

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 NIOBARA FORMATION,) DOCKET NO. 171000687
UNNAMED FIELD, ARAPAHOE COUNTY,)
COLORADO) TYPE: POOLING

NOTICE OF HEARING

TO ALL INTERESTED PARTIES AND TO WHOM IT MAY CONCERN:

APPLICATION LANDS

Township 4 South, Range 65 West, 6th P.M.

Section 27: All

Section 28: All

APPLICATION

On August 30, 2017, ConocoPhillips Company (Operator No. 19160) and its wholly owned subsidiary Burlington Resources Oil & Gas Company LP (Operator No. 26580) (together, "Applicant" or "COPC"), filed a verified application pursuant to §34-60-116, C.R.S. for an order to:

- 1) Pool all interests in the Application Lands underlying an approximate 1,280-acre drilling and spacing unit established for the Application Lands, for the development and operation of the Niobrara Formation;
- 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 Cottonwood Creek 4-65 27-28 3CH Well, the Cottonwood Creek 4-65 27-28 3DH Well, the Cottonwood Creek 4-65 27-28 4AH Well, and the Cottonwood Creek 4-65 27-28 4BH Well (API Nos. Pending) ("Wells").
- 3) For such other findings and orders as the Commission may deem proper or advisable in this matter.

APPLICABLE ORDERS AND RULES

(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 October 31, 2011, the Commission entered Order No. 535-97 which, among other things, established 25 approximate 640-acre drilling and spacing units for production of oil, gas and associated hydrocarbons from the Niobrara Formation, and approved up to two horizontal wells within each unit, with surface locations being located anywhere within the unit or surrounding lands, but providing that the lateral of such well may not enter the Niobrara Formation any closer than 300 feet from the section line, with the treated interval of the permitted wellbore to be located no closer than 460 feet from the boundary of the unit and no closer than 920 feet from the treated interval of any other well in the unit producing from the Niobrara, without exception being granted by the Director. Section 28 of the Application Lands is subject to Order No. 535-97.
- On December 12, 2011, the Commission entered Order No. 535-100 which, among other things, granted a well location exception to the requirements of Commission Rule 318.a. for certain lands in Sections 1, 3, 7, 9, and 19, Township 4 South, Range 64 West, 6th P.M., and Sections 1, 13, 19, 25, 27, and 29, Township 4 South, Range 65 West, 6th P.M., for the development and production of oil, gas and related hydrocarbons from the Niobrara Formation, providing that (1) the surface location for each horizontal well drilled within a given section of said lands may be located anywhere within the section or on adjoining lands with appropriate surface owner approval; (2) the lateral of a given horizontal well may enter the Niobrara Formation no closer than 300 feet from the section line, (3) the treated interval within the Niobrara Formation may be located not closer than 460 feet from the section line, and (4) the distance between the treated interval of Niobrara wells within the Application Lands shall not be less than 920 feet; for production of oil, gas, and other hydrocarbons from the Niobrara Formation. Section 27 of the Application Lands is subject to Order No. 535-100.
- On December 12, 2016, the Commission entered Order No. 535-755 which, among other things, modified Order No. 535-97 to allow for one vertical well in Section 28, Township 4 South, Range 65 West, 6th P.M. within an established 640-acre unit for production of oil, gas and associated hydrocarbons from the Niobrara Formation, providing that the productive interval of the wellbore will be located 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, unless the Director grants an exception.
- On March 20, 2017, the Commission entered Order No. 535-770 which, among other things, pooled all interests in an approximate 640-acre drilling and spacing unit established for Section 28 of the Application Lands for the development and operation of the Niobrara Formation, 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)(II), C.R.S., are first incurred for the drilling of the Little Rush 4-65 28 1V Well.
- On August 30, 2017, Applicant filed a verified application in Docket No. 171000685 pursuant to §34-60-116, C.R.S. for an order (1) establishing an approximate 1,280-acre drilling and spacing unit for Sections 27 and 28, Township 4 South, Range 65 West, 6th P.M., and allowing up to four (4) new horizontal wells in the unit in order to efficiently and economically develop and recover the oil, gas and associated hydrocarbons from of the Niobrara Formation in the unit; (2) providing that the Cottonwood Creek 4-65 27 #1H well (API No. 05-005-07215) shall be excluded from the 1,280-acre unit and remain subject to Order No. 535-100 for purposes of payment of proceeds; (3) providing that the Little Rush 4-65 28 #1V well (API No. 05-005-07270) shall be excluded from the 1,280-

acre unit and remain subject to Order Nos. 535-755 and 535-770 for purposes of payment of proceeds; (4) providing that the treated interval 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, and authorizing up to two (2) well pads in the unit, or adjacent thereto, unless an exception is granted by the Director; (5) finding that an approximate 1,280-acre drilling and spacing unit for the development of the Niobrara Formation on the Application Lands will prevent waste, protect correlative rights, and maximize the efficient and economic production of the Niobrara Formation in the Application Lands; and (6) for such other findings and orders as the Commission may deem proper or advisable in this matter.

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: October 30-31, 2017

Time: 9:00 a.m.

Place: Colorado Oil and Gas Conservation Commission
The Chancery Building
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 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 Price, Secretary

Dated: September 21, 2017

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