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 NIOBRARA, FORT) DOCKET NO. 180700542
HAYS, CODELL, AND CARLILE FORMATIONS,	j
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 61 West, 6th P.M. Section 19: All

On May 30, 2018, Mallard Exploration, LLC (Operator No. 10665) ("Mallard" or "Applicant"), filed a verified application ("Application") pursuant to §34-60-116, C.R.S., for an order to:

- 1) Amend Order No. 535-3 to establish an approximate 640-acre drilling and spacing unit for the Application Lands, and approving the drilling of 16 horizontal wells within the proposed unit, for the production of oil, gas and associated hydrocarbons from the Niobrara, Fort Hays, Codell, and Carlile Formations, with the treated interval of any horizontal well permitted under this Application located not less than 600 feet from unit boundaries and not less than 150 feet from any other well producing or drilling from the Niobrara, Fort Hays, Codell, and Carlile Formations, without exception being granted by the Director.
- 2) Limit the drilling of any permitted wells under this Application to no more than two new well pads in the unit, or on lands adjacent thereto with surface owner consent, unless an exception is granted by the Director.

APPLICABLE ORDERS AND RULES

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

- COGCC Rule 318.a. provides that for any oil or gas well drilled to a common source of supply and drilled to a producing depth at least 2,500 feet below ground surface shall be located not less than 600 feet from any leaseline and not less than 1,200 feet from any other producing or drilling oil or gas well when drilling to the same source of supply, unless approved by Commission order upon hearing. The Application Lands are subject to this Rule for production of oil and gas from the Codell, Fort Hays and Carlile Formations.
- On February 22, 2011, the Commission issued Order No. 535-3 which, among other things, established an approximate 640-acre drilling and spacing unit for the Application Lands, and approved one horizontal well within each unit, for production of oil, gas and associated hydrocarbons from the Niobrara Formation, with the bottomhole location of any permitted not less than 600 feet from the boundaries of the unit.

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:

July 30 - August 1, 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 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 accommodations 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 July 16, 2018. 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 July 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

ule Spence Prine, Secretary

Dated: June 21, 2018

Colorado Oil and Gas Conservation Commission

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Denver, CO 80203

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