

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) DOCKET NO. 180600477
HAYS, CODELL, AND CARLILE 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 59 West, 6th P.M.

Section 19: All

Section 30: All

On April 5, 2018, 8 North, LLC (Operator No. 10575) ("8 North" or "Applicant"), filed a verified application pursuant to §34-60-116, C.R.S., for an order to:

1) Vacate the approximate 640-acre drilling and spacing units established by Order Nos. 535-90 and 535-352 for Sections 19 and 30, Township 10 North, Range 59 West, 6th P.M., for the production of oil, gas, and associated hydrocarbons from the Niobrara Formation.

2) Establish an approximate 1,280-acre drilling and spacing unit for the Application Lands, and approving the drilling of 12 horizontal wells within the proposed unit, for the production of oil, gas, and associated hydrocarbons from the Niobrara, Fort Hays, Codell, and Carlile Formations, with the productive interval of any horizontal well to be located not less than 300 feet from the unit boundaries, and not less than 150 feet from the productive interval of any other well located within the unit, without exception being granted by the Director; and

3) Limit 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 consent of the landowner, 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 approved by Commission order upon hearing. Sections 19 and 30, Township 10 North, Range 60 West, 6th P.M., are subject to this Rule for production of oil and gas from the Codell, Fort Hays and Carlile Formations. The Fort Hays and Carlile Formations are non-target formations, however are included in the proposed drilling and spacing unit at the

Commission's request in the event the horizontal wellbore of any permitted well under the approved Application deviates into these formations.

- On October 31, 2011, the Commission issued Order No. 535-90 which, among other things, established an approximate 640-acre drilling and spacing unit for Section 19, Township 10 North, Range 59 West, 6th P.M., and approved the drilling of two horizontal wells within the 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 and an interwell setback no closer than 1,200 feet.
- On March 15, 2013, the Commission issued Order No. 535-280 which, among other things, confirmed the establishment of an approximate 640-acre drilling and spacing unit for Section 19, Township 10 North, Range 59 West, 6th P.M., and approved the drilling of four horizontal wells within the 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 and an interwell setback no closer than 600 feet.
- On March 25, 2013, the Commission issued Order No. 535-289 which, among other things, pooled all interests within the approximate 640-acre drilling and spacing unit, established by Order 535-90, for Section 19, Township 10 North, Range 59 West, 6th P.M., for development and operation of the Niobrara Formation, and approved cost recovery and statutory risk penalties associated with drilling, completing and operating of the Jones 19-11-10-59 well. Of note, the Jones 19-11-10-59 well was not drilled during its two-year permit life.
- On June 17, 2013, the Commission issued Order No. 535-352 which, among other things, established an approximate 640-acre drilling and spacing unit for Section 30, Township 10 North, Range 59 West, 6th P.M., and approved the drilling of 13 horizontal wells within the 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 and an interwell setback no closer than 300 feet.
- On July 29, 2013, the Commission issued Order No. 535-375 which, among other things, confirmed the establishment of an approximate 640-acre drilling and spacing unit for Section 19, Township 10 North, Range 59 West, 6th P.M., and approved the drilling of 13 horizontal wells within the 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 and an interwell setback no closer than 300 feet.

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: June 11 - 12, 2018
Time: 9:00 a.m.
Place: Lindou Auditorium

Michener Library
University of Northern Colorado (UNC)
501 20th Street
Greeley, CO 80639

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 May 25, 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 May 28, 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: May 7, 2018

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