

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

IN THE MATTER OF THE PROMULGATION)	CAUSE NO. 407
AND ESTABLISHMENT OF FIELD RULES TO)	
GOVERN OPERATIONS FOR THE CODELL)	DOCKET NO. 180100083
AND NIOBRARA FORMATIONS,)	
WATTENBERG FIELD, WELD COUNTY,)	TYPE: SPACING
COLORADO)	

NOTICE OF HEARING

TO ALL INTERESTED PARTIES AND TO WHOM IT MAY CONCERN:

APPLICATION LANDS

Township 4 North, Range 62 West, 6th P.M.
Section 7: All
Section 18: All

APPLICATION

On November 30, 2017, amended December 6, 2017 and December 22, 2017, Confluence DJ LLC (Operator No.10518) ("Confluence" or "Applicant") filed a verified application pursuant to §34-60-116, C.R.S., for an order to:

- 1) Vacate Order Nos. 407-1126 and 407-1841 in their entirety.
- 2) Establish a 1,280-acre drilling and spacing unit for the Application Lands and authorizing the drilling of up to six (6) horizontal wells within the proposed unit, for the production of oil, gas, and associated hydrocarbons from the Codell Formation and up to twenty-one (21) horizontal wells within the proposed unit, for the production of oil, gas, and associated hydrocarbons from the Niobrara Formation.
- 3) Providing that setbacks for the Application Lands be as follows:
 - A) Any horizontal wells will be drilled from the surface of the drilling unit, or on adjacent lands with consent of the landowner, from no more than three (3) surface locations, unless an exception is granted by the Director.
 - B) The wellbores of any horizontal wells may enter the Codell and Niobrara Formations anywhere within the unit, or on adjacent lands, without exception being granted by the Director.
 - C) The treated intervals of any horizontal wells shall be not less than 150 feet from the treated interval of another well producing from the same formation, without exception being granted by the Director.

D) The treated intervals of any horizontal wells shall be located no closer than 460 feet from the unit boundary.

APPLICABLE RULES AND ORDERS

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

- 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 certain aspects of this rule for horizontal wells drilled in the Niobrara and Codell Formations.
- On October 27, 2014, the Commission entered Order No. 407-1126 which established an approximate 640-acre drilling and spacing unit for Section 18, Township 4 North, Range 62 West, 6th P.M.; authorized up to five (5) horizontal wells within the unit for the production of oil, gas and associated hydrocarbons from the Codell and Niobrara Formations with the productive interval of the wellbore to be located no closer than 600 feet from the unit boundaries, and no closer than 150 feet from the productive interval of any other well producing within the unit, without exception being granted by the Director; and establishing all wells drilled permitted under the Order shall be drilled from no more than one wellpad per quarter section within the unit.
- On December 12, 2016, the Commission entered Order No. 407-1841 which authorized an additional fifteen (15) horizontal wells, for a total of twenty (20) wells in the drilling and spacing unit established by Order No. 407-1126, with the productive interval of the wellbore to be located no closer than 460 feet from the unit boundaries without exception being granted by the Director; and establishing all wells drilled permitted under the Order shall be drilled on the surface of the unit

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.** 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 22, 2017

Colorado Oil and Gas Conservation Commission
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