

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. 181200911
UNNAMED FIELD, ARAPAHOE COUNTY,)
COLORADO) TYPE: SPACING

CORRECTED NOTICE OF HEARING

TO ALL INTERESTED PARTIES AND TO WHOM IT MAY CONCERN:

APPLICATION LANDS

Township 4 South, Range 65 West, 6th P.M.

Section 17: All
Section 18: All
Section 19: All
Section 20: All
Section 29: All
Section 30: All

APPLICATION

On October 4, 2018, ConocoPhillips Company (Operator No. 19160) and its wholly owned subsidiary Burlington Resources Oil & Gas LP (Operator No. 26580) (together "COPC" or "Applicant"), filed a verified application pursuant to §34-60-116, C.R.S. for an order to:

- 1) Vacate Order No. 535-857, which authorized additional wells in a drilling and spacing unit established for Sections 19 and 20, Township 4 South, Range 65 West, 6th P.M.
- 2) Vacate Order No. 535-889, which pooled additional wells in a drilling and spacing unit established for Sections 19 and 20, Township 4 South, Range 65 West, 6th P.M.
- 3) Establish an approximate 3,840-acre drilling and spacing unit for Sections 17, 18, 19, 20, 29 and 30, Township 4 South, Range 65 West, 6th P.M., and to authorize up to 45 new horizontal wells in the 3,840-acre unit, for production and operation of the Niobrara Formation.
- 4) Provide that Order Nos. 535-510, 535-710 and 535-890 be maintained for purposes of the payment of proceeds from the Eastern Hills #4-65 17-18 2DH (API No. 05-005-07263).
- 5) Provide that Order Nos. 535-686 and 535-776 be maintained for purposes of the payment of proceeds from the Grande 4-65 20-19 #3AH (API No. 05-005-07271).
- 6) Provide that Order Nos. 535-665 and 535-782 be maintained for the payment of proceeds from the and the Rush 4-65 29-30 3AH (API No. 05-005-07265).
- 7) Provide that the Eastern Hills #4-65 17-18 2DH (API No. 05-005-07263), the Grande 4-65 20-19 #3AH (API No. 05-005-07271) and the Rush 4-65 29-30 3AH (API No. 05-

005-07265) be excluded from the proposed 3,840-acre unit and not considered three of the requested 45 new horizontal wells within the unit.

8) Provide that the productive interval of any horizontal well shall be no closer than 460 feet from the boundaries of the unit and not less than 150 feet from the productive interval of another well within the unit, and authorizing up to six well pads in the unit, or adjacent thereto, unless an exception is granted by the Director.

9) Find that the 3,840-acre drilling and spacing unit and the approval of up to 45 horizontal wells within the Application Lands for the development of the Niobrara Formation will prevent waste, protect correlative rights, and maximize the efficient and economic production of the Niobrara Formation in the Application Lands.

10) 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 October 31, 2011, the Commission entered Order No. 535-97 which established 25 approximate 640-acre drilling and spacing units and approved up to two horizontal wells within each unit, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation, with the treated interval of the permitted wellbore to be located no closer than 460 feet from the boundary of the unit and no closer than 920 feet from the treated interval of any other well in the unit producing from the Niobrara Formation.
- On December 12, 2011, the Commission entered Order No. 535-100 which, among other things, granted a well location exception to the requirements of Commission Rule 318.a. for Sections 19 and 29, Township 4 South, Range 65 West, 6th P.M., for the development and production of oil, gas and related hydrocarbons from the Niobrara Formation, and established that: 1) surface locations for each horizontal well may be located anywhere within Sections 19 and 29, Township 4 South, Range 65 West, 6th P.M. or on adjoining lands with appropriate surface owner approval; 2) the lateral of a given horizontal well may enter the Niobrara Formation no closer than 300 feet from the section line; 3) the treated interval within the Niobrara Formation may be located not closer than 460 feet from the section line; and 4) the distance between the treated interval of Niobrara wells within the Application Lands shall not be less than 920 feet, for the production of oil, gas, and other hydrocarbons from the Niobrara Formation.
- On July 28, 2014, the Commission entered Order No. 535-510 which, among other things, 1) vacated two approximate 640-acre drilling and spacing units established by Order No. 535-97 for Sections 17 and 18, Township 4 South, Range 65 West, 6th P.M.; and 2) established an approximate 1,280-acre exploratory drilling and spacing unit for Sections 17 and 18, Township 4 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, and 3) provided that the treated interval of the proposed wellbore shall be located no closer than 460 feet from the unit boundaries, and no closer than 960 feet from the treated interval of any other wellbore producing from the same source of supply within the unit, unless an exception is granted by the Director.

- On May 18, 2015, the Commission entered Order No. 535-665, as corrected, which, among other things, 1) vacated an approximate 640-acre drilling and spacing unit established by Order No. 535-97 for Section 30, Township 4 South, Range 65 West, 6th P.M., for the production of oil, gas and associated hydrocarbons from the Niobrara Formation; 2) vacated Order No. 535-100 as it applies to Section 29, Township 4 South, Range 65 West, 6th P.M.; 3) established an approximate 1,280-acre drilling and spacing unit for Sections 29 and 30, Township 4 South, Range 65 West, 6th P.M.; and 4) approved up to two horizontal wells within the unit, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation; and 4) providing that the treated interval of the wellbores shall be located no closer than 460 feet from the unit boundaries, and no closer than 960 feet from the treated interval of any other wellbore located in the unit, without exception being granted by the Director.
- On July 20, 2015, the Commission entered Order No. 535-686 which, among other things, (1) vacated an approximate 640-acre drilling and spacing unit established by Order No. 535-97 for Section 20, Township 4 South, Range 65 West, 6th P.M. for the production of oil, gas and associated hydrocarbons from the Niobrara Formation, (2) vacated Order No. 535-100 as it applies to Section 19, Township 4 South, Range 65 West, 6th P.M., and (3) established an approximate 1,280-acre drilling and spacing unit for Sections 19 and 20, Township 4 South, Range 65 West, 6th P.M., and approved up to two horizontal wells for the Niobrara Formation, with the productive interval of the wellbore to be located no closer than 460 feet from the unit boundaries, and no closer than 150 feet from the productive interval of any other wellbore located in the unit, without exception being granted by the Director.
- On October 26, 2015, the Commission entered Order No. 535-710 which, among other things, pooled all interests in an approximate 1,280-acre drilling and spacing unit established for portions of Sections 17 and 18, Township 4 South, 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 Eastern Hills 4-65 17-18 1DH Well (API No. 05-005-07244), for the development and operation of the Niobrara Formation.
- On March 20, 2017, the Commission entered Order No. 535-776 which, among other things, pooled all interests in an approximate 1,280-acre drilling and spacing unit established for Sections 19 and 20, Township 4 South, 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 Grande 4-65 20-19 3AH Well (API No. 05-005-07271), for the development and operation of the Niobrara Formation.
- On May 1, 2017, the Commission entered Order No. 535-782 which, among other things, pooled all interests in an approximate 1,280-acre drilling and spacing unit established for Sections 29 and 30, Township 4 South, 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 Rush 4-65 29-30 3AH Well (API No. 05-005-07265), for the development and operation of the Niobrara Formation.
- On September 11, 2017, the Commission entered Order No. 535-857 which, among other things, approved up to five wells in order to efficiently and economically recover the oil, gas and associated hydrocarbons from the Niobrara Formation in an approximate 1,280-acre drilling and spacing unit established by Order No. 535-686 for Sections 19 and 20, Township 4 South, Range 65 West, 6th P.M., providing that the surface locations for the

additional wells shall be located on no more than two pad locations within the unit or adjacent thereto, unless an exception is granted by the Director, and providing that the treated interval of the wellbores shall be located no closer than 460 feet from the unit boundaries and no closer than 150 feet from the treated interval of any other wellbore located in the unit, without exception being granted by the Director.

- On October 30, 2017, the Commission entered Order No. 535-889 which, among other things, amended Order No. 535-776 to pool all interests in four additional wells in an approximate 1,280-acre drilling and spacing unit established for Sections 19 and 20, Township 4 South, Range 65 West, 6th P.M., for the development and operation of the Niobrara Formation, and subjected any non-consenting interests to the cost recovery provisions of §34-60-116(7), C.R.S., effective as of the earlier of the date of the Application, or the date that any of the costs specified in §34-60-116(7)(b), C.R.S., are first incurred for the drilling of the Grande 4-65 20-19 1DH Well (API No. Pending), the Grande 4-65 20-19 1BH Well (API No. Pending), the Grande 4-65 20-19 1CH Well (API No. Pending), and the Grande 4-65 20-19 2AH Well (API No. Pending) in the Niobrara Formation.
- On October 30, 2017, the Commission entered Order No. 535-890 which, among other things, amended Order No. 535-710 to pool all interests in an additional well, the Eastern Hills 4-65 17-18 2DH Well (API No. 05-005-07263), and to reflect a name change for the Eastern Hills 4-65 17-18 3H_D Well (formerly the Eastern Hills 4-65 17-18 1DH) (API No. 05-005-07244) in an approximate 1,280-acre drilling and spacing unit established for Sections 17 and 18, Township 4 South, Range 65 West, 6th P.M., for the development and operation of Niobrara Formation; and subjected any non-consenting interests to the cost recovery provisions of §34-60-116(7), C.R.S., effective as of the earlier of the date of the Application, or the date that any of the costs specified in §34-60-116(7)(b), C.R.S., are first incurred for the drilling of the Eastern Hills 4-65 17-18 2DH Well (API No. 05-005-07263).

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

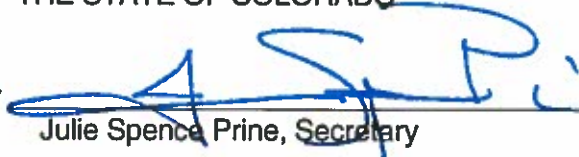
Additional information about the hearing on this Application will be in the Commission's Agenda, which is posted on the Commission website approximately three days before the hearing.

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 13, 2018

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