

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 ) DOCKET NO. 170900529  
NIOBRARA FORMATIONS, WATTENBERG )  
FIELD, WELD COUNTY, COLORADO ) TYPE: SPACING

**AMENDED NOTICE OF HEARING**

TO ALL INTERESTED PARTIES AND TO WHOM IT MAY CONCERN:

**SECOND AMENDED APPLICATION LANDS**

**DSU No. 1**

Township 1 North, Range 65 West, 6<sup>th</sup> P.M.

**Section 15: E½**

**Section 22: E½**

**DSU No. 2**

Township 1 North, Range 65 West, 6<sup>th</sup> P.M.

**Section 15: W½**

**Section 22: W½**

**APPLICATION**

On June 27, 2017, amended September 11, 2017, and again amended September 12, 2018, Verdad Resources, LLC (Operator No. 10651) ("Verdad" or "Applicant") filed a verified application pursuant to §34-60-116, C.R.S., for an order to:

- 1) Maintain the Rule 318A horizontal wellbore spacing unit established for the Long 22-15-6NCH Well (API No. 05-123-41513);
- 2) Maintain Order No. 407-1211 as to the Drake 01N-65W-22-8N Well (API No. 05-123-40503);
- 3) **Establish two approximate 640-acre drilling and spacing units covering the Second Amended Application Lands for production of oil, gas and associated hydrocarbons from the Codell and Niobrara Formations;**
- 4) **Approve a total of eleven (11) new horizontal wells in each unit, exclusive of the Drake 01N-65W-22-8N and the Long 22-15-6NCH, respectively;**
- 5) Require the productive interval of the wellbore of any permitted wells in each unit to be located no closer than 150 feet from the treated interval of any other wellbore producing

from the same common source of supply, and no closer than 460 feet from the unit boundaries, without exception being granted by the Director.

6) Require that the wells be drilled and operated from two well pads, exclusive of existing locations, be located within each unit or from legal locations on adjacent lands, without exception granted by the Director.

#### APPLICABLE RULES AND ORDERS

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

- On April 27, 1988, the Commission adopted Rule 318A, the Greater Wattenberg Area Special Well Location, Spacing and Unit Designation Rule, which was amended on August 8, 2011 to, among other things, address the drilling of horizontal wells and requires that a horizontal wellbore spacing unit must include any governmental quarter-quarter section that is located less than 460' from the completed interval of the wellbore lateral.
- On January 26, 2015, the Commission entered Order No. 407-1211, which approved Verdad Oil & Gas Corporation's request for an order to pool all interests in an approximate 320-acre designated Rule 318A horizontal wellbore spacing unit established by Verdad Oil & Gas Corporation for the E½ of Section 22, Township 1 North, Range 65 West, 6th P.M., effective as of the date of the Application, for development and operation of the Codell and Niobrara Formations, and subjected all nonconsenting parties to the cost recovery provisions of Section 34-60-116(7), C.R.S., for the Drake 01N-65W-22-8N Well (API No. 05-123-40503).

NOTICE IS HEREBY GIVEN, pursuant to C.R.S. §§ 34-60-101 to -130, and the Commission's Rules of Practice and Procedure, 2 CCR 404-1, that the Commission has scheduled this matter for hearing on:

Dates: October 29-30, 2018

Time: 9:00 a.m.

Place: Colorado Oil and Gas Conservation Commission  
The Chancery Building  
1120 Lincoln Street, Suite 801  
Denver, Colorado 80203

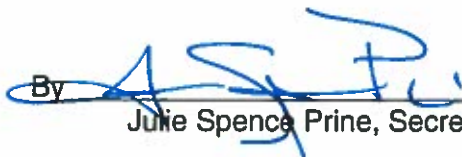
Additional information about the hearing on this Application will be in the Commission's Agenda, which is posted on the Commission website approximately three days before the hearing.

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 October 15, 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 October 15, 2018, if requested.** 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: September 24, 2018

Colorado Oil and Gas Conservation Commission  
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