

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. 170900563
FORMATIONS, WATTENBERG FIELD, ADAMS)
COUNTY, COLORADO) TYPE: SPACING

NOTICE OF HEARING

TO ALL INTERESTED PARTIES AND TO WHOM IT MAY CONCERN:

APPLICATION LANDS

Township 1 South, Range 65 West, 6th P.M.

Section 6: E½
Section 7: E½
Section 18: NE¼

APPLICATION

On July 13, 2017, Confluence DJ LLC (Operator No.10518) ("Confluence" or "Applicant") filed a verified application pursuant to §34-60-116, C.R.S., for an order to:

- 1) Establish an approximate 800-acre drilling and spacing unit for the Application Lands and authorizing the drilling of up to two horizontal wells within the proposed unit, for the production of oil, gas, and associated hydrocarbons from the Codell Formation and up to eight horizontal wells within the proposed unit, for the production of oil, gas, and associated hydrocarbons from the Niobrara Formation.
- 2) Provide that the wellbores of any horizontal wells may enter the Codell and Niobrara Formations anywhere within the unit, or on adjacent lands, without exception being granted by the Director. Additionally, the productive interval of any horizontal well shall be no closer than 460 feet from the boundaries of the unit and not less than 150 feet from the treated interval of another well within the unit, without exception being granted by the Director.
- 3) Applicant states that the wells shall be drilled on no more than one well pad within the unit subject to Rule 318A or on adjacent lands, unless an exception is granted by the Director.
- 4) Allow such other findings and orders as the Commission may deem proper or advisable in the premises.

APPLICABLE ORDERS AND RULES

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

- On or about February 19, 1992, the Commission entered Order No. 407-87 (amended August 20, 1993) 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 Application Lands are subject to Order No. 407-87.
- On April 27, 1998, the Commission adopted Rule 318A. which, among other things, allowed certain drilling locations to be utilized to drill or twin a well, deepen a well or recomplete a well and to commingle any or all Cretaceous Age Formations from the base of the Dakota Formation to the surface. Rule 318A. supersedes all prior Commission drilling and spacing orders affecting well location and density requirements of Greater Wattenberg Area wells. On December 5, 2005, Rule 318A. was amended, among other things, to allow interior infill and boundary wells to be drilled and wellbore spacing units to be established. On August 8, 2011, Rule 318A. was again amended, among other things, to address drilling of horizontal wells. The Application Lands are subject to certain aspects of this rule for horizontal wells drilled in the Niobrara and Codell 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: September 11-12, 2017

Time: 9:00 a.m.

Place: Durango Public Library
Program Room #2
1900 E 3rd Avenue
Durango, CO 81301

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.

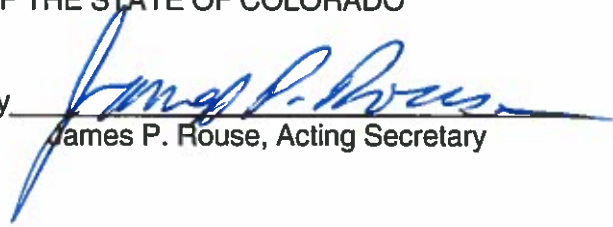
In accordance with the Americans with Disabilities Act, if any party requires special accommodations as a result of a disability for this hearing, please contact Margaret Humecki at (303) 894-2100 ext. 5139, prior to the hearing and arrangements will be made.

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 28, 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 August 28, 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



James P. Rouse, Acting Secretary

Dated: August 1, 2017

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