

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 AND NIOBRARA) DOCKET NO. 180300276
FORMATIONS, WATTENBERG FIELD, WELD AND)
BROOMFIELD COUNTIES, COLORADO) TYPE: ADDITIONAL WELLS

NOTICE OF HEARING

TO ALL INTERESTED PARTIES AND TO WHOM IT MAY CONCERN:

APPLICATION LANDS

Township 1 North, Range 68 West, 6th P.M.
Section 22: E½
Section 23: All
Section 26: All
Section 27: E½

APPLICATION

On January 22, 2018, Crestone Peak Resources Operating LLC (Operator No. 10633) ("Crestone Peak" or "Applicant"), filed a verified application pursuant to §34-60-116, C.R.S., for an order to:

- 1) Approve up to 40 horizontal wells in an approximate 1,920-acre drilling and spacing unit requested in Docket No. 170900522 for the Application Lands, for the production of the Codell and Niobrara Formations in the unit.
- 2) Providing that the productive interval of any horizontal well shall be no closer than 460 feet from the unit boundaries, and not less than 150 feet from the productive interval of another well within the unit, unless an exception is granted by the Director.
- 3) Finding that approval of 40 wells within the approximate 1,920-acre drilling and spacing unit for the development of oil, gas, and associated hydrocarbons from the Codell and Niobrara Formations underlying the Application Lands will prevent waste, protect correlative rights, and maximize the efficient and economic production of the Codell and Niobrara Formations in the Application Lands.
- 4) For such other findings and orders as the Commission may deem proper or advisable in this matter.
- 5) Applicant is filing this increased density Application, separate from the Amended spacing application in Docket No. 170900522, after consultation with the City and County of Broomfield on certain allegations in its Protest. Applicant does not agree that this separate increased density filing is required by current Colorado law and reserves its right to assert its position on such amendment at hearing, if necessary.

APPLICABLE ORDERS AND RULES

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

- On February 19, 1992, the Commission entered Order No. 407-87 which, among other things, established 80-acre drilling and spacing units for vertical and/or directional wells for the production of oil and/or gas from the Codell-Niobrara Formations. The Application Lands are subject to Order No. 407-87 as it applies to the existing vertical and/or directional well development and operation of the Codell and Niobrara Formations on the Application Lands.
- On April 27, 1998, the Commission adopted Rule 318A, the Greater Wattenberg Area, Special Well Location, Spacing and Unit Designation Rule. The Application Lands are within the Greater Wattenberg Area ("GWA") and thus are subject to Rule 318A.
- In order to promote efficient drainage within the Codell and Niobrara Formations of the Application Lands, to protect correlative rights, to avoid waste, and to minimize surface impacts, Applicant, after consultation with the City and County of Broomfield as a Protestant, filed an Amended Application in Docket No. 170900522 requesting that Commission establish an approximate 1,920-acre drilling and spacing unit for one (1) horizontal well for Sections 22: E½, 23, 26 and 27: E½, Township 1 North, Range 68 West, 6th P.M., Weld and Broomfield Counties, Colorado for the efficient and economic development and operation of the Codell and Niobrara Formations.

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: Colorado Oil and Gas Conservation Commission
The Chancery Building
1120 Lincoln Street, 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 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 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. 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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