

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 NIOBRARA,) DOCKET NO. 171000656
FT. HAYS, CODELL, AND CARLILE)
FORMATIONS, UNNAMED FIELD, WELD) TYPE: SPACING
COUNTY, COLORADO)

NOTICE OF HEARING

TO ALL INTERESTED PARTIES AND TO WHOM IT MAY CONCERN:

APPLICATION LANDS

Township 8 North, Range 61 West, 6th P.M.

Section 2: All

Section 3: All

APPLICATION

On August 24, 2017, Bison Oil & Gas II, LLC (Operator No. 10661) ("Bison" or "Applicant") filed a verified application pursuant to §34-60-116, C.R.S., for an order to:

- 1) Vacate Order No. 535-525;
- 2) Establish an approximate 1,280-acre drilling and spacing unit and approve 20 horizontal wells for the production of the Niobrara, Ft. Hays, Codell, and Carlile Formations; and
- 3) Require the productive interval of the wellbore of any permitted wells in the unit to be located no closer than 600 feet from the unit boundary, and no closer than 100 feet from the productive interval of any other wellbore located in the unit.
- 4) Applicant states that the wells be drilled from no more than three well pads located within the unit or at 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")

- Rule 318.a. of the Rules and Regulations of the Oil and Gas Conservation Commission requires that, on unspaced lands, wells drilled in excess of 2,500 feet in depth be located not less than 600 feet from any lease line, and located not less than 1,200 feet from any other producible or drilling oil or gas well when drilling to the same common source of supply.
- On March 8, 2011, as of February 22, 2011, the Commission entered Order No. 535-3, which established 160 approximate 640-acre drilling and spacing units for certain lands

in Townships 8, 9, and 10, North, Ranges 58 through 61 West, 6th P.M., and approved one horizontal well in each unit, for the production of oil, gas, and associated hydrocarbons from the Niobrara Formation, with the treated interval of the wellbores to be located no closer than 600 feet from the unit boundaries, without exception being granted by the Director.

- On November 15, 2012, the Commission entered Order No. 535-215, which modified Order No. 535-3 as to Section 2, Township 8 North, Range 61 West, 6th P.M. ("Section 2") to allow up to two horizontal wells in the drilling and spacing unit, for the production of oil, gas, and associated hydrocarbons from the Niobrara Formation, with the treated interval of the wellbores to be located no closer than 600 feet from the unit boundaries, without exception being granted by the Director.
- On March 25, 2013, the Commission entered Order No. 535-295, which modified Order Nos. 535-3 and 535-215 as to Section 2 to allow up to six horizontal wells in the unit, for the production of oil, gas, and associated hydrocarbons from the Niobrara Formation, with the treated interval of the wellbores to be located no closer than 600 feet from the unit boundaries, without exception being granted by the Director.
- On July 29, 2013, the Commission entered Order No. 535-373, which modified Order Nos. 535-3, 535-215, and 535-295 as to Section 2 to allow up to thirteen horizontal wells in the unit, for the production of oil, gas, and associated hydrocarbons from the Niobrara Formation, with the treated interval of the wellbores to be located no closer than 600 feet from the unit boundaries, and 300 feet from the treated interval of any other wellbore located in the unit, without exception being granted by the Director.
- On September 16, 2013, the Commission entered Order No. 535-411, which modified Order Nos. 535-3, 535-215, and 535-295, and 535-373 as to Section 2 to allow up to sixteen horizontal wells in the unit, for the production of oil, gas, and associated hydrocarbons from the Niobrara Formation, with the treated interval of the wellbores to be located no closer than 300 feet from the unit boundaries, and 300 feet from the treated interval of any other wellbore located in the unit, without exception being granted by the Director.
- On January 27, 2014, the Commission entered Order No. 535-463, which pooled all interests within the approximate 640-acre drilling and spacing unit for Section 2 for the production of oil, gas, and associated hydrocarbons from the Niobrara Formation, and subjected all non-consenting owners to the cost recovery provisions under 34-60-116(7), C.R.S., for the Ross 1-2-8-61 well.
- On July 28, 2014, the Commission entered Order No. 535-525, which vacated Order No. 535-3 as to the Application Lands, and vacated order Nos. 535-215, 535-295, 535-373, 535-411, and 535-463 as to Section 2, and established an approximate 960-acre drilling and spacing unit for the W $\frac{1}{2}$ of Section 2 and all of Section 3, Township 8 North, Range 61 West, 6th P.M. and approved up to a total of sixteen horizontal wells within the unit, for the production of oil, gas, and associated hydrocarbons from the Niobrara Formation, with the productive interval of the wellbore located no closer than 300 feet from the unit boundaries, and no closer than 300 feet from the productive interval of any other wellbore located in the unit, without exception being granted by the Director.

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:

Dates: October 30-31, 2017

Time: 9:00 a.m.

Place: Colorado Oil and Gas Conservation Commission
The Chancery Building
1120 S. 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), 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 
Julie Spence Prine, Secretary

Dated: September 22, 2017

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