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 HAYS, |) | DOCKET NO. 180900619 |
| CODELL, AND CARLILE FORMATIONS, UNNAMED | j | |
| FIELD, WELD COUNTY, COLORADO | ý | TYPE: SPACING |

NOTICE OF HEARING

TO ALL INTERESTED PARTIES AND TO WHOM IT MAY CONCERN:

APPLICATION LANDS

Township 8 North, Range 60 West, 6th P.M. Section 18: All

<u>APPLICATION</u>

On June 9, 2018, Bison Oil & Gas II, LLC (Operator No. 10661) ("Bison" or "Applicant") filed a verified application pursuant to §34-60-116, C.R.S., for an order to:

- 1) Modify an approximate 640-acre drilling and spacing unit established by Order No. 535-3 for the Application Lands to include the Fort Hays, Codell, and Carlile Formations, and to approve up to 15 new horizontal wells within the unit, for a total of 16 horizontal wells within the unit, for the production of oil, gas and associated hydrocarbons from the Niobrara, Fort Hays, Codell, and Carlile Formations, with the treated interval of each wellbore within the drilling and spacing unit being no closer than 600 feet from the unit boundary, and no closer than 165 feet from the productive interval of any other wellbore located within the unit, unless an exception is granted by the Director; and
- 2) Require the wells to be drilled and operated from no more than two surface locations within the unit or on adjacent lands.

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.
- On February 22, 2011, the Commission entered Order No. 535-3, which established 160 approximate 640-acre drilling and spacing units for certain lands in Townships 8, 9, and 10, North, Ranges 58 through 62 West, 6th P.M., and approved one horizontal well in each unit, for the production of oil, gas, and associated hydrocarbons from the Niobrara Formation, with the treated interval of the wellbore to be located no closer than 600 feet from the unit boundaries, without exception being granted by the Director.

On March 25, 2013, the Commission entered Order No. 535-305, which pooled all interests in an approximate 640-acre drilling and spacing unit established by Order No. 535-3 for the Application Lands, and authorized cost-recovery pursuant to Section 34-60-116(7)(b)(II) against any nonconsenting owners in the Hunt LF 18-62 HN Well, for the production of oil, gas, and associated hydrocarbons from the Codell-Niobrara Formation, effective as of the date of the application, or the date that costs are first incurred for the drilling of the Hunt LF 18-62 HN Well, whichever is earlier.

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:

September 17-18, 2018

Time:

9:00 a.m.

Place:

Garfield County Sheriff's Annex - Rifle

106 County Road 333-A Rifle, Colorado 81650

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 August 31, 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 September 3, 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 Sperice Prine, Secretary

Dated: August 8, 2018

Colorado Oil and Gas Conservation Commission

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