

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-NIOBRARA ) DOCKET NO. 171200840  
FORMATION, WATTENBERG FIELD, WELD )  
COUNTY, COLORADO ) TYPE: POOLING

NOTICE OF HEARING

TO ALL INTERESTED PARTIES AND TO WHOM IT MAY CONCERN:

APPLICATION LANDS

Township 3 North, Range 68 West, 6<sup>th</sup> P.M.

Section 29: All

Section 32: All

On October 12, 2017, Cub Creek Energy, LLC (Operator No. 10542) ("Cub Creek" or "Applicant"), filed a verified application ("Application") pursuant to §34-60-116, C.R.S., for an order to:

- 1) Pool all interests in the three approximate 1,280-acre drilling and spacing units to be established for the Application Lands, for development and operation of the Codell-Niobrara Formation, with the pooling order effective as of the date of the Application.
  
- 2) Providing that the interests of any owners, with whom the Applicant has been unable to secure a lease or other agreement to participate in the drilling of certain authorized wells, for production of oil, gas and associated hydrocarbons from the Codell-Niobrara Formation, having been pooled by operation of statute, pursuant to §34-60-116(6) & (7), C.R.S., are made subject to cost recovery and risk penalties provided therein, for the drilling and operation of the certain planned horizontal wells targeting the Codell-Niobrara Formation.

APPLICABLE ORDERS AND RULES

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

- On December 19, 1983, the Commission issued Order No. 407-1 (amended March 29, 2000) which, among other things, established 80-acre drilling and spacing units for production of oil, gas and associated hydrocarbons from the Codell Formation, with the unit to be designated by the operator drilling the first well in the quarter section. The permitted well shall be located in the center of either 40-acre tract within the unit with a tolerance of 200 feet in any direction. The operator shall have the option to drill an additional well on the undrilled 40-acre tract in each 80-acre drilling and spacing unit. The Application Lands are subject to this Order for the Codell Formation.
  
- On February 19, 1992, the Commission issued Order No. 407-87 (amended August 20, 1993) which, among other things, established 80-acre drilling and spacing units for production of oil, gas and associated hydrocarbons from the Codell and Niobrara Formations, with the permitted well locations in accordance with the provisions of Order

No. 407-1. The Application Lands are subject to this Order for the Codell and Niobrara Formations.

- 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 Rule 318A for the Codell and Niobrara Formations.
- On May 1, 2017, the Commission issued Order No. 407-1958 which, among other things, established an approximate 640-acre drilling and spacing unit for the Application Lands, and authorized the drilling of 20 horizontal wells within the unit, for production of oil, gas and associated hydrocarbons from the Codell and Niobrara Formations (with 14 wells for the Niobrara Formation and 6 wells from the Codell Formation).
- By separate application, Applicant requests Order No. 407-1958, which established an approximate 640-acre drilling and spacing unit for Section 32, Township 3 North, Range 68 West, 6<sup>th</sup> P.M., with authority to drill twenty horizontal wells within the unit, be vacated, for production of oil, gas and associated hydrocarbons from the Codell and Niobrara Formations, and seeks the establishment of an approximate 1,280-acre drilling and spacing unit for the Application Lands, and the authority to drill 20 horizontal wells within the proposed unit, for production of oil, gas and associated hydrocarbons from the Codell-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:

Dates: December 11-13, 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 November 27, 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 November 27, 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: November 6, 2017

Colorado Oil and Gas Conservation Commission  
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