

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

IN THE MATTER OF THE PROMULGATION AND ESTABLISHMENT OF FIELD RULES TO GOVERN OPERATIONS FOR THE NIOBRARA, FORT HAYS, CODELL, AND CARLILE FORMATIONS, UNNAMED FIELD, WELD COUNTY, COLORADO)	CAUSE NO. 535
)	DOCKET NO. 180900670
)	TYPE: SPACING

NOTICE OF HEARING

TO ALL INTERESTED PARTIES AND TO WHOM IT MAY CONCERN:

APPLICATION LANDS

Township 7 North, Range 60 West, 6th P.M.
Section 15: All
Section 16: All

APPLICATION

On July 18, 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) Vacate an approximate 1,280-acre drilling and spacing unit established by Order No. 535-687 for Sections 14 and 15, Township 7 North, Range 60 West, 6th P.M.; and
- 2) Establish an approximate 1,280-acre drilling and spacing unit for the Application Lands, and approve up to twenty (20) new 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.

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 January 7, 2013, the Commission entered Order No. 535-242, which established an approximate 1,280-acre exploratory drilling and spacing unit for Sections 15 and 16, Township 7 North, Range 60 West, 6th P.M., and approved up to eight horizontal wells within the 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 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 January 7, 2013, the Commission entered Order No. 535-250, which pooled all interests in an approximate 1,280-acre exploratory drilling and spacing unit established by Order No. 535-242 for Sections 15 and 16, Township 7 North, Range 60 West, 6th P.M., and approved cost recovery against the nonconsenting owners in the State 16-7-60 1H Well, for the for the development and operation of the Niobrara Formation, effective as of the earlier of the date of the Application, or the date that any of the costs specified in C.R.S. §34-60-116(7)(b)(II) are first incurred for the drilling of the State 16-7-60 1H Well.
- On May 6, 2013, the Commission entered Order No. 535-324, which vacated an approximate 1,280-acre exploratory drilling and spacing unit for Sections 15 and 16, Township 7 North, Range 60 West, 6th P.M., vacated Order No. 535-250, and established an approximate 640-acre drilling and spacing unit for Section 15, Township 7 North, Range 60 West, 6th P.M., and approved up to four horizontal wells within the 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 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 6, 2013, the Commission entered Order No. 535-333, which pooled all interests in an approximate 640-acre drilling and spacing unit established by Order No. 535-324 for Section 15, Township 7 North, Range 60 West, 6th P.M., and approved cost recovery against the nonconsenting owners in the Waves 15-1H Well, for the for the development and operation of the Niobrara Formation, effective as of the earlier of the date of the Application, or the date that any of the costs specified in C.R.S. §34-60-116(7)(b)(II) are first incurred for the drilling of the Waves 15-1H Well.
- On September 14, 2015, the Commission entered Order No. 535-687, which vacated an approximate 640-acre drilling and spacing unit established by Order No. 535-324 for Section 15, Township 7 North, Range 60 West, 6th P.M., vacated Order No. 535-333, and established an approximate 1,280-acre drilling and spacing unit for Sections 14 and 15, Township 7 North, Range 60 West, 6th P.M., and approved up to 28 horizontal wells within the unit, for the production of oil, gas and associated hydrocarbons from the Codell and Niobrara Formations, with the productive interval of any wellbore located no closer than 100 feet from any other wellbore producing from the Codell and Niobrara Formations, and no closer than 600 feet from the unit boundaries, unless an exception is 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: 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

By



Julie Spence Prine, Secretary

Dated: August 10, 2018

Colorado Oil and Gas Conservation Commission
1120 Lincoln Street, Suite 801
Denver, Colorado 80203
Website: <http://cogcc.state.co.us>
Phone: (303) 894-2100
Fax: (303) 894-2109

Attorneys for Applicant:
Joseph C. Pierzchala
Geoffrey W. Storm
Welborn Sullivan Meck & Tooley, P.C.
1125 17th Street, Suite 2200
Denver, CO 80202
(303) 830-2500
jpierzchala@wsmtlaw.com
gstorm@wsmtlaw.com