

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

IN THE MATTER OF THE PROMULGATION AND) CAUSE NO. 407
ESTABLISHMENT OF FIELD RULES TO GOVERN)
OPERATIONS FOR THE NIOBRARA AND CODELL) DOCKET NO. 181000783
FORMATIONS, WATTENBERG FIELD, WELD)
COUNTY, COLORADO) TYPE: SPACING

NOTICE OF HEARING

TO ALL INTERESTED PARTIES AND TO WHOM IT MAY CONCERN:

APPLICATION LANDS

Township 4 North, Range 64 West, 6th P.M.
Section 5: S $\frac{1}{2}$ S $\frac{1}{2}$ SW $\frac{1}{4}$
Section 6: S $\frac{1}{2}$ S $\frac{1}{2}$ S $\frac{1}{2}$
Section 7: N $\frac{1}{2}$, N $\frac{1}{2}$ S $\frac{1}{2}$, S $\frac{1}{2}$ SE $\frac{1}{4}$, SE $\frac{1}{4}$ SW $\frac{1}{4}$
Section 8: W $\frac{1}{2}$

APPLICATION

On August 30, 2018, amended September 24, 2018, PDC Energy, Inc. (Operator No. 69175) ("PDC" or "Applicant"), filed a verified application pursuant to §34-60-116, C.R.S. for an order to:

1) Establish an approximate 1,040-acre drilling and spacing unit for the Application Lands and approve up to 19 horizontal wells in the proposed unit, for production of oil, gas, and associated hydrocarbons from the Niobrara and Codell Formations, with the productive interval of any horizontal well permitted under this Application located no less than 150 feet from the east and west unit boundaries, no less than 460 feet from the north and south unit boundaries, and no less than 150 feet from the productive interval of any wellbore within the same unit, unless an exception is granted by the Director; and

2) Require that the wells be drilled from no more than two surface locations within the unit or on adjacent lands, unless an exception is granted by the Director;

3) Provide that any permitted wells shall be drilled in an east-west orientation or a west-east orientation; and

4) Vacate the wellbore spacing units previously established under COGCC Rule 318A.a.(4)D for the Challenger 1N Well (API No. 05-123-45890); Challenger 2N Well (API No. 05-123-45891); Challenger 3N Well (API No. 05-123-45889); Challenger 4N Well (API No. 05-123-45896); Challenger 5N Well (API No. 05-123-45895); Challenger 6N Well (API No. 05-123-45893); Challenger 7N Well (API No. 05-123-45897); Challenger 8N Well (API No. 05-123-45894); Challenger 9N Well (API No. 05-123-45892); Jagged 1N Well (API No. 05-123-45878); Jagged 2N Well (API No. 05-123-45879); Jagged 3N Well (API No. 05-123-45880); Jagged 4N Well (API No. 05-123-45883); Jagged 5N Well (API No. 05-123-45881); Jagged 6N Well (API No. 05-123-45887); Jagged 7N Well (API No. 05-123-45885); Jagged 8N Well (API No. 05-123-

45884); Jagged 9C Well (API No. 05-123-45886); and the Jagged 10N Well (API No. 05-123-45882).

APPLICABLE ORDERS AND RULES

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

- On April 27, 1998, the Commission adopted Rule 318A, the Greater Wattenberg Area Special Well Location, Spacing and Unit Designation Rule. Sections 5, 6, 7, and 8, Township 4 North, Range 64 West, 6th P.M., are subject to this rule for the Niobrara and Codell Formations.
- On February 19, 1992, the Commission entered Order No. 407-87 (amended August 20, 1993) which, among other things, established 80-acre drilling and spacing units for the production of oil, gas, and associated hydrocarbons from the Codell-Niobrara Formations, the Codell Formation, and the Niobrara Formation underlying certain lands, including Sections 5, 6, 7, and 8, Township 4 North, Range 64 West, P.M., with the permitted well locations in accordance with the provisions of Order 407-1.
- On May 16, 2011, the Commission entered Order No. 407-399, which, among other things, established an approximate 400-acre wellbore spacing unit for the Lower Latham PC G #12-69HN Well (API No. 05-123-33583) consisting of the SW $\frac{1}{4}$ SW $\frac{1}{4}$ of Section 6 and the NW $\frac{1}{4}$ NW $\frac{1}{4}$ of Section 7, Township 4 North, Range 64 West, 6th P.M., and the S $\frac{1}{2}$ S $\frac{1}{2}$ of Section 1 and the N $\frac{1}{2}$ N $\frac{1}{2}$ of Section 12, Township 4 North, Range 65 West, 6th P.M., for the production of oil, gas, and associated hydrocarbons from the Niobrara Formation. PDC excludes from this Application the Lower Latham PC G #12-69HN Well and asserts that the production and payments from the Lower Latham PC G #12-69HN Well should be maintained under the authority of Order No. 407-399 and other applicable Commission orders and rules.
- Also on May 16, 2011, the Commission entered Order No. 407-403, which, among other things, established an approximate 320-acre wellbore spacing unit for the Frick C #17-79HN Well (API No. 05-123-33279) consisting of the E $\frac{1}{2}$ SE $\frac{1}{4}$ of Section 7, W $\frac{1}{2}$ SW $\frac{1}{4}$ of Section 8, W $\frac{1}{2}$ NW $\frac{1}{4}$ of Section 17, and the E $\frac{1}{2}$ NE $\frac{1}{4}$ of Section 18, Township 4 North, Range 64 West, 6th P.M., for the production of oil, gas, and associated hydrocarbons from the Niobrara Formation. PDC excludes from this Application the Frick C #17-79HN Well and asserts that production and payments from the Frick C #17-79HN Well should be maintained under the authority of Order No. 407-403 and other applicable Commission orders and rules.
- Also on May 16, 2011, the Commission entered Order No. 407-404, which, among other things, established an approximate 320-acre wellbore spacing unit for the Franklin C #17-69HN Well (API No. 05-123-33241) consisting of the S $\frac{1}{2}$ S $\frac{1}{2}$ of Section 8 and the N $\frac{1}{2}$ N $\frac{1}{2}$ of Section 17, Township 4 North, Range 64 West, 6th P.M., for the production of oil, gas, and associated hydrocarbons from the Niobrara Formation. PDC excludes from this Application the Franklin C #17-69HN Well and asserts that production and payments from the Franklin C #17-69HN Well should be maintained under the authority of Order No. 407-404 and other applicable Commission orders and rules.

- Also on May 16, 2011, the Commission entered Order No. 407-406, which, among other things, established an approximate 320-acre wellbore spacing unit for the Franklin C #08-62HN Well (API No. 05-123-33244) consisting of the S½ of Section 8, Township 4 North, Range 64 West, 6th P.M., for the production of oil, gas, and associated hydrocarbons from the Niobrara Formation. PDC excludes from this Application the Franklin C #08-62HN Well and asserts that production and payments from the Franklin C #08-62HN Well should be maintained under the authority of Order No. 407-406 and other applicable Commission orders and rules.
- On August 8, 2011, the Commission entered Order No. 407-465, which, among other things, established an approximate 400-acre wellbore spacing unit for the Schmidt PC C #06-79HN Well (API No. 05-123-34238) consisting of the W½W½ of Section 6, Township 4 North, Range 64 West, 6th P.M., the E½E½ of Section 1, Township 4 North, Range 65 West, 6th P.M., the SW¼SW¼ of Section 31, Township 5 North, Range 64 West, 6th P.M., and the SE¼SE¼ of Township 5 North, Range 65 West, 6th P.M., for the production of oil, gas, and associated hydrocarbons from the Niobrara Formation. PDC excludes from this Application the Schmidt PC C #06-79HN Well and asserts that production and payments from the Schmidt PC C #06-79HN Well should be maintained under the authority of Order No. 407-465 and other applicable Commission orders and rules.
- On October 31, 2011, the Commission entered Order No. 407-488, which, among other things, established an approximate 320-acre wellbore spacing unit for the Northrup C08-75HN Well (API No. 05-123-34263) consisting of the W½E½ and the E½W½ of Section 8, Township 4 North, Range 64 West, 6th P.M., for the production of oil, gas, and hydrocarbons from the Niobrara Formation. PDC excludes from this Application the Northrup C08-75HN Well and asserts that the production and payments from the Northrup C08-75HN Well should be maintained under the authority of Order No. 407-488 and other applicable Commission orders and rules.

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 Pine, Secretary

Dated: September 24, 2018

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