

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 FORMATION,) DOCKET NO. 181000748
UNNAMED FIELD, ARAPAHOE COUNTY,)
COLORADO) TYPE: ADDITIONAL WELLS

NOTICE OF HEARING

TO ALL INTERESTED PARTIES AND TO WHOM IT MAY CONCERN:

APPLICATION LANDS

Township 4 South, Range 65 West, 6th P.M.

Section 27: All

Section 28: All

APPLICATION

On August 29, 2018, ConocoPhillips Company (Operator No. 19160) and its wholly owned subsidiary Burlington Resources Oil & Gas LP (Operator No. 26580) (together "COPC" or "Applicant"), filed a verified application pursuant to §34-60-116, C.R.S. for an order to:

- 1) Approve an additional seven horizontal wells, for a total of up to 11 horizontal wells, in an approximate 1,280-acre drilling and spacing unit established for Sections 27 and 28, Township 4 South, Range 65 West, 6th P.M., for the production of oil, gas, and associated hydrocarbons from the Niobrara Formation; and
- 2) Provide that the productive interval of each proposed horizontal well shall be no closer than 460 feet from the boundaries of the unit and all horizontal wells shall be 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; and
- 3) Applicant states that the permitted wells will be located on no more than two well pads within the unit, or adjacent thereto, unless an exception is granted by the Director; and
- 4) Find that the approval of up to 11 horizontal wells in an approximate 1,280-acre drilling and spacing unit for the development of the Niobrara Formation on the Application Lands, will prevent waste, protect correlative rights, and maximize the efficient and economic production of the Niobrara Formation in the Application Lands; and
- 5) 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 October 31, 2011, the Commission entered Order No. 535-97 which, among other

things, established 25 approximate 640-acre drilling and spacing units for production of oil, gas and associated hydrocarbons from the Niobrara Formation, and approved up to two horizontal wells within each unit, with surface locations being located anywhere within the unit or surrounding lands, but providing that the lateral of such well may not enter the Niobrara Formation any closer than 300 feet from the section line, with the treated interval of the permitted wellbore to be located no closer than 460 feet from the boundary of the unit and no closer than 920 feet from the treated interval of any other well in the unit producing from the Niobrara, without exception being granted by the Director. Section 28, Township 4 South, Range 65 West, 6th P.M., is subject to Order No. 535-97.

- On December 12, 2011, the Commission entered Order No. 535-100 which, among other things, granted a well location exception to the requirements of Commission Rule 318.a. for certain lands in Sections 1, 3, 7, 9, and 19, Township 4 South, Range 64 West, 6th P.M., and Sections 1, 13, 19, 25, 27, and 29, Township 4 South, Range 65 West, 6th P.M., for the development and production of oil, gas and related hydrocarbons from the Niobrara Formation, providing that: (1) the surface location for each horizontal well drilled within a given section of said lands may be located anywhere within the section or on adjoining lands with appropriate surface owner approval; (2) the lateral of a given horizontal well may enter the Niobrara Formation no closer than 300 feet from the section line, (3) the treated interval within the Niobrara Formation may be located not closer than 460 feet from the section line, and (4) the distance between the treated interval of Niobrara wells within the Application Lands shall not be less than 920 feet; for production of oil, gas, and other hydrocarbons from the Niobrara Formation. Section 27, Township 4 South, Range 65 West, 6th P.M., is subject to Order No. 535-100.
- On December 12, 2016, the Commission entered Order No. 535-755 which, among other things, modified Order No. 535-97 to allow for one vertical well in Section 28, Township 4 South, Range 65 West, 6th P.M. within an established 640-acre unit for production of oil, gas and associated hydrocarbons from the Niobrara Formation, providing that the productive interval of the wellbore will 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 located in the unit, unless the Director grants an exception.
- On March 20, 2017, the Commission entered Order No. 535-770 which, among other things, pooled all interests in an approximate 640-acre drilling and spacing unit established for Section 28, Township 4 South, Range 65 West, 6th P.M., 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 §34-60-116(7)(b)(II), C.R.S., are first incurred for the drilling of the Little Rush 4-65 28 1V Well.
- On October 30, 2017, the Commission entered Order No. 535-883, which among other things: (1) established an approximate 1,280-acre drilling and spacing unit for Sections 27 and 28, Township 4 South, Range 65 West, 6th P.M., and approved up to four new horizontal wells in the unit for the production of oil, gas, and associated hydrocarbons from of the Niobrara Formation; (2) provided that the Cottonwood Creek 4-65 27 #1H Well (API No. 05-005-07215) shall be excluded from the 1,280-acre unit and remain subject to Order No. 535-100 for purposes of payment of proceeds; (3) provided that the Little Rush 4-65 28 #1V Well (API No. 05-005-07270) shall be excluded from the 1,280-acre unit and remain subject to Order Nos. 535-755 and 535-770 for purposes

of payment of proceeds; (4) provided that the treated interval any horizontal well shall be no closer than 460 feet from the boundaries of the unit and not less than 150 feet from the treated interval of another well within the unit; and (5) authorized up to two multi-well pads in the unit, or on lands adjacent thereto, unless an exception is granted by the Director.

- On October 30, 2017, the Commission entered Order No. 535-885 which, among other things, pooled all interests underlying an approximate 1,280-acre drilling and spacing unit established for Sections 27 and 28, Township 4 South, Range 65 West, 6th P.M., and subjected any nonconsenting interests to the cost recovery provisions of §34-60-116(7), C.R.S., effective as of the earlier of the date of the Application, or the date that any of the costs specified in §34-60-116(7)(b), C.R.S., are first incurred for the drilling of the Cottonwood Creek 4-65 27-28 3CH Well, the Cottonwood Creek 4-65 27-28 3DH Well, the Cottonwood Creek 4-65 27-28 4AH Well, and the Cottonwood Creek 4-65 27-28 4BH Well, for the development and operation of the Niobrara Formation.
- On March 19, 2018, the Commission entered Order No. 535-968 which, among other things, modified Order No. 535-97 to vacate the approval of two horizontal wells in an approximate 640-acre drilling and spacing unit established for Section 28, Township 4 South, Range 65 West, 6th P.M., for the production of oil, gas and associated hydrocarbons from the Niobrara Formation, provided that Order Nos. 535-755 and 535-770 be maintained for purposes of the payment of proceeds of the Little Rush 4-65 28 1V Well. Order No. 535-968 further provides that Order Nos. 535-755 and 535-770, and the approximate 640-acre drilling and spacing unit established by Order No. 535-97 for Section 28, Township 4 South, Range 65 West, 6th P.M., for the production of oil, gas and associated hydrocarbons from the Niobrara Formation, shall be maintained solely for purposes of the payment of proceeds of production from the Little Rush 4-65 28 1V Well (API No. 05-005-07270).

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 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 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 Prine, Secretary

Dated: September 19, 2018

Colorado Oil and Gas Conservation Commission
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