

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, ) DOCKET NO. 181000709  
FORT HAYS, CODELL, AND CARLILE )  
FORMATIONS, UNNAMED FIELD, WELD ) TYPE: SPACING  
COUNTY, COLORADO )

NOTICE OF HEARING

TO ALL INTERESTED PARTIES AND TO WHOM IT MAY CONCERN:

APPLICATION LANDS

Township 8 North, Range 59 West, 6<sup>th</sup> P.M.

Section 1: W½  
Section 2: All  
Section 3: E½

APPLICATION

On July 26, 2018, Bison Oil & Gas II, LLC (Operator No. 10661) ("Bison" or "Applicant"), filed a verified application pursuant to §34-60-116, C.R.S., for an order to:

- 1) Modify an approximate 695.46-acre drilling and spacing unit covering Section 3, Township 8 North, Range 59 West, 6<sup>th</sup> P.M., to be specific to the McClellan PC LG03-78HN Well;
- 2) Establish an approximate 1,355.1-acre drilling and spacing unit for the Application Lands, and approve up to 20 horizontal wells within the unit, for the production of oil, gas and associated hydrocarbons from the Niobrara, Fort Hays, Codell, and Carlile Formations;
- 3) Require the wells within the unit to be drilled and operated from no more than two surface locations within the unit or at a legal location on adjacent lands.

APPLICABLE ORDERS AND RULES

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

- Rule 318.a. of the Rules and Regulations of the Oil and Gas Conservation Commission requires that, on unspaced lands, wells drilled in excess of 2,500 feet in depth be located not less than 600 feet from any lease line, and located not less than 1,200 feet from any other producible or drilling oil or gas well when drilling to the same common source of supply.
- On March 8, 2011, the Commission entered Order No. 535-3, which established 160 approximate 640-acre drilling and spacing units for certain lands in Townships 8, 9, and 10, North, Ranges 58 through 62 West, 6<sup>th</sup> P.M., and approved one horizontal well in each unit, for the production of oil, gas, and associated hydrocarbons from the Niobrara

Formation, with the treated interval of the wellbore to be located no closer than 600 feet from the unit boundaries, without exception being granted by the Director.

- On October 1, 2012, the Commission entered Order No. 535-211, which pooled all interests in an approximate 640-acre drilling and spacing unit established by Order No. 535-3 for Section 3, Township 8 North, Range 59 West, 6th P.M., and approved cost recovery against the nonconsenting owners in the McClellan PC LG03-78HN Well, for the development and operation of the Niobrara Formation, effective as of the earlier of the date of the Application, or the date that any of the costs specified in C.R.S. §34-60-116(7)(b)(II) are first incurred for the drilling of the McClellan PC LG03-78HN Well.
- On June 17, 2014, the Commission entered Order No. 535-496, which, among other things, modified an approximate 640-acre drilling and spacing unit established by Order No. 535-3 for Section 3, Township 8 North, Range 59 West, 6th P.M., to allow for 300 foot setbacks along the northern unit boundary, for the production of oil, gas, and associated hydrocarbons from the Niobrara and Codell Formations.
- On June 12, 2017, the Commission entered Order No. 535-821, which ratified Order No. 535-211 to pool all interests in an approximate 695.46-acre drilling and spacing unit established for Section 3, Township 8 North, Range 59 West, 6th P.M., and approved cost recovery against the nonconsenting owners in the McClellan PC LG03-78HN Well, for the for the development and operation of the Niobrara Formation, effective as of the earlier of the date of the Application, or the date that any of the costs specified in C.R.S. §34-60-116(7)(b)(II) are first incurred for the drilling of the McClellan PC LG03-78HN Well.

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: October 29-30, 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 three 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 October 15, 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 October 15, 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 Paine, Secretary

Dated: September 20, 2018

Colorado Oil and Gas Conservation Commission  
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