

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) DOCKET NO. 181200960
FORMATION, WATTENBERG FIELD, ADAMS)
COUNTY, COLORADO) TYPE: SPACING

NOTICE OF HEARING

TO ALL INTERESTED PARTIES AND TO WHOM IT MAY CONCERN:

APPLICATION LANDS

Township 1 South, Range 66 West, 6th P.M.
Section 36: All

Township 2 South, Range 66 West, 6th P.M.
Section 1: All

On October 18, 2018, Extraction Oil & Gas, Inc. (Operator No. 10459) ("Extraction" or "Applicant"), filed a verified application pursuant to §34-60-116, C.R.S., for an order to:

- 1) Modify an approximate 640-acre drilling and spacing unit established by order No. 407-800 for Section 36, Township 1 South, Range 66 West, 6th P.M., to be specific to the State Wells, and to disallow any additional horizontal wells from being drilled pursuant to the unit;
- 2) Establish an approximate 1,280-acre drilling and spacing unit for the Application Lands, and approve up to seven horizontal wells within the unit, with the treated interval of each permitted wellbore within the unit no closer than 150 feet from the treated interval of any other wellbore producing from the same common source of supply, and no closer than 460 feet from the unit boundary, without exception being granted by the Director, for production of oil, gas and associated hydrocarbons from the Niobrara Formation; and
- 3) Require that the wells be drilled from no more than one surface location within the unit and/or at 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.
- On February 19, 1992, amended August 20, 1993, the Commission entered Order No. 407-87, which established 80-acre drilling and spacing units for the production of oil and/or gas from the Niobrara Formation, the Codell Formation, and the Niobrara-Codell Formations underlying certain lands including the Application Lands, with permitted well locations in accordance with the provisions of Order No. 407-1.

- On November 16, 1992, the Commission entered Order No. 407-125, which established 320-acre drilling and spacing units for vertical wells drilled and completed or recompleted in the Dakota, "J" Sand, Codell, Niobrara, Sussex and Shannon Formations, where the production is commingled or dually completed with the Dakota and "J" Sand Formations underlying a Codell-Niobrara Spaced Area.
- On June 17, 2013, the Commission entered Order No. 407-800, which established an approximate 640-acre drilling and spacing unit for Section 36, Township 1 South, Range 66 West, 6th P.M., and approved up to sixteen (16) horizontal wells within the unit to the Niobrara Formation, and four (4) horizontal wells within the unit to the Codell Formation, for the production of oil, gas, and associated hydrocarbons from the Niobrara and Codell Formations, with the treated interval of the wellbore 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 within the unit, without exception being granted by the Director.
- On June 12, 2017, the Commission entered Order No. 407-2075, which pooled all interests in two approximate 560-acre designated horizontal wellbore spacing units established for certain lands, including the NW¼NW¼ of Section 36, Township 1 South, Range 66 West, 6th P.M., and granted cost-recovery pursuant to Section 34-60-116(7)(b)(II), C.R.S., against any non-consenting owners in the Alma 1S-66-2524 19NH Well (API No. 05-001-10020) and the Alma 1S-66-2524 20CDH Well (API No. 05-001-10027), for the development and operation of the Niobrara Formation.
- On June 12, 2017, the Commission entered Order No. 407-2076, which pooled all interests in 16 approximate 560-acre designated horizontal wellbore spacing units established for certain lands, including the NE¼NW¼ and the N½NE¼ of Section 36, Township 1 South, Range 66 West, 6th P.M., and granted cost-recovery pursuant to Section 34-60-116(7)(b)(II), C.R.S., against any non-consenting owners in the Alma 1S-66-2524-3CDH Well (API No. 05-001-10009), Alma 1S-66-2524-4NH Well (API No. 05-001-10011), Alma 1S-66-2524-5NH Well (API No. 05-001-10013), Alma 1S-66-2524-6NH Well (API No. 05-001-10014), Alma 1S-66-2524-7CDH Well (API No. 05-001-10018), Alma 1S-66-2524-8NH Well (API No. 05-001-10026), Alma 1S-66-2524-9NH Well (API No. 05-001-10022), Alma 1S-66-2524-10CDH Well (API No. 05-001-10015), Alma 1S-66-2524-11NH Well (API No. 05-001-10024), Alma 1S-66-2524-12NH Well (API No. 05-001-10021), Alma 1S-66-2524-13NH Well (API No. 05-001-10025), Alma 1S-66-2524-14CDH Well (API No. 05-001-10019), Alma 1S-66-2524-15NH Well (API No. 05-001-10017), Alma 1S-66-2524-16NH Well (API No. 05-001-10028), Alma 1S-66-2524-17CDH Well (API No. 05-001-10016), and the Alma 1S-66-2524-18NH Well (API No. 05-001-10023), for the development and operation of the 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 Prine, Secretary

Dated: November 7, 2018

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