

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 FORMATION,) DOCKET NO. 180400326
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 65 West, 6th P.M.
Section 25: W $\frac{1}{2}$ NW $\frac{1}{4}$
Section 26: N $\frac{1}{2}$
Section 27: N $\frac{1}{2}$
Section 28: E $\frac{1}{2}$ NE $\frac{1}{4}$

APPLICATION

On March 1, 2018, PDC Energy, Inc. (Operator No. 69175) ("PDC" 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 800-acre designated horizontal wellbore spacing unit, for the development and operation of the Niobrara Formation; and
- 2) Subject any nonconsenting interests to the cost recovery provisions of §34-60-116(7), C.R.S., effective as of the earlier of the date of the Application, or the date that any of the costs specified in § 34-60-116(7)(b), C.R.S. were first incurred for the drilling of the Geib 26V-304 Well (API No. 05-123-44856) ("Well").

APPLICABLE ORDERS AND RULES

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

- Rule 318A, as amended on August 8, 2011 addresses the drilling of horizontal wells under Rule 318A.a.(4)D. Rule 318A was originally established on April 27, 1998 to allow for certain drilling locations to drill or twin an existing well, deepen a well, or recomplete a well. Rule 318A also provided for the commingling of any or all of the Cretaceous Age Formations from the Dakota Formation to the surface. Rule 318A was first amended on December 5, 2005 to allow for interior infill and boundary wells and spacing units.
- On February 19, 1992, the Commission entered Order No. 407-87 (amended August 20, 1993) which, among other things, established 80-acre drilling and spacing units for the production of oil, gas, and associated hydrocarbons from the Codell-Niobrara Formations, the Codell Formation, and the Niobrara Formation underlying certain lands, including the Application Lands, with the permitted well locations in accordance with the provisions of Order 407-1.

- On April 29, 2010, the Commission entered Order No. 407-358, which, among other things, pooled all nonconsenting interests in an approximate 160-acre wellbore spacing unit for the S½SE¼ of Section 21 and the N½NE¼ of Section 28, Township 5 North, Range 65 West, 6th P.M., for the Magnuson F 28-27D Well (API No. 05-123-29895), from the Codell and Niobrara Formations. Order No. 407-358 is not affected by this Application, and proceeds from any shared lands will be accounted for in the production of the Well.
- On June 27, 2011, the Commission entered Order Nos. 232-278 and 407-439, which, among other things, pooled all nonconsenting interests in an approximate 160-acre wellbore spacing unit for the W½NW¼ of Section 25 and the E½NE¼ of Section 26, Township 5 North, Range 65 West, 6th P.M., for the Geib 41-26 Well (API No. 05-123-32111), from the Codell, Niobrara, and J-Sand Formations. Order Nos. 232-278 and 407-439 are not affected by this Application, and proceeds from any shared lands will be accounted for in the production of the Well.
- On August 8, 2011, the Commission entered Order No. 407-457, which, among other things, established an approximate 400-acre wellbore spacing unit for the N½S½, S½N½ of Section 28 and the NE¼SE¼, SE¼NE¼ of Section 29, Township 5 North, Range 65 West, for the Ikenouye F28-65HN Well (API No. 05-123-34241), from the Niobrara Formation. Order No. 407-457 is not affected by this Application, and proceeds from any shared lands will be accounted for in the production of the Well.
- On July 9, 2012, the Commission entered Order No. 407-674, which, among other things, pooled all nonconsenting interests in an approximate 400-acre wellbore spacing unit for the N½S½, S½N½ of Section 28 and the NE¼SE¼, SE¼NE¼ of Section 29, Township 5 North, Range 65 West, for the Ikenouye F28-65HN Well (API No. 05-123-34241), from the Niobrara Formation. Order No. 407-674 is not affected by this Application, and proceeds from any shared lands will be accounted for in the production of the Well.
- On March 17, 2014, the Commission entered Order No. 407-973, which, among other things, pooled all nonconsenting interests in an approximate 160-acre wellbore spacing unit for the NW¼ of Section 27, Township 5 North, Range 65 West, 6th P.M., for the Boulter 2-2-27 Well (API No. 05-123-33517), from the Codell-Niobrara Formation. Order No. 407-973 is not affected by this Application, and proceeds from any shared lands will be accounted for in the production of the Well.
- Also on March 17, 2014, the Commission entered Order No. 407-985, which, among other things, pooled all nonconsenting interests in an approximate 400-acre wellbore spacing unit for the SW¼SW¼ of Section 19 and the NW¼NW¼ of Section 30, Township 5 North, Range 64 West, 6th P.M., and the S½S½ of Section 24 and the N½N½ of Section 25, Township 5 North, Range 65 West, 6th P.M., for the LaSalle 25E-202 Well (API No. 05-123-37408), from the Niobrara Formation. Order No. 407-985 is not affected by this Application, and proceeds from any shared lands will be accounted for in the production of the Well.
- Also on March 17, 2014, the Commission entered Order No. 407-986, which, among other things, pooled all nonconsenting interests in an approximate 320-acre wellbore spacing unit for the N½ of Section 25, Township 5 North, Range 65 West, 6th P.M., for the LaSalle 25F-332 Well (API No. 05-123-37340), from the Niobrara Formation. Order No. 407-986

is not affected by this Application, and proceeds from any shared lands will be accounted for in the production of the Well.

- On November 28, 2017, the Commission entered Order No. 407-2250, which, among other things, pooled all nonconsenting interests in two approximate 640-acre wellbore spacing units for the S $\frac{1}{2}$ S $\frac{1}{2}$ of Section 21, S $\frac{1}{2}$ S $\frac{1}{2}$ of Section 22, N $\frac{1}{2}$ N $\frac{1}{2}$ of Section 27, and the N $\frac{1}{2}$ N $\frac{1}{2}$ of Section 8, Township 5 North, Range 65 West, 6th P.M., for the Stella 3N Well (API No. 05-123-44957) and the Stella 4N Well (API No. 05-123-44955), from the Niobrara Formation. Order No. 407-2250 is not affected by this Application, and proceeds from any shared lands will be accounted for in the production of the Well.
- On December 11, 2017, the Commission entered Order No. 407-2259, which, among other things, pooled all nonconsenting interests in an approximate 640-acre wellbore spacing unit for the S $\frac{1}{2}$ N $\frac{1}{2}$, N $\frac{1}{2}$ S $\frac{1}{2}$ of Section 25 and the NE $\frac{1}{2}$ SW $\frac{1}{4}$, SE $\frac{1}{4}$ NW $\frac{1}{4}$, N $\frac{1}{2}$ SE $\frac{1}{4}$, S $\frac{1}{2}$ NE $\frac{1}{4}$ of Section 26, of Township 5 North, Range 65 West, 6th P.M., and the SW $\frac{1}{4}$ NW $\frac{1}{4}$, NW $\frac{1}{4}$ SW $\frac{1}{4}$ of Section 30, Township 5 North, Range 64 West, 6th P.M., for the Bunting 26O-102 Well (API No. 05-123-44083), from the Niobrara Formation. Order No. 407-2259 is not affected by this Application, and proceeds from any shared lands will be accounted for in the production of the Well.
- Also on December 11, 2017, the Commission entered Order No. 407-2260, which, among other things, pooled all nonconsenting interests in an approximate 640-acre wellbore spacing unit for the S $\frac{1}{2}$ N $\frac{1}{2}$, N $\frac{1}{2}$ S $\frac{1}{2}$ of Section 25 and the NE $\frac{1}{2}$ SW $\frac{1}{4}$, SE $\frac{1}{4}$ NW $\frac{1}{4}$, N $\frac{1}{2}$ SE $\frac{1}{4}$, S $\frac{1}{2}$ NE $\frac{1}{4}$ of Section 26, of Township 5 North, Range 65 West, 6th P.M., and the SW $\frac{1}{4}$ NW $\frac{1}{4}$, NW $\frac{1}{4}$ SW $\frac{1}{4}$ of Section 30, Township 5 North, Range 64 West, 6th P.M., for the Bunting 26O-212 Well (API No. 05-123-45701), from the Niobrara Formation. Order No. 407-2260 is not affected by this Application, and proceeds from any shared lands will be accounted for in the production of the Well.
- Also on December 11, 2017, the Commission entered Order No. 407-2261, which, among other things, pooled all nonconsenting interests in an approximate 640-acre wellbore spacing unit for the S $\frac{1}{2}$ N $\frac{1}{2}$, N $\frac{1}{2}$ S $\frac{1}{2}$ of Section 25 and the NE $\frac{1}{2}$ SW $\frac{1}{4}$, SE $\frac{1}{4}$ NW $\frac{1}{4}$, N $\frac{1}{2}$ SE $\frac{1}{4}$, S $\frac{1}{2}$ NE $\frac{1}{4}$ of Section 26, of Township 5 North, Range 65 West, 6th P.M., and the SW $\frac{1}{4}$ NW $\frac{1}{4}$, NW $\frac{1}{4}$ SW $\frac{1}{4}$ of Section 30, Township 5 North, Range 64 West, 6th P.M., for the Bunting 26O-332 Well (API No. 05-123-44091), from the Niobrara Formation. Order No. 407-2261 is not affected by this Application, and proceeds from any shared lands will be accounted for in the production of the Well.
- Also on December 11, 2017, the Commission entered Order No. 407-2283, which, among other things, pooled all nonconsenting interests in an approximate 400-acre wellbore spacing unit for the NW $\frac{1}{4}$ NW $\frac{1}{4}$ of Section 25, N $\frac{1}{2}$ N $\frac{1}{2}$ of Section 26, N $\frac{1}{2}$ N $\frac{1}{2}$ of Section 27, and the NE $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 28, Township 5 North, Range 65 West, 6th P.M., for the Geib 26U-234 Well (API No. 05-123-44855), from the Niobrara Formation. Order No. 407-2283 is not affected by this Application, and proceeds from any shared lands will be accounted for in the production of the Well.
- Also on December 11, 2017, the Commission entered Order No. 407-2284, which, among other things, pooled all nonconsenting interests in an approximate 800-acre wellbore spacing unit for the SE $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 21, S $\frac{1}{2}$ S $\frac{1}{2}$ of Section 22, S $\frac{1}{2}$ S $\frac{1}{2}$ of Section 23, SW $\frac{1}{4}$ SW $\frac{1}{4}$ of Section 24, NW $\frac{1}{4}$ NW $\frac{1}{4}$ of Section 25, N $\frac{1}{2}$ N $\frac{1}{2}$ of Section 26, N $\frac{1}{2}$ N $\frac{1}{2}$ of

Section 27, and the NE¼NE¼ of Section 28, Township 5 North, Range 65 West, 6th P.M., for the Geib 26U-304 Well (APO No. 05-123-44863), from the Niobrara Formation. Order No. 407-2284 is not affected by this Application, and proceeds from any shared lands will be accounted for in the production of the Well.

- Also on December 11, 2017, the Commission entered Order No. 407-2285, which, among other things, pooled all nonconsenting interests in an approximate 400-acre wellbore spacing unit for the NW¼NW¼ of Section 25, N½N½ of Section 26, N½N½ of Section 27, and the NE¼NE¼ of Section 28, Township 5 North, Range 65 West, 6th P.M., for the Geib 26V-314 Well (API No. 05-123-44860), from the Niobrara Formation. Order No. 407-2285 is not affected by this Application, and proceeds from any shared lands will be accounted for in the production of the Well.

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 23, 2018

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