

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

IN THE MATTER OF THE PROMULGATION AND) CAUSE NO. 421
ESTABLISHMENT OF FIELD RULES TO GOVERN)
OPERATIONS FOR THE NIOBRARA, FORT HAYS,) DOCKET NO. 181200887
CODELL, AND CARLILE FORMATIONS,)
HEREFORD FIELD, WELD COUNTY, COLORADO) TYPE: SPACING

NOTICE OF HEARING

TO ALL INTERESTED PARTIES AND TO WHOM IT MAY CONCERN:

APPLICATION LANDS

Township 11 North, Range 62 West, 6th P.M.
Section 8: All
Section 17: All

APPLICATION

On September 12, 2018, (amended on November 8, 2018), HighPoint Operating Corporation (Operator No. 10071) ("HighPoint" or "Applicant"), filed a verified application pursuant to §34-60-116, C.R.S., for an order to:

1) Amend Order No. 421-83, which established and approximate 1,280-acre drilling and spacing unit established for Sections 8 and 17, Township 11 North, Range 62 West, 6th P.M. by Order No. 421-83 for the Niobrara Formation, to include the Fort Hays, Codell and Carlile Formations, and approve a total of up to 16 new horizontal wells in the approximate 1,280-acre unit; for the production of the Niobrara, Fort Hays, Codell and Carlile Formations.

2) Provide for 150-foot productive interval setbacks as to the boundaries of the approximate 1,280-acre drilling and spacing unit for production from the Niobrara and Fort Hays Formations, 300-foot setbacks as to the boundaries of the approximate 1,280-acre drilling and spacing unit for production from the Codell and Carlile Formations, and 150-foot inter-well setbacks from any wellbore within the unit.

3) Authorize up to four well pad locations for the new horizontal wells within the Application Lands for the production of oil, gas and associated hydrocarbons from the Niobrara, Fort Hays, Codell and Carlile Formations underlying the Application Lands.

4) Vacate Order No. 421-92 as it relates to Sections 8 and 17, Township 11 North, Range 62 West, 6th P.M. for production from the Niobrara Formation.

5) Find that the proposed amendments for the development of the Niobrara, Fort Hays, Codell and Carlile Formations on the Application Lands will prevent waste, protect correlative rights, and maximize the efficient and economic production of the Niobrara, Fort Hays, Codell and Carlile Formations on the Application Lands.

6) 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")

- 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. Sections 8 and 17, Township 11 North, Range 62 West, 6th P.M. are subject to this Rule for the Codell, Carlile, and Fort Hays Formations.
- On February 22, 2010 (corrected January 19, 2012), the Commission entered into Order No. 421-1 which, among other things, established 58 approximate 640-acre drilling and spacing units for certain lands, including Sections 8 and 17, Township 11 North, Range 62 West, 6th P.M., and approved one horizontal well within each unit, for the development and operation of the Niobrara Formation, with the productive interval of the wellbore to be located no closer than 600 feet from the unit boundaries, without exception being granted by the Director.
- On January 7, 2013, the Commission entered Order No. 421-24 which, among other things, vacated an approximate 640-acre drilling and spacing unit established for Section 8, Township 11 North, Range 62 West, 6th P.M., and established an approximate 1,280-acre exploratory drilling and spacing unit for Sections 5 and 8, Township 11 North, Range 62 West, 6th P.M., and approved up to ten wells within the unit, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation, with the bottomhole locations not less than 600 feet from the boundary of the drilling unit and not less than 460 feet from any other well or treated interval of a well producing from the Niobrara Formation, without exception being granted by the Director.
- On January 7, 2013, the Commission entered Order No. 421-27 which, among other things, vacated an approximate 640-acre drilling and spacing unit established for Section 17, Township 11 North, Range 62 West, 6th P.M., and established an approximate 1,280-acre exploratory drilling and spacing unit for Sections 17 and 20, Township 11 North, Range 62 West, 6th P.M., and approved up to ten wells within the unit, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation, with the bottomhole locations not less than 600 feet from the boundary of the drilling unit and not less than 460 feet from any other well or treated interval of a well producing from the Niobrara Formation, without exception being granted by the Director.
- On January 30, 2017, the Commission entered Order No. 421-83 which, among other things, vacated the approximate 1,280-acre exploratory drilling and spacing units established by Order Nos. 421-24 and 421-17 for Sections 5 and 8, Township 11 North, Range 62 West, 6th P.M. and Sections 17 and 20, Township 11 North, Range 62 West, 6th P.M., and established an approximate 1,280-acre drilling and spacing unit for Sections 8 and 17, Township 11 North, Range 62 West, 6th P.M. and approved up to eight new horizontal wells in the approximate 1,280-acre drilling and spacing unit, providing that the productive interval of each wellbore shall be located no closer than 300 feet from the boundaries of the unit and 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, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation.

- On September 11, 2017, the Commission entered Order No. 421-92 which, among other things, approved an additional seven horizontal wells, for a total of 15 horizontal wells, in the approximate 1,280-acre drilling and spacing unit established for Sections 8 and 17, Township 11 North, Range 62 West, 6th P.M., for the production of oil, gas and associated hydrocarbons from Niobrara Formation.

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: December 17-18, 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 December 3, 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 December 3, 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 Price, Secretary

Dated: November 8, 2018

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