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 FORMATION, | ý | DOCKET NO. 180700551 |
| UNNAMED FIELD, ADAMS COUNTY, COLORADO | j | |
| , | ý | TYPE: ADDITIONAL WELLS |

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 34: All Section 35: All

APPLICATION

On May 31, 2018, ConocoPhillips Company (Operator No. 19160) and its wholly owned subsidiary Burlington Resources Oil & Gas LP (Operator No. 26580) (together, "Applicant" or "COPC"), filed a verified application pursuant to §34-60-116, C.R.S. for an order to:

- 1) Approve an additional three horizontal wells, for a total of eight horizontal wells in an established approximate 1,278.1-acre drilling and spacing unit established for Sections 34 and 35, Township 4 South, Range 65 West, 6th P.M., for the production of oil, gas, and associated hydrocarbons from the Niobrara Formation.
- 2) Amend Order No. 535-779 to exclude the allowance of a vertical well within the 1,278.1-acre drilling and spacing unit established for the Application Lands.
- 3) Provide that the productive interval any horizontal well shall be no closer than 460 feet from the boundaries of the unit and no closer than 150 feet from the productive interval of another well within the unit, and approving up to four well pads in the unit, or adjacent thereto, unless an exception is granted by the Director.
- 4) Find that the approval of up to eight horizontal wells in an approximate 1,278.1-acre drilling and spacing unit for the development of the Niobrara Formation on the Application Lands will prevent waste, protect correlative rights, and maximize the efficient and economic production of the Niobrara Formation in the Application Lands.
- 5) For such other findings and orders as the Commission may deem proper or advisable in this matter.

APPLICABLE ORDERS AND RULES

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

- On October 24, 2016, the Commission entered Order No. 535-740 which, among other things, established an approximate 1,280-acre drilling and spacing unit for the Application Lands and approved up to two horizontal wells within the drilling and spacing unit for the production of oil, gas and associated hydrocarbons from the Niobrara Formation, with the productive interval of the wellbore of each 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 an exception is granted by the Director.
- On January 30, 2017, the Commission entered Order No. 535-766 which, among other things, amended Order No. 535-740 to establish an approximate 1,278.1-acre drilling and spacing unit for Sections 34 and 35, Township 4 South, Range 65 West, 6th P.M., and approved up to three horizontal wells within the unit, to be located on no more than three multi-well pads within the drilling and spacing unit, or from a legal location on adjacent lands, unless the Director grants an exception, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation, with the productive interval of the wellbore of each 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 an exception is granted by the Director.
- On January 30, 2017, the Commission entered Order No. 535-765 which, among other things, pooled all interests within the approximate 1,278.1-acre drilling and spacing unit established by Order No. 535-766 for Sections 34 and 35, Township 4 South, Range 65 West, 6th P.M., 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 State Bierstadt 4-65 35-34 4BH (API No. 05-005-07257) and the State Bierstadt 4-65 35-34 4AH (API No. 05-005-07258) to the Niobrara Formation on the Application Lands.
- On March 20, 2017, the Commission entered Order No. 535-779 which, among other things, approved up to five horizontal wells and one vertical well for a total of six wells in order to efficiently and economically recover the oil, gas and associated hydrocarbons from the Niobrara Formation in the approximate 1,278.1-acre drilling and spacing unit established by Order No. 535-766 for Sections 34 and 35, Township 4 South, Range 65 West, 6th P.M., provided that the surface locations for the additional wells shall be located on no more than two pad locations within the unit or adjacent thereto, unless an exception is granted by the Director, and provided that the treated interval of the wellbores shall 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 May 1, 2017, the Commission entered Order No. 535-783 which, entered an order to subject all nonconsenting interests to the cost recovery provisions of §34-60-116(7), C.R.S., effective retroactive to the date of Order No. 535-765 or the date that the costs specified in Section 34-60-116(7), C.R.S., were first incurred, whichever is earlier, for the drilling of the State Bierstadt 4-65 35-34 1CH horizontal well (API No. Pending), the State Bierstadt 4-65 35-34 1DH horizontal well or the Little State Bierstadt 4-65 35 1V vertical well, within an approximate 1,278.1-acre drilling and spacing unit established for Sections

34 and 35, Township 4 South, Range 65 West, 6thP.M., for the development and operation of the Niobrara Formation.

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 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 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

Julie Spence Prine, Secretary

Dated: June 21, 2018

Colorado Oil and Gas Conservation Commission

1120 Lincoln Street, Suite 801 Denver, Colorado 80203

Website: http://cogcc.state.co.us

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