

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. 181200964  
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, 6<sup>th</sup> P.M.  
Section 4: All  
Section 9: All

On October 17, 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 an approximate 1,280-acre drilling and spacing unit established for the Application Lands, for the development and operation of the Niobrara, Fort Hays, Codell, and Carlile Formations, and providing 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 Stampede Fed 8-60 4-9-8 (API No. 05-123-47182) and Stampede Fed 8-60 4-9-9 (API No. 05-123-47188), shall be 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;

2) Providing 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. The Application Lands are subject to this Rule for the Niobrara Formation.
- On March 8, 2011, as of February 22, 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, 6<sup>th</sup> 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 September 23, 2011, as of September 19, 2011, the Commission entered Order No. 535-69, which established 40 approximate 640-acre drilling and spacing units for certain lands in Townships 7, 8, and 9, North, Ranges 58 through 60 West, 6<sup>th</sup> P.M., and approved 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 wellbore for the permitted wells to be no closer than 600 feet from the unit boundaries, without exception being granted by the Director.
- On February 11, 2013, the Commission entered Order No. 535-265, which approved up to six horizontal wells within each of five established approximately 640-acre drilling and spacing units, for the production of oil, gas, and associated hydrocarbons from the Niobrara Formation, with the productive interval to be located no closer than 600 feet from the unit boundaries, and no closer than 600 feet from the treated interval of any other wellbore located within the unit, without exception being granted by the Director.
- On April 5, 2013, as of March 25, 2013, the Commission entered Order No. 535-287, which pooled all interests within five approximate 640-acre drilling and spacing units, for the development and operation of the Niobrara Formation, and subjected all non-consenting owners to the cost recovery provisions under 34-60-116(7), C.R.S., for the drilling of the Hitz 1-9-8-60 Well (API 05-123-36421), the Sievers 20-44-8-61 Well (API 05-123-34346), the Castor 15-41-9-59 Well (API 05-123-34101), the Shull 1-25-9-60 Well (API 05-123-36996), and the Shull 35-11-9-60 Well (API 05-123-34032).
- On February 12, 2018, the Commission entered Order No. 535-940, which vacated Order No. 535-3 as to Section 4 of the Application Lands, vacated Order Nos. 535-69, 535-265, and 535-287 as to Section 9 of the Application Lands, and established an approximate 1,280-acre drilling and spacing unit covering the Application Lands for production of oil, gas and associated hydrocarbons from the Niobrara, Ft. Hays, Codell, and Carlile Formation and authorized up to 20 horizontal wells within the unit with the productive interval of each wellbore to be 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, unless an exception is granted by the Director.
- On September 17, 2018, the Commission entered Order No. 535-1106, which modified an approximate 1,280-acre drilling and spacing unit established by Order No. 535-940 for the Application Lands such to establish well location rules to allow the productive interval of each authorized well within the unit to be located no closer than 300 feet from the unit boundary, but maintain the setback between the productive interval of the authorized wellbores at 150 feet, unless an exception is granted by the Director. 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

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