

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. 181000822  
FORMATIONS, WATTENBERG FIELD, WELD )  
COUNTY, COLORADO ) TYPE: SPACING

NOTICE OF HEARING

TO ALL INTERESTED PARTIES AND TO WHOM IT MAY CONCERN:

APPLICATION LANDS

Township 7 North, Range 66 West, 6th P.M.

Section 26: W½NW¼

Section 27: N½

Section 28: N½

Section 29: E½NE¼

APPLICATION

On August 30, 2018, Bayswater Exploration & Production, LLC (Operator No. 10261) ("Bayswater" or "Applicant") filed a verified application pursuant to §34-60-116, C.R.S., for an order to:

- 1) Establish an approximate 800-acre drilling and spacing unit covering the Application Lands, and approve up to ten horizontal wells within the unit, for production of oil, gas and associated hydrocarbons from the Niobrara and Codell Formations.
- 2) Require that the treated interval of each wellbore permitted within the unit be located no closer than 150 feet from the treated interval of any other wellbore producing from the same common source of supply, including the wells drilled from the Thornton 28-H Pad (COGCC Facility #447778), and no closer than 460 feet from the unit boundary, without exception having been granted by the Director.
- 3) Require that the wells be drilled and/or operated from one surface location within the unit and/or from a legal location on adjacent lands, without exception granted by the Director.

APPLICABLE ORDERS AND RULES

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

- On April 27, 1988, the Commission adopted Rule 318A, the Greater Wattenberg Area Special Well Location, Spacing and Unit Designation Rule, which was amended on August 8, 2011 to, among other things, address the drilling of horizontal wells and requires that a horizontal wellbore spacing unit must include any governmental quarter-quarter section that are located less than 460 feet from the completed interval of the wellbore lateral. Rule 318A further allows for overlapping horizontal wellbore spacing units. Rule 318A supersedes all prior Commission drilling and spacing orders affecting well location and

density requirements of the Greater Wattenberg Area. The Rule does not, however, prohibit the establishment of drilling and spacing units within the Greater Wattenberg Area.

- On June 6, 2016, the Commission entered Order No. 407-1704, which pooled all interests in an approximate 408.25-acre designated horizontal wellbore spacing unit for the SW $\frac{1}{4}$  and S $\frac{1}{2}$ NW $\frac{1}{4}$  of Section 21, and the NW $\frac{1}{4}$  of Section 28, Township 7 North, Range 66 West, 6<sup>th</sup> P.M., and granted cost recovery pursuant to Section 34-60-116(7)(b), C.R.S., against any nonconsenting owners in the Thornton 21K-443 Well (API No. 05-123-37128), for the production of oil, gas, and associated hydrocarbons from the Codell Formation. Applicant requests that the Thornton 21K-443 Well continue to be governed, and proceeds continue to be distributed, in accordance with its applicable permits, rules and orders.
- On January 30, 2017, the Commission entered Order No. 407-1895, which pooled all interests in two approximate 320-acre designated horizontal wellbore spacing units for the S $\frac{1}{2}$ N $\frac{1}{2}$  and the N $\frac{1}{2}$ S $\frac{1}{2}$  of Section 29, and the S $\frac{1}{2}$ N $\frac{1}{2}$  and the N $\frac{1}{2}$ S $\frac{1}{2}$  of Section 30, Township 7 North, Range 66 West, 6<sup>th</sup> P.M., and granted cost recovery pursuant to Section 34-60-116(7)(b), C.R.S., against any nonconsenting owners in the Thornton K-29-30HC Well and the Thornton L-29-30HN Well, for the production of oil, gas, and associated hydrocarbons from the Niobrara and Codell Formations.
- On June 11, 2018, the Commission entered Order No. 407-2496, which pooled all interests in six designated horizontal wellbore spacing units covering certain lands in Sections 29, 20, 29, and 30, Township 7 North, Range 66 West, 6<sup>th</sup> P.M., and granted cost recovery pursuant to Section 34-60-116(7)(b), C.R.S., against any nonconsenting owners in the respective wells drilled within the units, for the production of oil, gas, and associated hydrocarbons from the Niobrara and Codell Formations.

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 24, 2018

Colorado Oil and Gas Conservation Commission  
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