

**BEFORE THE OIL AND GAS CONSERVATION COMMISSION
OF THE STATE OF COLORADO**

IN THE MATTER OF THE PROMULGATION AND
ESTABLISHMENT OF FIELD RULES TO GOVERN
OPERATIONS FOR THE NIOBRARA FORMATION,
UNNAMED FIELD, JACKSON COUNTY,
COLORADO

CAUSE NO. 531

DOCKET NO. 171000760

TYPE: SPACING

NOTICE OF HEARING

TO ALL INTERESTED PARTIES AND TO WHOM IT MAY CONCERN:

APPLICATION LANDS

Township 7 North, Range 81 West, 6th P.M.

Section 12: E½

Section 13: E½

APPLICATION

On August 31, 2017, SandRidge Exploration & Production LLC (Operator No. 10598) ("SandRidge" or "Applicant"), filed a verified application pursuant to §34-60-116, C.R.S., for an order to:

1. Establish an approximate 640-acre drilling and spacing unit for the Application Lands, and approve up to eight horizontal wells within the proposed unit, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation; and
2. Require that the productive interval of each proposed horizontal well in the approximate 640-acre drilling and spacing unit shall be no closer than 100 feet from the north and south boundaries of the unit, no closer than 300 feet from the east and west boundaries of the unit, and no closer than 150 feet from the productive interval of another well producing from the same source of supply within the unit, unless an exception is granted by the Director.
3. Applicant stated that the wells will be drilled from no more than two well pads within the proposed drilling and spacing unit, to be located within such unit or adjacent thereto, unless an exception is granted by the Director.
4. Applicant states that all horizontal wellbores in the unit will be drilled in a North/South direction.
5. Amend, modify, or vacate the 640-acre exploratory drilling unit established by Order No. 531-2, only as to Section 12, Township 7 North, Range 81 West, 6th P.M., so as to ensure no additional wells are drilled pursuant to Order No. 531-2 in the Application Lands, that the Hebron #3-12H Well remain the only well drilled pursuant to Order No. 531-2 in the Application Lands, and production from the Hebron #3-12H Well continue to be allocated on a 640-acre basis.

APPLICABLE RULES AND ORDERS

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

- Rule 318.a. of the Commission Rules provides a well to be drilled 2,500 feet or greater shall be located not less than 600 feet from any lease line, and shall be located not less than 1,200 feet from any other producible oil or gas well when drilling to the same common source of supply, unless authorized by the Commission upon hearing.
- On July 15, 2008, the Commission entered Order No. 531-2, which, among other things, established approximate 640-acre drilling and spacing units and authorized one horizontal well in each unit for certain lands in Townships 6 and 7 North, Ranges 80 and 81 West, 6th P.M., including the Application Lands, with the option to drill a second horizontal well, with a bottom hole location no closer than 600 feet from the boundaries of the unit, for production of gas and associated hydrocarbons from the Niobrara Formation.
- On May 18, 2015, the Commission entered Order No. 531-18, which, among other things, modified Order No. 531-2 to allow 300 foot setbacks as to the unit boundaries of the drilling and spacing units established and/or modified by such orders, for the production of the oil, gas, and associated hydrocarbons from the Niobrara and Frontier Formations, modified various Orders to allow for 150 foot interwell setbacks, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation, approved up to four horizontal wells within all approximate 480-acre and 640-acre drilling and spacing units established by various Orders for the production of oil, gas and associated hydrocarbons from the Niobrara Formation, and established four approximate 640-acre drilling and spacing units for Section 31, Township 8 North, Range 80 West, 6th P.M., and Sections 34, 35 and 36, Township 8 North, Range 81 West, 6th P.M., and approve up to four horizontal wells within each unit.
- On September 14, 2015, the Commission entered Order No. 531-21, which, among other things, modified Order Nos. 531-2, only as to Section 13 of the Application Lands, to allow 300 foot setbacks as to the unit boundaries, modified Order Nos. 531-2, only as to Section 13 of the Application Lands, to allow for 150 foot interwell setbacks, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation, and approved up to four horizontal wells within the approximate 640-acre drilling and spacing units established by Order Nos. 531-2, only as to Section 13 of the Application Lands, for the Application Lands, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation.
- On June 6, 2016, the Commission entered Order No. 531-28, which, among other things, authorized the drilling of four (4) additional horizontal wells, for a total of eight (8) horizontal wells, in each of two approximate 640-acre drilling and spacing units established by Order No. 531-2 for the Application Lands for the production of oil, gas and associated hydrocarbons from the Niobrara Formation.
- On October 24, 2016, the Commission entered Order No. 531-41, which, among other things, modified the setbacks in Order No. 531-21 to provide that the productive intervals of any wellbore shall be no closer than 100 feet from the northern and southern boundaries of the approximate 640-acre drilling and spacing unit established by Order

No. 531-2 for the Application Lands, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation.

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:

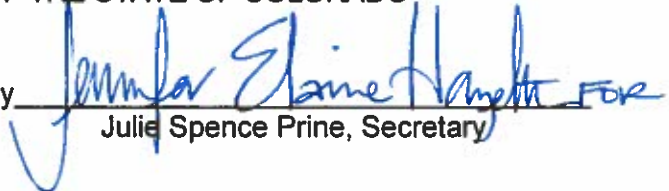
Date: October 30-31, 2017
Time: 9:00 a.m.
Place: The Colorado Oil and Gas Conservation Commission
The Chancery Building
1120 Lincoln St. Suite 801
Denver, CO 80203

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  FOR
Julie Spence Prine, Secretary

Dated: September 25, 2017

Colorado Oil and Gas Conservation Commission
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