

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 NIOBRARA ) DOCKET NO. 180400288  
FORMATION, WATTENBERG FIELD, WELD )  
COUNTY, COLORADO ) TYPE: POOLING

NOTICE OF HEARING

TO ALL INTERESTED PARTIES AND TO WHOM IT MAY CONCERN:

APPLICATION LANDS

Township 5 North, Range 63 West, 6<sup>th</sup> P.M.

Section 22: E $\frac{1}{2}$  E $\frac{1}{2}$

Section 23: W $\frac{1}{2}$  W $\frac{1}{2}$

On February 14, 2018, Bonanza Creek Energy Operating Co., LLC (Operator No. 8960) ("Bonanza Creek" or "Applicant"), filed a verified application pursuant to §34-60-116, C.R.S., for an order to:

1) Pool all interests in an approximate 320-acre designated horizontal wellbore spacing unit established for the Application Lands, for the development and operation of the Niobrara Formation, with the pooling order effective as of the date of the Application, for the drilling of the Well set forth below.

2) Providing that the interests of any owners, with whom the Applicant has been unable to secure a lease or other agreement to participate in the drilling of the North Platte E-A-23HNC well, for production of oil, gas, and associated hydrocarbons from the Niobrara Formation, having been pooled by operation of statute, pursuant to §34-60-116(6) & (7), C.R.S., are made subject to cost recovery and risk penalties provided therein.

APPLICABLE ORDERS AND RULES

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

- On April 27, 1988, 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 Rule 318A for the Niobrara Formation.

- Acting pursuant to notice requirements found in Rule 318A.e.(5), Bonanza Creek established an approximate 320-acre designated horizontal wellbore spacing unit (defined by Rule 318A.a.(4)D.) for the Application Lands, for the production of oil, gas, and associated hydrocarbons from the Niobrara Formation. Following the establishment of the unit, Cub Creek submitted an Application for Permit-to-Drill (one horizontal well per unit), which was subsequently approved by the Director and described in the table below:

| <i>Well Name / Number</i> | <i>API Number</i> | <i>Target Formation</i> |
|---------------------------|-------------------|-------------------------|
| North Platte E-A-23HNC    | 05-123-44435      | Niobrara                |

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: April 30 - May 1, 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 April 16, 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 April 16, 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: March 20, 2018

Colorado Oil and Gas Conservation Commission  
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