

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, FORT HAYS, ) DOCKET NO.180100076  
CARLILE, AND CODELL FORMATIONS, UNNAMED )  
FIELD, WELD COUNTY, COLORADO ) TYPE: SPACING

NOTICE OF HEARING

TO ALL INTERESTED PARTIES AND TO WHOM IT MAY CONCERN:

APPLICATION LANDS

Township 9 North, Range 59 West, 6<sup>th</sup> P.M.  
Section 31: W½

Township 9 North, Range 60 West, 6<sup>th</sup> P.M.  
Section 36: All

APPLICATION

On December 1, 2017, Mallard Exploration, LLC (Operator No. 10670) ("Mallard" or "Applicant"), filed a verified application pursuant to §34-60-116, C.R.S. for an order to:

1) Vacate Order No. 535-647 which among other things, established an approximate 1,920-acre drilling and spacing unit for Sections 1 and 12, Township 8 North, Range 60 West, 6<sup>th</sup> P.M., and Section 36, Township 9 North, Range 60 West, 6<sup>th</sup> P.M., and approved up to 32 horizontal wells within the unit, for the production of oil, gas, and associated hydrocarbons from the Niobrara Formation;

2) Vacate Order No. 535-785 which among other things, amended Order No. 535-647 to establish an approximate 1,920-acre drilling and spacing unit for Sections 1 and 12, Township 8 North, Range 60 West, 6<sup>th</sup> P.M., and Section 36, Township 9 North, Range 60 West, 6<sup>th</sup> P.M., for the production of oil, gas, and associated hydrocarbons from the Codell Formation;

3) Establish an approximate 960-acre drilling and spacing unit for the Application Lands and to approve up to 16 new horizontal wells within the unit, with 12 horizontal wells to be drilled to the Niobrara Formation and four horizontal wells to be drilled in the Codell Formation, for the production of oil, gas and associated hydrocarbons from the Codell and Niobrara Formations, with the Fort Hays and Carlile Formations as non-target formations; and

4) Require that the productive interval of each proposed horizontal well be no closer than 600 feet from the boundaries of the unit (regardless of the lease lines within the unit) and no closer than 150 feet from the productive interval of another well located within the unit, unless an exception is granted by the Director.

5) Applicant states that the permitted wells will be located on no more than two new well pads within the unit, or adjacent thereto, unless an exception is granted by the Director.

6) Applicant further states that Sections 1 and 12, Township 8 North, Range 60 West, 6<sup>th</sup> P.M. shall revert to unspaced lands pursuant to Rule 318.a.

**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 March 18, 2015 (corrected July 6, 2015), the Commission entered Order No. 535-647, which, among other things, established an approximate 1,920-acre drilling and spacing unit for Sections 1 and 12, Township 8 North, Range 60 West, 6<sup>th</sup> P.M., and Section 36, Township 9 North, Range 60 West, 6<sup>th</sup> P.M., and approved up to 32 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 to be located no closer than 300 feet from the unit boundaries, and no closer than 300 feet from the productive interval of any other wellbore producing from the same source of supply within the unit, unless the Director grants an exception.
- On May 1, 2017, the Commission entered Order No. 535-785 which amended Order No. 535-647 to establish an approximate 1,920-acre drilling and spacing unit for Sections 1 and 12, Township 8 North, Range 60 West, 6<sup>th</sup> P.M., and Section 36, Township 9 North, Range 60 West, 6<sup>th</sup> P.M., for the production of oil, gas, and associated hydrocarbons from the Codell Formation and to provide that the productive interval of the wellbore producing from the Niobrara or Codell Formation will be located no closer than 300 feet from the unit boundaries, and no closer than 150 feet from the productive interval of any other wellbore producing from the same source of supply within the unit, unless the Director grants an exception.

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: January 29-30, 2018  
Time: 9:00 a.m.  
Place: Colorado Oil and Gas Conservation Commission  
The Chancery Building  
1120 Lincoln Street, Suite 801  
Denver, Colorado 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 January 12, 2018.** 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 January 15, 2018, 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: December 20, 2017

Colorado Oil and Gas Conservation Commission  
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