

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, FORT HAYS,) DOCKET NO. 181200902
CODELL, AND CARLILE FORMATIONS, UNNAMED)
FIELD, WELD COUNTY, COLORADO) TYPE: POOLING

NOTICE OF HEARING

TO ALL INTERESTED PARTIES AND TO WHOM IT MAY CONCERN:

APPLICATION LANDS

Township 8 North, Range 60 West, 6th P.M.

Section 5: All

Section 6: All

APPLICATION

On September 19, 2018, Bison Oil & Gas II, LLC (Operator No. 10661) ("Bison" or "Applicant") filed a verified application pursuant to §34-60-116, C.R.S., for an order to:

- 1) Pool all interests in the Application Lands for production of oil, gas, and associated hydrocarbons from the Niobrara, Fort Hays, Codell, and Carlie Formations;
- 2) Provide that the pooling order is made effective as of the date of this Application, or the date that the costs specified in Section 34-60-116(7)(b)(II), C.R.S., are first incurred for the drilling of the Hunt 8-60 #6C-5-6 Well (API 05-123-46460) and the Hunt 8-60 #6C-5-10 Well (API 05-123-46459) ("Wells");
- 3) Provide that the interests of any owners, with whom the Applicant has been unable to secure a lease or other agreement to participate in the drilling of the Wells, are pooled and deemed nonconsenting by operation of statute, pursuant to Section 34-60-116(7), C.R.S., and made subject to the cost recovery provisions thereof;
- 4) Provide that any nonconsenting owners within the Application Lands are immune from liability for costs arising from spills, releases, damage, or injury resulting from oil and gas operations on the unit.

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 March 8, 2011, the Commission entered Order No. 535-3, which established 160 approximate 640-acre drilling and spacing units for certain lands in Townships 8, 9, and 10, North, Ranges 58 through 61 West, 6th P.M., and approved one horizontal well in each unit, for the production of oil, gas, and associated hydrocarbons from the Niobrara Formation, with the treated interval of the wellbores to be located no closer than 600 feet from the unit boundaries, without exception being granted by the Director.
- On November 28, 2017, the Commission entered Order No. 535-892, which vacated two approximate 640-acre drilling and spacing units established by Order No. 535-3 for Section 6, Township 8 North, Range 60 West, 6th P.M., and Section 1, Township 8 North, Range 61 West, 6th P.M, and established an approximate 960-acre drilling and spacing unit covering all of Section 1, Township 8 North, Range 61 West, 6th P.M., and the W½ of Section 6, Township 8 North, Range 60 West, 6th P.M., and approved up to twenty horizontal wells within the unit, for production of oil, gas and associated hydrocarbons from the Niobrara, Fort Hays, Codell, and Carlile Formations with the treated interval of each wellbore located no closer than 600 feet from the unit boundary, and no closer than 100 feet from the productive interval of any other wellbore located within the unit.
- On November 28, 2017, the Commission entered Order No. 535-894, which vacated two approximate 640-acre drilling and spacing units established by Order No. 535-3 for Sections 5 and 6, Township 8 North, Range 60 West, 6th P.M., and established an approximate 960-acre drilling and spacing unit covering the E½ of Section 6, and all of Section 5, Township 8 North, Range 60 West, 6th P.M., and approved up to twenty horizontal wells within the unit for production of oil, gas and associated hydrocarbons from the Niobrara, Fort Hays, Codell, and Carlile Formations with the treated interval of each wellbore located no closer than 600 feet from the unit boundary, and no closer than 100 feet from the productive interval of any other wellbore located within the unit.
- On January 29, 2018, the Commission entered Order No. 535-932, which vacated two approximate 960-acre drilling and spacing units established by order Nos. 535-892 and 535-894 for Sections 5 and 6, Township 8 North, Range 60 West, 6th P.M., and Section 1, Township 8 North, Range 61 West, 6th P.M, and established an approximate 1,280-acre drilling and spacing unit for the Application Lands, and approved a total of up to twenty horizontal wells within the unit, for production of oil, gas and associated hydrocarbons from the Niobrara, Fort Hays, Codell, and Carlile Formations, with the treated interval of each wellbore be no closer than 600 feet from the unit boundary, and no closer than 100 feet from the productive interval of any other wellbore in the drilling and spacing unit, unless an exception is granted by the Director. The Application Lands are subject to this order.
- On March 19, 2018, the Commission entered Order No. 535-973, which modified an approximate 1,280-acre drilling and spacing unit established by Order No. 535-932 for the Application Lands to allow the productive interval of any permitted well within the unit to be located no closer than 600 feet from the northern and southern unit boundaries and no closer than 300 feet from the eastern and western unit boundaries, for the production of the oil, gas, and associated hydrocarbons from the Niobrara, Fort Hays, Codell, and Carlile Formations, unless the Director grants an exception. 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: 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 Prine, Secretary

Dated: November 6, 2018

Colorado Oil and Gas Conservation Commission
1120 Lincoln Street, Suite 801
Denver, Colorado 80203
Website: <http://cogcc.state.co.us>
Phone: (303) 894-2100
Fax: (303) 894-2109

Attorneys for Applicant:
Joseph C. Pierzchala
Geoffrey W. Storm
Welborn Sullivan Meck & Tooley, P.C.
1125 17th Street, Suite 2200
Denver, CO 80202
(303) 830-2500
jpierzchala@wsmtlaw.com
gstorm@wsmtlaw.com