

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. 181200903
FORMATIONS, WATTENBERG FIELD, WELD)
COUNTY, COLORADO) TYPE: SPACING

NOTICE OF HEARING

TO ALL INTERESTED PARTIES AND TO WHOM IT MAY CONCERN:

APPLICATION LANDS

Township 6 North, Range 65 West, 6th P.M.

Section 4: W $\frac{1}{2}$; SE $\frac{1}{4}$

Section 5: All

APPLICATION

On September 20, 2018, Nickel Road Operating LLC (Operator No. 10669), together with Nickel Road Development LLC which is an affiliate of Nickel Road Operating LLC under common ownership and control (together, "Nickel Road" or "Applicant"), filed a verified application pursuant to §34-60-116, C.R.S., for an order to:

1) Establish an approximate 1,120-acre drilling and spacing unit for Section 5 and the W $\frac{1}{2}$ and SE $\frac{1}{4}$ of Section 4, Township 6 North, Range 65 West, 6th P.M., and approve up to 32 new horizontal wells in the proposed approximate 1,120-acre drilling and spacing unit, for the production of oil, gas, and associated hydrocarbons from the Niobrara and Codell Formations.

2) Provide that the productive interval of each proposed horizontal well shall be no closer than 460 feet from the boundaries of the proposed unit, and all horizontal wells shall be no closer than 150 feet from the productive interval of another well producing from the unit, unless the Director grants an exception.

3) Provide that no more than two new well pads be approved in the unit, or adjacent thereto, unless an exception is granted by the Director.

4) Find that the approximate 1,120-acre drilling and spacing unit for the development of oil, gas, and associated hydrocarbons from the Niobrara and Codell Formations underlying the Application Lands will prevent waste, protect correlative rights, and maximize the efficient and economic production of the Niobrara and Codell Formations.

5) 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")

- On April 27, 1998, the Commission adopted Rule 318A, the Greater Wattenberg Area Special Well Location, Spacing and Unit Designation Rule.
- 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 and Niobrara Formations, with permitted well locations in accordance with the provisions of Order No. 407-1. The Application Lands are subject to this Order for the Codell and Niobrara Formations.
- On January 26, 2016, the Commission entered Order No. 407-1597 which, among other things, pooled all interests in three approximate 320-acre designated horizontal wellbore spacing units established for portions of Sections 5, 6, 7, and 8, Township 6 North, Range 65 West, 6th P.M., and subjected all nonconsenting interests to the cost recovery provisions of §34-60-116(7), C.R.S., for the drilling of the Janssen #1 Well, the Janssen #2 Well, and the Janssen #3 Well, for the development and operation of the Codell and Niobrara Formations. Order No. 407-1597 is wellbore specific and does not affect this Application.

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 8, 2018

Colorado Oil and Gas Conservation Commission
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