

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

NOTICE OF HEARING

TO ALL INTERESTED PARTIES AND TO WHOM IT MAY CONCERN:

APPLICATION LANDS

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

Section 15: All

Section 22: All

APPLICATION

On June 29, 2017, amended September 13, 2017, Verdad Resources, LLC (Operator No. 10651) ("Verdad" or "Applicant") filed a verified amended 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 an approximate **1,280-acre** drilling and spacing unit for the Application Lands, and approve up to **20** horizontal wells, excluding the Drake 01N-65W-22-8N Well (API No. 05-123-40503), **the Long 22-15-6NCH Well (API No. 05-123-41513), and any pending APD for the Helzer 15-1 (API No. Pending), Helzer 15-2 (API No. Pending), Helzer 15-3 (API No. Pending), Helzer 15-4 (API No. Pending), Helzer 15-5 (API No. Pending), and the Helzer 15-6 (API No. Pending),** within the unit, for the production of oil, gas and associated hydrocarbons from the Codell and Niobrara Formations; and

4) Require the productive interval of the wellbore of any permitted wells in the unit to be located no closer than 150 feet from the treated interval of any other wellbore producing from the Codell and/or Niobrara formations, and no closer than 460 feet from the unit boundaries, without exception being granted by the Director.

5) Applicant states that the wells be drilled from two additional well pads located in the unit and/or from a legal location 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 30-31

Time: 9:00 a.m.

Place: Colorado Oil and Gas Conservation Commission  
The Chancery Building  
1120 Lincoln St., Ste. 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 three (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 October 16, 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](mailto: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 16, 2017, 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   
Julia Spence Prine, Secretary

Dated: September 21, 2017

Colorado Oil and Gas Conservation Commission  
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