

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. 181000785
UNNAMED FIELD, ADAMS COUNTY, COLORADO)
) TYPE: ADDITIONAL WELLS

NOTICE OF HEARING

TO ALL INTERESTED PARTIES AND TO WHOM IT MAY CONCERN:

APPLICATION LANDS

Township 3 South, Range 65 West, 6th P.M.

Section 16: All

Section 17: All

APPLICATION

On August 30, 2018, Axis Exploration, LLC (Operator No. 16046) ("Axis" or "Applicant") filed a verified application pursuant to §34-60-116, C.R.S., for an order to:

- 1) Modify an established 1,280-acre drilling and spacing unit under Order No. 535-512 covering the Application Lands for the development and operation of the Niobrara Formation;
- 2) Approve a total of up to 16 total horizontal wells within the unit;
- 3) Require the treated interval of any wells within the unit to be no closer than 150 feet from the treated interval of any other wellbore producing from the Niobrara Formation, and no closer than 460 feet from the unit boundary, without exception being granted by the Director; and
- 4) Require that the wells be drilled and operated from no more than one surface location within the unit or from 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 October 31, 2011, the Commission entered Order No. 535-89, which established 18 approximate 640-acre drilling and spacing units for certain lands in 3 South, 64 West, and 3 South, Range 65 West, 6th P.M., an approved two horizontal wells within each unit, for the drilling of wells and producing of oil, gas, and associated hydrocarbons from the

Niobrara Formation, with the lateral of any well within the unit to enter the target formation no closer than 300 feet from the section line, and the treated interval of any horizontal well within the unit being located no closer than 460 feet from the unit boundary, and no closer than 920 feet from the productive interval of any other wellbore located in the unit producing from the Niobrara, unless an exception is granted by the Director.

- On July 28, 2014, the Commission entered Order No. 535-512, which vacated two 640-acre drilling and spacing units established by Order No. 535-89, established an approximate 1,280-acre drilling and spacing unit covering Sections 16 and 17, Township 3 South, Range 65 West, 6th P.M., and approved up to two horizontal wells within the unit, for the production of oil, gas, and associated hydrocarbons from the Niobrara Formation, with the productive interval of the wellbore(s) located no closer than 460 feet from the unit boundaries, and no closer than 960 feet from the productive interval of any other wellbore located in the unit, without exception being granted by the Director. The Application Lands are subject to this Order.
- On September 15, 2014, the Commission entered Order No. 535-552, which pooled all interests in an approximate 1,280-acre drilling and spacing unit established by Order No. 535-512, and authorized cost-recovery pursuant to 34-60-116(7), C.R.S. for the drilling of the State of Colorado 3-65 16-17 1H Well (API No. 05-001-09843), all for the development and operation of the Niobrara Formation. The Application Lands are subject to this Order.

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 Prine, Secretary

Dated: September 20, 2018

Colorado Oil and Gas Conservation Commission
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