

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

IN THE MATTER OF THE PROMULGATION AND) CAUSE NO. 531
ESTABLISHMENT OF FIELD RULES TO)
GOVERN OPERATIONS FOR THE NIOBRARA) DOCKET NO. 180700586
FORMATION, UNNAMED FIELD, JACKSON)
COUNTY, COLORADO) TYPE: SPACING

NOTICE OF HEARING

TO ALL INTERESTED PARTIES AND TO WHOM IT MAY CONCERN:

APPLICATION LANDS

Township 7 North, Range 80 West, 6th P.M.
Section 31: All

Township 6 North, Range 80 West, 6th P.M.
Section 6: All
Section 7: All

APPLICATION

On May 31, 2018, SandRidge Exploration & Production LLC, (Operator No. 10598) ("SandRidge" or "Applicant") filed a verified application pursuant to §34-60-116, C.R.S., for an order to:

1) Establish an approximate 1,837.01-acre drilling and spacing unit for the Application Lands, and approving the drilling of up to eight horizontal wells within the proposed drilling and spacing unit, for the production of oil, gas, and associated hydrocarbons from the Niobrara Formation, from no more than two well pads, with the treated intervals of the wellbores to be not less than 100 feet from the north and south boundaries of the drilling and spacing unit, not less than 300 feet from the east and west boundaries of the drilling and spacing unit, and not less than 150 feet from the treated interval of a well producing from within the same unit, unless an exception is granted by the Director.

2) Amend or modify the 622.65-acre and 620.07-acre exploratory drilling units for Section 31, Township 7 North, Range 80 West, 6th P.M. and Section 6, Township 6 North, Range 80 West, 6th P.M., respectively, established by Order No. 531-1, so as to limit the wells approved within the units to one and allow production from the Mutual 4-30H Well to continue to be allocated on a 622.65-acre basis and the Damfino 2-06H Well to continue to be allocated on a 620.07-acre basis until the wells are plugged and abandoned.

3) Amend or modify the 623.28-acre exploratory drilling unit for Section 7, Township 6 North, Range 80 West, 6th P.M., established by Order No. 531-2, so as to limit the wells approved within the units to one and allow production from the Surprise 4-06H Well to continue to be allocated on a 623.28-acre basis until the well is plugged and abandoned.

- 4) Provide that all horizontal wells will be drilled in a north-south orientation.

APPLICABLE ORDERS AND RULES

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

- Rule 318.a. of the Commission Rules provides a well to be drilled 2,500 feet or greater shall be located not less than 600 feet from any lease line, and shall be located not less than 1,200 feet from any other producible oil or gas well when drilling to the same common source of supply, unless approved by the Commission upon hearing.
- On February 25, 2008, the Commission entered Order No. 531-1 which, among other things, established various drilling and spacing units and to allow the option of a second horizontal well with the permitted well to be located no closer than 600 feet from the unit boundary, for certain lands in Townships 6 and 7 North, Range 80 West, 6th P.M., for the production of gas and associated hydrocarbons from the Niobrara Formation.
- On July 15, 2008, the Commission entered Order No. 531-2 which, among other things, established approximate 640-acre drilling and spacing units and approved one horizontal well in each unit for certain lands in Townships 6 and 7 North, Ranges 80 and 81 West, 6th P.M., including Sections 4, 9 and 16 of the Application Lands, with the option to drill a second horizontal well, with a bottom hole location no closer than 600 feet from the boundaries of the unit, for production of gas and associated hydrocarbons from the Niobrara Formation.
- On December 16, 2013, the Commission entered Order No. 531-10 which, among other things, pooled all interests in an approximate 620-acre drilling and spacing unit established for Section 6, Township 6 North, Range 80 West, 6th P.M., for the development and operation of the Niobrara Formation.
- On May 18, 2015, the Commission entered Order No. 531-18 which, among other things, modified various Orders to allow 300 foot setbacks as to the unit boundaries of the drilling and spacing units established and/or modified by such orders, for the production of the oil, gas, and associated hydrocarbons from the Niobrara and Frontier Formations, modified various Orders to allow for 150 foot interwell setbacks, for the production of oil, gas, and associated hydrocarbons from the Niobrara Formation, approved up to four horizontal wells within all approximate 480-acre and 640-acre drilling and spacing units established by various Orders for the production of oil, gas, and associated hydrocarbons from the Niobrara Formation, and established four approximate 640-acre drilling and spacing units for Section 31, Township 8 North, Range 80 West, 6th P.M., and Sections 34, 35 and 36, Township 8 North, Range 81 West, 6th P.M., and approve up to four horizontal wells within each unit.
- On September 14, 2015, the Commission entered Order No. 531-21 which, among other things, modified Order Nos. 531-1, 531-2, and 531-7, only as to the Application Lands, to allow 300 foot setbacks as to the unit boundaries, modified Order Nos. 531-1, 531-2, and 531-7, to allow for 150 foot interwell setbacks, for the production of oil, gas, and associated hydrocarbons from the Niobrara Formation, and approved up to four horizontal wells within the approximate 640-acre drilling and spacing units established by Order Nos. 531-1, 531-

2, and 531-7 for the Application Lands, for the production of oil, gas and associated hydrocarbons from the 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

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