

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 CODELL, FORT HAYS,) DOCKET NO. 180300209
CARLILE, AND NIOBRARA FORMATIONS,)
UNNAMED FIELD, WELD COUNTY, COLORADO) TYPE: SPACING

NOTICE OF HEARING

TO ALL INTERESTED PARTIES AND TO WHOM IT MAY CONCERN:

APPLICATION LANDS

Township 10 North, Range 60 West, 6th P.M.
Section 9: All
Section 16: All

APPLICATION

On January 28, 2018 (February 7, 2018), 8 North, LLC (Operator No. 10575) ("Cub Creek" or "Applicant"), filed a verified application ("Application") pursuant to §34-60-116, C.R.S., for an order:

1) Vacating the approximate 1,280-acre exploratory drilling unit established by Order No. 535-234, which authorized the drilling of ten horizontal wells within the unit, for Sections 16 and 21, Township 10 North, Range 60 West, 6th P.M., for production of oil, gas and associated hydrocarbons from the Niobrara Formation, and the approximate 1,280-acre drilling and spacing unit established by Order No. 535-747, which authorized the drilling of 32 horizontal wells within the unit, for Sections 8 and 9, Township 10 North, Range 60 West, 6th P.M., for production of oil, gas and associated hydrocarbons from the Codell and Niobrara Formations.

2) Expiring the Application for Permit-to-Drill, Form 2, for the Church 10E-0841 Well, API No. 05-123-44623, a planned Niobrara Formation horizontal well permitted under Order No. 535-747 and set to expire on April 25, 2019, and vacating Order No. 535-229, which created an approximate 1,280 drilling and spacing unit for Sections 8 and 9, Township 10 North, Range 60 West, 6th P.M., for production of oil, gas and associated hydrocarbons from the Niobrara Formation.

3) Establishing an approximate 1,280-acre drilling and spacing unit for the Application Lands, and authorizing the drilling of 12 horizontal wells within the proposed unit, for the production of oil, gas and associated hydrocarbons from the Codell, Fort Hays, Carlile, and Niobrara Formations, with the treated interval of any horizontal well permitted under this Application located not less than 300 feet from unit boundaries and not less than 150 feet from any other well producing or drilling from the Codell, Fort Hays, Carlile, and/or Niobrara Formations, without exception being granted by the Director.

4) Limiting the drilling of any permitted wells under this Application to no more than four multi-well pads within the drilling and spacing unit, or on adjacent lands with surface owner consent, without exception being granted by the Director.

APPLICABLE ORDERS AND RULES

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

- COGCC Rule 318.a. provides that for any oil or gas well drilled to a common source of supply and drilled to a producing depth at least 2,500 feet below ground surface shall be located not less than 600 feet from any lease line and not less than 1,200 feet from any other producing or drilling oil or gas well when drilling to the same source of supply, unless authorized by Commission order upon hearing. Section 16, Township 10 North, Range 60 West, 6th P.M., is subject to this Rule for production of oil and gas from the Codell, Fort Hays and Carlile Formation.
- On June 27, 2011, the Commission issued Order No. 535-28 which, among other things, established an approximate 640-acre drilling and spacing unit for Section 9, Township 10 North, Range 60 West, 6th P.M., and authorized the drilling of one horizontal well within said unit, for production of oil, gas and associated hydrocarbons from the Niobrara Formation, with the treated interval of any permitted well located no closer than 600 feet from the unit boundaries.
- On January 7, 2013, the Commission issued Order No. 535-229 which, among other things, vacated the approximate 640-acre drilling and spacing unit previously established for Section 9, Township 10 North, Range 60 West, 6th P.M., for production of oil, gas and associated hydrocarbons from the Niobrara Formation, and established an approximate 1,280-acre exploratory drilling unit for Sections 8 and 9, Township 10 North, Range 60 West, 6th P.M., and authorized the drilling of ten horizontal wells within said unit, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation, with the treated interval of any permitted well located no closer than 600 feet from the unit boundaries and an interwell setback of not less than 460 feet from the treated intervals of any other well drilling or producing from the Niobrara Formation.
- On January 7, 2013, the Commission issued Order No. 535-234 which, among other things, established an approximate 1,280-acre exploratory drilling unit for Sections 16 and 21, Township 10 North, Range 60 West, 6th P.M., and authorized the drilling of ten horizontal wells within said unit, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation, with the treated interval of any permitted well located no closer than 600 feet from the unit boundaries and an interwell setback of not less than 460 feet from the treated intervals of any other well drilling or producing from the Niobrara Formation.
- On October 24, 2016, the Commission issued Order No. 535-747 which, among other things, modified Order No. 535-229 to include the Codell Formation as a common source of supply for the approximate 1,280-acre exploratory drilling unit previously established for Sections 8 and 9, Township 10 North, Range 60 West, 6th P.M., and authorized the drilling of 32 horizontal wells within said unit, for the production of oil, gas and associated hydrocarbons from the Codell and Niobrara Formations, with the treated

interval of any permitted well located no closer than 100 feet from the unit boundaries and an interwell setback of not less than 100 feet from the treated intervals of any other well drilling or producing from the Codell and/or Niobrara Formation, unless the Commission has not approved adjacent lands for Codell and/or Niobrara Formation wells for setbacks of not less than 100 feet from unit boundaries whereupon any permitted well under the approved Application are to be located no closer than 300 feet from unit boundaries.

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: March 19-20, 2018
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 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 accommodations 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 March 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 March 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: February 8, 2018

Colorado Oil and Gas Conservation Commission
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