

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 AND CODELL ) DOCKET NO. 180700522  
FORMATIONS, WATTENBERG FIELD, WELD )  
COUNTY, COLORADO ) TYPE: SPACING

NOTICE OF HEARING

TO ALL INTERESTED PARTIES AND TO WHOM IT MAY CONCERN:

APPLICATION LANDS

Township 5 North, Range 66 West, 6<sup>th</sup> P.M.

Section 15: All

Section 22: All

APPLICATION

On May 15, 2018, amended June 20, 2018, Extraction Oil & Gas, Inc. (Operator No. 10459) ("Extraction" or "Applicant") filed a verified application pursuant to §34-60-116, C.R.S., for an order to:

- 1) Establish an approximate 1,280-acre drilling and spacing unit for the Application Lands for the production of oil, gas and associated hydrocarbons from the Niobrara and Codell Formations, and approve up to 22 horizontal wells within the unit;
- 2) Require the productive interval of the wellbore of any permitted wells in the unit to be located no closer than 150 feet from the treated interval of any other wellbore producing from the Niobrara and/or Codell Formations, and no closer than 460 feet from the unit boundary, without exception being granted by the Director; and
- 3) Require that the wells be drilled from four well pads located in the unit and/or at a legal location on adjacent lands, without exception granted by the Director.

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, the Greater Wattenberg Area Special Well Location, Spacing and Unit Designation Rule, which was amended on August 8, 2011 to, among other things, address the drilling of horizontal wells and requires that a horizontal wellbore spacing unit must include any governmental quarter-quarter section that is located less than 460 feet from the completed interval of the wellbore lateral. Rule 318A supersedes all prior Commission drilling and spacing orders affecting well location and density requirements of the Greater Wattenberg Area. The Rule does not, however, prohibit the establishment of drilling and spacing units within the Greater

Wattenberg Area.

- On February 19, 1992, amended August 20, 1993, the Commission entered Order No. 407-87, which established 80-acre drilling and spacing units for the production of oil and/or gas from the Niobrara Formation, the Codell Formation, and the Niobrara-Codell Formations underlying certain lands including the Application Lands, with permitted well locations in accordance with the provisions of Order No. 407-1.
- On December 12, 2011, the Commission entered Order No. 407-521, which established an approximate 160-acre drilling and spacing unit for the NW¼ of Section 22, Township 5 North, Range 66 West, 6<sup>th</sup> P.M., and approved up to five wells within the unit, for the production of oil, gas, and associated hydrocarbons from the Sussex, “J” Sand, Dakota, Codell, and Niobrara Formations. Order No. 407-521 further pooled all interests in the above-described unit, and granted cost-recovery out of the interests of any nonconsenting working interest owners within the unit.
- On January 23, 2012, the Commission entered Order No. 407-537, which established an approximate 160-acre drilling and spacing unit for the NE¼ of Section 22, Township 5 North, Range 66 West, 6<sup>th</sup> P.M. Order No. 407-537 further pooled all interests in the approximate 160-acre drilling and spacing unit for the development and operation of the Sussex, J-Sand, Dakota, Codell and Niobrara Formations, and granted cost-recovery pursuant to Section 34-60-116(7), C.R.S., out of the interests of any non-consenting working interest owners within the unit.

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: July 30 – August 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 July 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 July 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: June 21, 2018

Colorado Oil and Gas Conservation Commission  
1120 Lincoln Street, Suite 801  
Denver, Colorado 80203  
Website: <http://cogcc.state.co.us>  
Phone: (303) 894-2100  
Fax: (303) 894-2109

Attorneys for Applicant:  
Joseph C. Pierzchala  
Geoffrey W. Storm  
Welborn Sullivan Meck & Tooley, P.C.  
1125 17th Street, Suite 2200  
Denver, Colorado 80202  
(303) 830-2500  
[jpierzchala@wsmtlaw.com](mailto:jpierzchala@wsmtlaw.com)  
[gstorm@wsmtlaw.com](mailto:gstorm@wsmtlaw.com)