

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

IN THE MATTER OF THE PROMULGATION AND) CAUSE NO. 421
ESTABLISHMENT OF FIELD RULES TO GOVERN)
OPERATIONS FOR THE NIOBRARA, FORT HAYS,) DOCKET NO. 180700569
CODELL, AND CARLILE FORMATIONS, HEREFORD)
FIELD, WELD COUNTY, COLORADO) TYPE: SPACING

NOTICE OF HEARING

TO ALL INTERESTED PARTIES AND TO WHOM IT MAY CONCERN:

APPLICATION LANDS

Township 10 North, Range 62 West, 6th P.M.
Section 1: All

Township 11 North, Range 62 West, 6th P.M.
Section 36: All

APPLICATION

On May 31, 2018, HighPoint Operating Corporation (Operator No. 10071) ("HighPoint" or "Applicant") filed a verified application pursuant to §34-60-116, C.R.S., for an order to:

- 1) Vacate the approximate 640-acre drilling and spacing unit established by Order No. 421-3 for Section 36, Township 11 North, Range 62 West, 6th P.M., for the production of oil, gas and associated hydrocarbons from the Niobrara Formation;
- 2) Establish an approximate 1,280-acre drilling and spacing unit for Section 1, Township 10 North, Range 62 West, 6th P.M. and Section 36, Township 11 North, Range 62 West, 6th P.M., and approve a total of up to 16 new horizontal wells within the unit, for the production of oil, gas and associated hydrocarbons from the Niobrara, Fort Hays, Codell, and Carlile Formations;
- 3) Provide that the productive interval of any horizontal well in the unit shall be no closer than 150 feet from the boundaries of the unit for the Niobrara and Fort Hays Formations and no closer than 300 feet from the unit boundaries for the Codell and Carlile Formations; and not less than 150 feet from the productive interval of any other wellbore within the unit, and authorizing a total of five well pads in the unit, unless an exception is granted by the Director;
- 4) Exclude the Garden Creek #27-36H Well (API No. 05-123-32156) from the proposed 1280-acre drilling and spacing unit for the purposes of payment of proceeds, which is operated by Applicant and will continue to pay out on a lease basis for the State of Colorado.
- 5) Find that an approximate 1,280-acre drilling and spacing unit for the development of the Niobrara, Fort Hays, Codell, and Carlile Formations on the Application Lands will prevent waste, protect correlative rights, and maximize the efficient and economic production of the Niobrara, Fort Hays, Codell, and Carlile Formations on the Application Lands.

6) 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")

- Rule 318.a. of the Rules and Regulations of the Oil and Gas Conservation Commission requires that, on unspaced lands, wells drilled in excess of 2,500 feet in depth be located not less than 600 feet from any lease line, and located not less than 1,200 feet from any other producible or drilling oil or gas well when drilling to the same common source of supply. Section 1, Township 10 North, Range 62 West, 6th P.M. is subject to this Rule for the Niobrara, Fort Hays, Codell, and Carlile Formations. Section 36, Township 11 North, Range 62 West, 6th P.M., is subject to this Rule for the Fort Hays, Codell, and Carlile Formations s.
- On October 21, 2010, the Commission entered Order No. 421-3 which, among other things, established 83 approximate 640-acre drilling and spacing units for certain lands, including Section 36, Township 11 North, Range 62 West, 6th P.M., and approved one horizontal well within each unit, for the production of oil, gas, and associated hydrocarbons from the Niobrara Formation, with the productive interval of the wellbore to be located no closer than 600 feet from the unit boundaries, without exception being granted by the Director.

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

By  _____
Julie Spence Prine, Secretary

Dated: June 22, 2018

Colorado Oil and Gas Conservation
Commission
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