

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 HAYS,) DOCKET NO. 180700547
CODELL, AND CARLILE FORMATIONS,)
WATTENBERG FIELD, WELD COUNTY,) TYPE: SPACING
COLORADO)

NOTICE OF HEARING

TO ALL INTERESTED PARTIES AND TO WHOM IT MAY CONCERN:

APPLICATION LANDS

Township 8 North, Range 60 West, 6th P.M.

Section 7: All

Section 18: All

APPLICATION

On May 31, 2018, Mallard Exploration, LLC (Operator No. 10670) ("Mallard" or "Applicant"), filed a verified application pursuant to §34-60-116, C.R.S. for an order to:

1) Maintain two approximate 640-acre drilling and spacing units established by Order No. 535-3 for Sections 7 and 18, Township 8 North, Range 60 West, 6th P.M., for the production of oil, gas and associated hydrocarbons from the Niobrara Formation, for the purposes of payment of proceeds.

2) Maintain Order No. 535-305 which pooled all interests in one approximate 640-acre drilling and spacing unit established for Section 18, Township 8 North, Range 60 West, 6th P.M., to accommodate the Hunt LF 18-62 HN Well, for the development and operation of the Codell-Niobrara Formation.

3) Establish an approximate 1,280-acre drilling and spacing unit for Sections 7 and 18, Township 8 North, Range 60 West, 6th P.M., and approve up to 16 new horizontal wells in the unit, for the production of oil, gas and associated hydrocarbons from the Fort Hays, Carlile, Codell and Niobrara Formations in the unit.

4) Provide that the productive interval of each proposed horizontal well shall be no closer than 600 feet from the boundaries of the proposed unit (regardless of lease lines within the unit), and no closer than 150 feet from the productive interval of any other wellbore within the unit, unless an exception is granted by the Director, and approve up to four new well pads within the unit, or adjacent thereto, unless an exception is granted by the Director.

5) Exclude the Hunt #LF18-62HN (API No. 05-123-36663) from the proposed 1,280-acre drilling and spacing unit for purposes of the payment of proceeds.

6) Exclude the Shable LF #07-68HN (API No. 05-123-36272) from the proposed 1,280-acre drilling and spacing unit for purposes of the payment of proceeds.

7) Find that the approximate 1,280-acre drilling and spacing unit for the development of oil, gas, and associated hydrocarbons from the Fort Hays, Carlile, Codell and Niobrara Formations underlying the Application Lands will prevent waste, protect correlative rights, and maximize the efficient and economic production of the Fort Hays, Carlile, Codell and Niobrara Formations.

8) For such other findings and orders as the Commission may deem proper or advisable in this matter.

APPLICABLE ORDERS AND RULES

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

- On February 22, 2011, the Commission entered Order No. 535-3 which, among other things, established 160 approximate 640-acre drilling and spacing units, and approved one horizontal well within each unit, for the development and production of oil, gas, and related hydrocarbons from the Niobrara Formation. Sections 7 and 18, Township 8 North, Range 60 West, 6th P.M. are subject to this Order for the Niobrara Formation.
- On March 25, 2013, the Commission entered Order No. 535-305 which, among other things, pooled all interests in one approximate 640-acre drilling and spacing unit established for Section 18, Township 8 North, Range 60 West, 6th P.M., to accommodate the Hunt LF 18-62 HN Well, for the development and operation of the Codell-Niobrara Formation.

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:
Jamie L. Jost
Jill D. Dorancy
Jost Energy Law, P.C.
1401 17th Street, Suite 370
Denver, Colorado 80203
(720) 446-5620
jjost@jostenergylaw.com
jdorancy@jostenergylaw.com