance FC 23-249HN Well, Raindance FC 23-272HC Well, Raindance FC 23-289HNX Well, Raindance FC 23-289HN Well, Raindance FC 23-312HN Well, Raindance FC 23-312HC Well, Raindance FC 23-329HNX Well, Raindance FC 23-352HN Well, Raindance FC 23-369HN Well, Raindance FC 23-369HC Well, Raindance FC 23-392HNX Well, Raindance FC 26-009HN Well, Raindance FC 26-032HN Well, Raindance FC 26-032HC Well, Raindance FC 26-049HN Well, Raindance FC 26-072HNX Well, Raindance FC 26-089HC Well, Raindance FC 26-089HN Well, Raindance FC 26-112HN Well, Raindance FC 26-112HNX Well, Raindance FC 26-129HC Well, Raindance FC 26-152HN Well, and the Raindance FC 26-169HN Well, for the development and operation of the Niobrara and Codell Formations. Portions of the Application Lands are subject to Order No. 407-1899.
- On August 31, 2017, Applicant filed a verified application pursuant to §34-60-116, C.R.S. in Docket No. 171000705 for an order to pool all interests in an approximate 400-acre designated horizontal wellbore spacing unit established for the Application Lands (the "Wellbore Spacing Unit"), for the development and operation of the Codell Formation; and to 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., are first incurred for the drilling of the Raindance FD 20-399HC Well (API No. 05-123-45196). Docket No. 171000705 is set to be heard at the Commission's October 30, 2017 hearing.

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:

December 11-13, 2017

Time:

9:00 a.m.

Place:

The Colorado Oil and Gas Conservation Commission

The Chancery Building 1120 Lincoln St. 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

ie Spence Prine, Secretary

Dated: November 1, 2017

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