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 CODELL AND NIOBRARA)	DOCKET NO. 170500239
FORMATIONS, UNNAMED FIELD, WELD)	
COUNTY, COLORADO	ĺ	TYPE: SPACING

NOTICE OF HEARING

TO ALL INTERESTED PARTIES AND TO WHOM IT MAY CONCERN:

<u>APPLICATION LANDS</u>

Township 11 North, Range 61 West, 6th P.M.

Section 8: All Section 17: All

On March 2, 2017, Extraction Oil & Gas LLC (Operator No. 10459) ("Extraction" or "Applicant") filed a verified amended application ("Application") pursuant to §34-60-116, C.R.S., for an order:

- 1) Establishing an approximate 1,280-acre drilling and spacing unit for the Application Lands, and authorizing the drilling of 12 horizontal wells within the proposed unit, for the production of oil, gas and associated hydrocarbons from the Codell and Niobrara Formations, with the treated intervals of any horizontal well permitted under this Application located not less than 300 feet from unit boundaries and not less than 150 feet from any other well producing or drilling from the Codell or Niobrara Formations, without exception being granted by the Director.
- 2) Limiting the drilling of any permitted wells under this Application to no more than two multi-well pads within the drilling and spacing unit, or on adjacent lands with surface owner consent, without exception being granted by the Director.
- 3) Maintaining allocation of proceeds for the existing conventional well (namely, the DF Ranch 1161-8-14 well) located within the proposed 1,280-acre drilling and spacing unit for the Application Lands and producing from the Codell and/or Niobrara Formations.
- 4) Modifying allocation of proceeds for the existing unconventional well (namely, the DF Ranch PC GK 17-99HZ well) drilled and producing within the Application Lands by modifying Order No. 535-121 to bring said well into the 1,280-acre drilling and spacing unit proposed herein for the Application Lands, effective the initial date of completion operations associated with the first well completed under the approved Application.

APPLICABLE ORDERS AND RULES

(available online at: http://cogcc.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 authorized by Commission order upon hearing. Section 8, Township 11 North, Range 61 West, 6th P.M., is subject to this Rule for the production of oil and gas from the Codell and Niobrara Formations.
- On January 23, 2012, the Commission issued Order No. 535-121 which, among other things, established an approximate 640-acre exploratory drilling unit for Section 17, Township 11 North, Range 61 West, 6th P.M., and authorized the drilling of one or more horizontal wells and one or more vertical wells within said unit, for the production of oil, gas and associated hydrocarbons from the Codell and Niobrara Formations, with the treated interval of any permitted well located no closer than 600 feet from the unit boundaries.

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:

May 1-2, 2017

Time:

9:00 a.m.

Place:

Colorado Oil and Gas Conservation Commission

The Chancery Building

1120 Lincoln Street, Suite 801

Denver, CO 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 authority under statutes. Any interested party desired to protest or intervention should file with the Commission a written protest or intervention in accordance with Rule 509. no later than April 17, 2017. Such interested party shall, at the same time, serve a copy of the protest of 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 April 17, 2017. Pursuant to Rule 511., if the matter is contested, it may be approved without a hearing.

OIL AND GAS CONSERVATION COMMISSION OF THE STATE OF COLORADO

Bv:

Peter Gowen, Acting Secretary

Dated: March 27, 2017

Colorado Oil and Gas Conservation Commission

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Denver, CO 80203

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