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

IN THE MATTER OF THE PROMULGATION AND)	CAUSE NO. 1
ESTABLISHMENT OF FIELD RULES REGARDING)	
APPROVAL OF AN APPLICATION FOR PERMIT TO)	DOCKET NO. 180600395
DRILL IN THE NIOBRRA FORMATION, ARAPAHOE)	
COUNTY, UNNAMED FIELD, COLORADO	j	TYPE: GENERAL
	j	ADMINISTRATIVE

NOTICE OF HEARING

TO ALL INTERESTED PARTIES AND TO WHOM IT MAY CONCERN:

APPLICATION LANDS

Township 4 South, Range 65 West, 6th P.M.

Section 25: All Section 26: All

APPLICATION FOR PERMIT TO DRILL

API NO.

Well Name

Objective Formation

05-005-07251

Chico 4-65 25-26 4AH

NIOBRARA

<u>APPLICATION</u>

- 1. On February 25, 2018, the Colorado Oil and Gas Conservation Commission Staff approved Burlington Resources Oil & Gas Company LP's ("Burlington") Form 2, Application for Permit to Drill, for the Chico 4-65 25-26 #4AH (API No. 05-005-07251) well, with a surface location in the SE¼ of Section 25, Township 4 South, Range 65 West, 6th P.M., and bottom hole locations in the SW¼ of Section 26, Township 4 South, Range 65 West, 6th P.M. (the "Chico APD").
- 2. On March 6, 2018, Watkins Road Associates LLLP ("WRA" or "Applicant") submitted a letter to the Director requesting that the Commission suspend Burlington's Chico APD.
- 3. On March 12, 2018, the Commission's Permit and Technical Services Manager issued a suspension on the Chico APD.
- 4. On March 23, 2018, WRA, through counsel, filed an Application pursuant to Rule 305.e.2 requesting that the Commission suspend the Chico APD.

PRIOR ORDERS

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

- On May 18, 2015, the Commission entered Order No. 535-664 which, among other things, established an approximate 1280-acre drilling and spacing unit for Sections 25 and 26, Township 4 South, Range 65 West, 6th P.M. and approved up to two horizontal wells within the unit, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation with the productive interval of the wellbores shall be located no closer than 460 feet from the unit boundaries, and no closer than 960 feet from the productive interval of any other wellbore located in the unit, without exception being granted by the Director.
- On January 29, 2018, the Commission entered Order No 535-937 which approved an
 additional three horizontal wells for a total of five horizontal wells within the approximate
 1,280-acre drilling and spacing unit established by Order No. 535-664 for the Application
 Lands, for the production of oil, gas and associated hydrocarbons from of the Niobrara
 Formation.

APPLICABLE RULES

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

- Rule 305.e (2) states that if a party, Surface Owner or local government requests a hearing before the Commission pursuant to Rule 503.b on an Application for Permit-to-Drill, Form 2, or Oil and Gas Location Assessment, Form 2A, then it shall notify the Director in writing within ten (10) days after the issuance of the decision, setting forth the basis for the objection. Upon receipt of such an objection, the Director shall suspend the approval of the Form 2 or Form 2A and set the matter for an expedited adjudicatory hearing. Such a hearing shall be expedited but will only be held after both the 20 days' notice and the newspaper notice are given as required by Section 34-60-108, C.R.S. However, the hearing can be held after the newspaper notice if all of the entities listed under Rule 503.b waive the 20-day notice requirement. If such an objection is not received, the permit shall issue as proposed by the Director.
- Rule 503.b.(7) provides that for purposes of seeking a hearing on approval of an Application for Permit-to-Drill, Form 2, or an Oil and Gas Location Assessment, Form 2A, under Rule 305.e.(2), the surface owner, may be an applicant solely to raise alleged noncompliance with Commission rules or statute, or to allege potential adverse impacts to public health, safety, and welfare, including the environment and wildlife resources, that are within the Commission's jurisdiction to remedy

NOTICE IS HEREBY GIVEN, pursuant to C.R.S. §§ 34-60-101 to -130, and the Commission's Rules of Practice and Procedure, 2 CCR 404-1, that the Commission has scheduled this matter for hearing on:

Date:

April 30 – May 2, 2018

Time:

9:00 a.m.

Place:

Colorado Oil and Gas Conservation Commission

The Chancery Building

1120 Lincoln Street, Suite 801 Denver, Colorado 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 April 16, 2018. Such interested party shall, at the same time, serve a copy of the the protest or intervention to 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 April 16, 2018, 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

A Julio Spance Princ Secretor

Dated: April 10, 2018

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