

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

IN THE MATTER OF THE PROMULGATION AND ESTABLISHMENT OF FIELD RULES TO GOVERN OPERATIONS FOR THE CODELL, CARLILE, FORT HAYS AND NIOBRARA FORMATIONS, UNNAMED FIELD, WELD COUNTY, COLORADO	CAUSE NO. 535 DOCKET NO. 180300124 TYPE: SPACING
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ORDER GRANTING MOTION FOR LEAVE TO FILE AMENDED APPLICATION

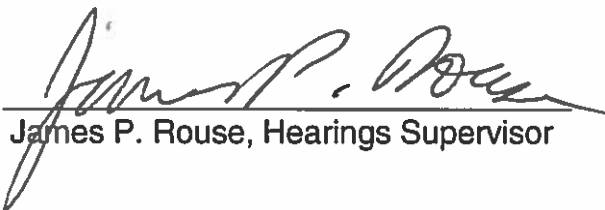
This matter comes before the Hearing Officer on a Motion filed by Mallard Exploration, LLC ("Mallard") to amend its Application in Docket No. 180300124.

The Hearing Officer hereby grants the Motion, and hereby enters an Order Granting Mallard leave, pursuant to C.R.C.P. 15(a), to file an Amended Application in Docket No. 180300124, to add the requested relief for reduced 300' subsurface setbacks on the proposed unit boundaries. By granting this Motion, the Hearing Officer hereby continues the Application, as Amended, to the October 29-30, 2018 hearing.

DATED this 5th day of September, 2018.

Respectfully submitted,

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

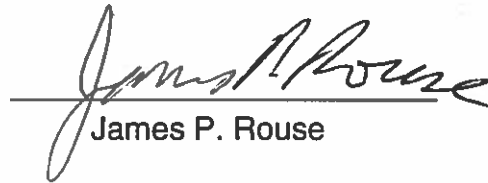
By: 
James P. Rouse, Hearings Supervisor

CERTIFICATE OF SERVICE

On September 5, 2018, a true and correct copy of the foregoing Order Granting Mallard Exploration, LLC's Motion for Leave to File Amended Application was e-mailed to the following:

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James P. Rouse

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. 180300124
AND CARLILE FORMATIONS, UNNAMED FIELD,)
WELD COUNTY, COLORADO) TYPE: SPACING
)

AMENDED NOTICE OF HEARING

TO ALL INTERESTED PARTIES AND TO WHOM IT MAY CONCERN:

APPLICATION LANDS

Township 8 North, Range 61 West, 6th P.M.

Section 16: All

Section 21: All

APPLICATION

On December 22, 2017, **amended September 5, 2018**, 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) Maintain the approximate 640-acre drilling and spacing unit established by Order No. 535-3 for Section 21, Township 8 North, Range 61 West, 6th P.M. for the payment of proceeds from the Debrine #21-44-8-61 Well (API No. 05-123-33958), for the production of oil, gas and associated hydrocarbons from the Niobrara Formation;
- 2) Vacate Order No. 535-239, which approved up to six horizontal wells for Section 21, Township 8 North, Range 61 West, 6th P.M.;
- 3) Maintain Order No. 535-115, which pooled all interests in an approximate 640-acre drilling and spacing unit established for Section 21, Township 8 North, Range 61 West, 6th P.M., for the development and operation of the Niobrara Formation for the Debrine #21-44-8-61 Well (API No. 05-123-33958);
- 4) Establish an approximate 1,280-acre drilling and spacing unit for Sections 16 and 21, Township 8 North, Range 61 West, 6th P.M., and approve up to 16 new horizontal wells within the proposed unit, for the production of oil, gas and associated hydrocarbons from the Fort Hays, Carlile, Codell and Niobrara Formations; and
- 5) Provide that the productive interval of each proposed horizontal well shall be no closer than ~~600~~ 300 feet from the boundaries of the proposed unit (regardless of lease lines within the unit), unless an exception is granted by the Director, and no closer than 150 feet from the productive interval of any other wellbore within the unit producing from the same source of supply, unless an exception is granted by the Director, and authorize up to three new well pads within the unit, or adjacent thereto, unless an exception is granted by the Director.

6) Find that the approximate 1,280-acre drilling and spacing unit **and 300' reduced boundary setbacks** for the development of oil, gas, and associated hydrocarbons from the Fort Hays, Carlile, Codell and Niobrara Formations underlying the Application Lands will prevent waste, protect correlative rights, and maximize the efficient and economic production of the Fort Hays, Carlile, Codell and Niobrara Formations in Sections 16 and 21, Township 8 North, Range 61 West, 6th P.M.

7) 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")

- On February 22, 2011, the Commission entered Order No. 535-3 which established, among other things, 640-acre drilling and spacing units for the Application Lands and allowed one (1) horizontal well to be drilled for the production of oil, gas and associated hydrocarbons from the Niobrara Formation. Order No. 535-3 also established 600' setbacks from the boundaries of the drilling and spacing unit without an exception being granted by the Director of the Commission. Order 535-3 applies to Section 21 of the Application Lands.
- On January 23, 2012, the Commission entered Order No. 535-115 which, among other things, pooled all interests in an approximate 640-acre drilling and spacing unit for Section 21, Township 8 North, Range 61 West, 6th P.M., Weld County, Colorado for the development and operation of the Niobrara Formation for the Debrine #21-44-8-61 Well (API: 05-123-33958). Upon review of Commission records, the Debrine #21-44-8-61 Well is currently producing hydrocarbons from the Niobrara Formation.
- On January 7, 2013, the Commission entered Order No. 535-239 which, among other things, approve up to six (6) horizontal wells within certain drilling and spacing units on lands in Townships 7, 8 and 9, Ranges 59, 60 and 61 West, 6th P.M., for the production of oil, gas and associated hydrocarbons from the Niobrara Formation. Order No. 535-239 applies to Section 21 of the Application Lands. Upon review of the Commission records, no additional wells were drilled within Section 21 under Order No. 535-239.

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 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 October 5, 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 October 5, 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: September 19, 2018

Colorado Oil and Gas Conservation Commission
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Denver, Colorado 80203
Website: <http://cogcc.state.co.us>
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