

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) DOCKET NO. 180700535
NIOBRARA FORMATIONS, WATTENBERG)
FIELD, WELD COUNTY, COLORADO) TYPE: SPACING

NOTICE OF HEARING

TO ALL INTERESTED PARTIES AND TO WHOM IT MAY CONCERN:

APPLICATION LANDS

Township 7 North, Range 63 West, 6th P.M.

Section 20: All

Section 21: All

On May 25, 2018, Mallard Exploration, LLC (Operator No. 10670) ("Mallard" or "Applicant"), filed a verified application ("Application") pursuant to §34-60-116, C.R.S., for an order:

1) Establishing an approximate 1,280-acre drilling and spacing unit for the Application Lands, and authorizing the drilling of 12 horizontal wells within the proposed unit, for the production of oil, gas and associated hydrocarbons from the Codell and Niobrara Formations, with the treated interval of any horizontal well permitted under this Application located not less than 460 feet from unit boundaries and not less than 150 feet from any other well producing or drilling from the Codell and/or Niobrara Formations, without exception being granted by the Director.

2) Limiting the drilling of any permitted wells under this Application to no more than four multi-well pads either: (1) on lands overlying the drilling and spacing unit from either inside a Rule 318A GWA drilling window or lands outside the GWA windows with landowner consent, absent exception granted by the Director, or (2) on lands outside the drilling and spacing unit with landowner consent, absent exception granted by the Director.

3) Maintaining allocation of proceeds for any existing wells located within the proposed unit and producing from the Codell and/or Niobrara Formations and excluding those wells from the 1,280-acre drilling and spacing unit proposed herein for the Application Lands.

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 ("GWA") 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 Codell-Niobrara Formation.

- On October 31, 2011, the Commission issued Order No. 407-510 which, among other things, established an approximate 80-acre drilling and spacing unit for the W½ SE¼ of Section 20, Township 7 North, Range 63 West, 6th P.M., and approved the drilling of one conventional well within said unit, namely, the Wilson PC AC20-10 well, for production of oil, gas and associated hydrocarbons from the Codell-Niobrara Formation. Further, on October 31, 2011, the Commission issued Order No. 407-508 which, among other things, pooled all interests within the 80-acre unit area (described above), for development and operation of the Codell-Niobrara Formation, with authority to recover costs and risk penalties from any nonconsenting owners.

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 St., 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 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 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 20, 2018

Colorado Oil and Gas Conservation Commission
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