

BEFORE THE OIL AND GAS CONSERVATION COMMISSION
OF THE STATE OF COLORADO

IN THE MATTER OF THE PROMULGATION AND) CAUSE NO. 421
ESTABLISHMENT OF FIELD RULES TO GOVERN)
OPERATIONS FOR THE NIOBRARA, FORT HAYS) DOCKET NO. 180700559
CODELL AND CARLILE FORMATIONS, HEREFORD)
FIELD, WELD COUNTY, COLORADO) TYPE: SPACING
)

NOTICE OF HEARING

TO ALL INTERESTED PARTIES AND TO WHOM IT MAY CONCERN:

APPLICATION LANDS

Township 12 North, Range 62 West, 6th P.M.

Section 20: All that portion lying within the State of Colorado

Section 29: All

APPLICATION

On May 31, 2018 (Amended June 22, 2018), HighPoint Operating Corporation (Operator No. 10071) ("HighPoint" or "Applicant") filed a verified application pursuant to §34-60-116, C.R.S., for an order to:

- 1) Vacate the 1,280-acre drilling and spacing unit established by Order No. 421-69 for Sections 20 and 29, Township 12 North, Range 62 West, 6th P.M. for production from the Codell Formation;
- 2) Vacate Order No. 421-76 as it relates to Sections 20 and 29, Township 12 North, Range 62 West, 6th P.M. for production from the Codell Formation;
- 3) Vacate Order No. 421-84 as it relates to Sections 20 and 29, Township 12 North, Range 62 West, 6th P.M. for production from the Niobrara Formation;
- 4) Vacate Order No. 421-93 as it relates to Sections 20 and 29, Township 12 North, Range 62 West, 6th P.M. for production from the Niobrara Formation;
- 5) Establish an approximate 1,280-acre drilling and spacing unit for Sections 20 and 29, Township 12 North, Range 62 West, 6th P.M. for production of oil, gas and associated hydrocarbons from the Niobrara, Fort Hays Codell, and Carlile Formations and approving an additional 13 new horizontal wells, for a total of up to 17 horizontal wells, in the approximate 1,280-acre unit for the production of oil, gas and associated hydrocarbons from the Niobrara, Fort Hays, Codell, and Carlile Formations;
- 6) Provide that the Randall Creek #02-29H (API No. 05-123-31333-00) and its side-track (API No. 05-123-31333-01), the Randall Creek #215-2920H (API No. 05-123-44979), the Randall Creek #216-2920H (API No. 05-123-44981) and the Randall Creek #503-2920H (API

No. 05-123-42466) allocate to the new proposed 1,280-acre unit for the Application Lands as four of the requested 17 horizontal wells within the Application Lands.

7) Provide that the productive interval of any horizontal well in the unit shall be no closer than 150' from the boundaries of the unit (regardless of the lease lines within the unit) for production from the Niobrara and Fort Hays Formations, 300 feet from the boundaries of the unit (regardless of the lease lines within the unit) for production from the Codell and Carlile Formations, and not less than 150' from the productive interval of any other wellbore within the unit, and authorize a total of five well pads in the unit, including existing wellpads, unless an exception is granted by the Director;

8) Find that an approximate 1,280-acre drilling and spacing unit for the development of the Niobrara, Fort Hays Codell, and Carlile Formations on the Application Lands will prevent waste, protect correlative rights, and maximize the efficient and economic production of the Niobrara, Fort Hays Codell, and Carlile Formations on the Application Lands.

9) 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, 2010 (corrected January 19, 2012), the Commission entered into Order No. 421-1 which, among other things, established two approximate 640-acre drilling and spacing units for Sections 20 and 29, Township 12 North, Range 62 West, 6th P.M., and approved one horizontal well within each unit, for the development and operation of the Niobrara Formation, with the productive interval of the wellbore to be located no closer than 600 feet from the unit boundaries, without exception being granted by the Director.
- On July 20, 2015, the Commission entered Order No. 421-69 which, among other things, established an approximate 1,280-acre drilling and spacing unit for Sections 20 and 29, Township 12 North, Range 62 West, 6th P.M., and approved six (6) horizontal wells within the unit, for the development and operation of the Codell Formation, with the productive interval of the wellbore to be located no closer than 460 feet from the unit boundaries, and no closer than 150 feet from the productive interval of any other wellbore producing from the same source of supply within the unit, without exception being granted by the Director.
- On December 12, 2016, the Commission entered Order No. 421-76 which, among other things, modified Order No. 421-69 to allow the productive interval of any permitted well to be located no closer than 300 feet from the unit boundaries of the approximate 1,280-acre drilling and spacing unit established for Sections 20 and 29, Township 12 North, Range 62 West, 6th P.M., for the production of oil, gas and associated hydrocarbons from the Codell Formation.
- On January 30, 2017, the Commission entered Order No. 421-84 which, among other things, established an approximate 1,280-acre drilling and spacing unit for Sections 20 and 29, Township 12 North, Range 62 West, 6th P.M., providing that the existing 640-acre units for the production of the existing wells shall be maintained only until the date

of first completion of the new horizontal well into the unit, and approved up to eight new horizontal wells in the approximate 1,280-acre drilling and spacing unit, providing that the productive interval of each wellbore shall be located no closer than 300 feet from the boundaries of the unit and no closer than 150 feet from the productive interval of another well producing from the same source of supply within the unit, unless an exception is granted by the Director, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation.

- On September 11, 2017, the Commission entered Order No. 421-93 which, among other things, approved an additional seven horizontal wells, for a total of 15 horizontal wells, in an approximate 1,280-acre drilling and spacing units established for the Application Lands, for the production of oil, gas and associated hydrocarbons from 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 22, 2018

Colorado Oil and Gas Conservation
Commission
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