

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

IN THE MATTER OF THE PROMULGATION AND ) CAUSE NO. 407  
ESTABLISHMENT OF FIELD RULES TO GOVERN )  
OPERATIONS FOR THE CODELL AND NIOBRARA ) DOCKET NO. 170500275  
FORMATIONS, WATTENBERG FIELD, WELD )  
COUNTY, COLORADO ) TYPE: POOLING

NOTICE OF HEARING

TO ALL INTERESTED PARTIES AND TO WHOM IT MAY CONCERN:

APPLICATION LANDS

Township 6 North, Range 67 West, 6<sup>th</sup> P.M.

Section 15: W $\frac{1}{2}$ , NE $\frac{1}{4}$

Section 16: All

APPLICATION

On March 2, 2017, Great Western Operating Company, LLC ("Great Western" or "Applicant") filed a verified application pursuant to §34-60-116, C.R.S., for an order to:

- 1) Pool all interests in an approximate 1,120-acre drilling and spacing unit established for the Application Lands for the development and operation of the Niobrara Formation; and
- 2) Subject any non-consenting interests to the cost recovery provisions of §34-60-116(7), C.R.S., 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 Simpson FD 16-022HN (API No. 05-123-41402), Simpson FD 16-062HNX (API No. 05-123-41686), Simpson FD 16-099HN (API No. 05-123-41674), Simpson FD 16-139HN (API No. 05-123-41680), Simpson FD 16-142HC (API No. 05-123-41682), Simpson FD 16-179HNX (API No. Pending), Simpson FD 16-179HN (API No. 05-123-41683), Simpson FD 16-182HC (API No. Pending), Simpson FD 16-219HN (API No. 05-123-41677), Simpson FD 16-222HN (API No. 05-123-41676), Simpson FD 16-222HNX (API No. 05-123-41681), Simpson FD 16-259HC (API No. 05-123-41679), Simpson FD 16-262HN (API No. 05-123-41678), Simpson FD 16-299HN (API No. Pending), Simpson FD 16-299HNX (API No. 05-123-41689), Simpson FD 16-302HC (API No. 05-123-44221), Simpson FD 16-302HN (API No. 05-123-41688), Simpson FD 16-339HN (API No. 05-123-44220), Simpson FD 16-342HNX (API No. Pending), Simpson FD 16-379HC (API No. 05-123-44218), and the Simpson FD 16-379HN (API No. 05-123-41675).

APPLICABLE ORDERS AND RULES

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

- On April 27, 1998, the Commission adopted Rule 318A, the Greater Wattenberg Area Special Well Location, Spacing and Unit Designation Rule.

- On February 19, 1992 (amended August 20, 1993), the Commission entered Order No. 407-87 which, among other things, established 80-acre drilling and spacing units, for the production of oil, gas, and associated hydrocarbons from the Codell-Niobrara Formations, the Codell Formation, and the Niobrara Formation underlying certain lands, including the Application Lands, with the permitted well locations in accordance with the provisions of Order No. 407-1.
- On January 7, 2013, the Commission entered Order No. 407-741 which: 1) vacated the approximate 80-acre drilling and spacing units established by Order No. 407-87 for Section 16, Township 6 North, Range 67 West, 6<sup>th</sup> P.M.; 2) established an approximate 640-acre drilling and spacing unit consisting of Section 16, Township 6 North, Range 67 West, 6<sup>th</sup> P.M., and 3) approved up to seven horizontal wells within each unit, for the development and operation of the Codell-Niobrara Formation, with the productive interval of the horizontal wellbores to be 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, without exception being granted by the Director.
- On July 29, 2013, the Commission entered Order No. 407-848, which pooled all interests in the approximate 640-acre drilling and spacing unit established by Order No. 407-741 for Section 16, Township 6 North, Range 67 West, 6<sup>th</sup> P.M., for the development and operation of the Codell-Niobrara Formation.
- On September 15, 2014, the Commission entered Order No. 407-1107, which applied the cost recovery provisions of C.R.S. § 34-60-116(7) to any non-consenting owners within the approximate 640-acre drilling and spacing unit established by Order No. 407-741 for Section 16, Township 6 North, Range 67 West, 6<sup>th</sup> P.M. for the DeTienne FD 16-022HC Well (API No. 05-123-39630).
- On May 18, 2015, the Commission entered Order No. 407-1307 which, among other things, 1) amended Order No. 407-741 to authorize no more than one horizontal well within the approximate 640-acre drilling and spacing unit established by such order, for the development and operation of the Codell-Niobrara Formation, 2) established an approximate 1,120-acre drilling and spacing unit for the Application Lands, and 3) approved up to 21 horizontal wells within the unit, for the production of oil, gas and associated hydrocarbons from the Codell-Niobrara Formation.
- On July 20, 2015, the Commission entered Order No. 407-1324 which, among other things, pooled all interests in the approximate 1120-acre drilling and spacing unit established by Order No. 407-1307 for portions of Sections 15 and 16, Township 6 North, Range 67 West, 6<sup>th</sup> P.M., for the drilling of the Simpson FD 16-039HC Well, the Simpson FD 16-059HN Well, and the Simpson FD 16-062HN Well, for the development and operation of the Codell and Niobrara Formations.
- On September 14, 2015, the Commission entered Order No. 407-1427 which, among other things, applied the cost recovery provisions of §34-60-116(7), C.R.S., to additional parties within the approximate 1120-acre drilling and spacing unit established by Order No. 407-1307 for Sections 15 and 16, Township 6 North, Range 67 West, 6<sup>th</sup> P.M., and subjected any non-consenting interests to the cost recovery provisions of §34-60-116(7), C.R.S., 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., were first incurred for the drilling of the

Simpson FD 16-039HC Well, the Simpson FD 16-059HN Well, or the Simpson FD 16-062HN Well, for the development and operation of the Codell and Niobrara Formations.

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  
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 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 April 17, 2017.** 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 April 17, 2017.** 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   
Peter Gowen, Acting Secretary

Dated: March 27, 2017

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:  
Jamie L. Jost  
Kelsey H. Wasylenky  
Jost Energy Law, P.C.  
1401 17<sup>th</sup> Street, Suite 370  
Denver, Colorado 80202  
(720) 446-5620  
[jjost@jostenergylaw.com](mailto:jjost@jostenergylaw.com)  
[kwasylenky@jostenergylaw.com](mailto:kwasylenky@jostenergylaw.com)