

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. 181200979
FORMATION, WATTENBERG FIELD, WELD)
COUNTY, COLORADO) TYPE: POOLING
)

NOTICE OF HEARING

TO ALL INTERESTED PARTIES AND TO WHOM IT MAY CONCERN:

APPLICATION LANDS

Township 5 North, Range 64 West, 6th P.M.
Section 29: S $\frac{1}{2}$ NW $\frac{1}{4}$, SW $\frac{1}{4}$ NE $\frac{1}{4}$, N $\frac{1}{2}$ SW $\frac{1}{4}$, NW $\frac{1}{4}$ SE $\frac{1}{4}$
Section 30: S $\frac{1}{2}$ N $\frac{1}{2}$, N $\frac{1}{2}$ S $\frac{1}{2}$

Township 5 North, Range 65 West, 6th P.M.
Section 25: SE $\frac{1}{4}$ NE $\frac{1}{4}$, NE $\frac{1}{4}$ SE $\frac{1}{4}$

On October 18, 2018, PDC Energy, Inc. (Operator No. 69175) ("PDC" or "Applicant"), filed a verified application ("Application") pursuant to §34-60-116, C.R.S., for an order to:

- 1) Pool all interests in an approximate 640-acre designated horizontal wellbore spacing unit, established for the Application Lands, for the development and operation of the Niobrara Formation; and
- 2) Subject any nonconsenting 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., were first incurred for the drilling of the Blanca 5N Well (API No. 05-123-46310) ("Well").

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. Sections 29 and 30, Township 5 North, Range 64 West, 6th P.M., and Section 25, Township 5 North, Range 65 West, 6th P.M., are subject to this Rule for the Niobrara Formation.
- 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-Niobrara Formations, the Codell Formation, and the Niobrara Formation underlying certain lands, including Sections 29 and 30, Township 5 North, Range 64 West, 6th P.M., and Section 25,

Township 5 North, Range 65 West, 6th P.M., with the permitted well locations in accordance with the provisions of Order 407-1.

- On June 11, 2009, the Commission entered Order No. 407-332, which, among other things, pooled all non-consenting interests in an approximate 160-acre wellbore spacing unit for the SW $\frac{1}{4}$ NE $\frac{1}{4}$, NW $\frac{1}{4}$ SE $\frac{1}{4}$, SE $\frac{1}{4}$ NW $\frac{1}{4}$, NE $\frac{1}{4}$ SW $\frac{1}{4}$ of Section 30, Township 5 North, Range 64 West, 6th P.M., for the Conagra B #30-21 Well (API No. 05-123-28037); an approximate 160-acre wellbore spacing unit for the S $\frac{1}{2}$ NE $\frac{1}{4}$, N $\frac{1}{2}$ SE $\frac{1}{4}$ of Section 30, Township 5 North, Range 64 West, 6th P.M., for the Conagra B #30-22 Well (API No. 05-123-28032); and an approximate 160-acre wellbore spacing unit for the E $\frac{1}{2}$ SW $\frac{1}{4}$, W $\frac{1}{2}$ SE $\frac{1}{4}$ of Section 30, Township 5 North, Range 64 West, 6th P.M., for the Conagra B #30-24 Well (API No. 05-123-28030) from the Codell and Niobrara Formations. Order No. 407-332 is not affected by this Application, and proceeds from any shared lands will be accounted for in the production of the Well.
- On July 14, 2009, the Commission entered Order No. 407-334, which, among other things, pooled all non-consenting interests in an approximate 160-acre wellbore spacing unit for the W $\frac{1}{2}$ NW $\frac{1}{4}$ of Section 30, Township 5 North, Range 64 West, 6th P.M., and the E $\frac{1}{2}$ NE $\frac{1}{4}$ of Section 25, Township 5 North, Range 65 West, 6th P.M., for the Conagra B #30-31D Well (API No. 05-123-26997) from the Codell and Niobrara Formations. Order No. 407-334 is not affected by this Application, and proceeds from any shared lands will be accounted for in the production of the Well.
- On August 18, 2009, the Commission entered Order No. 407-335, which, among other things, pooled all non-consenting interests in an approximate 160-acre wellbore spacing unit for the SW $\frac{1}{4}$ NW $\frac{1}{4}$, NW $\frac{1}{4}$ SW $\frac{1}{4}$ of Section 30, Township 5 North, Range 64 West, 6th P.M., and the SE $\frac{1}{4}$ NE $\frac{1}{4}$, NE $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 25, Township 5 North, Range 65 West, 6th P.M., for the Conagra B #30-32D Well (API No. 05-321-26996), and an approximate 160-acre wellbore spacing unit for the W $\frac{1}{2}$ SW $\frac{1}{4}$ of Section 30, Township 5 North, Range 64 West, 6th P.M., and the E $\frac{1}{2}$ SE $\frac{1}{4}$ of Section 25, Township 5 North, Range 65 West, 6th P.M., for the Conagra B #30-33D Well (API No. 05-123-28063) from the Codell and Niobrara Formations. Order No. 407-335 is not affected by this Application, and proceeds from any shared lands will be accounted for in the production of the Well.
- On March 17, 2014, the Commission entered Order No. 407-986, which, among other things, pooled all non-consenting interests in an approximate 320-acre wellbore spacing unit for the N $\frac{1}{2}$ of Section 25, Township 5 North, Range 65 West, 6th P.M., for the LaSalle 25F-332 Well (API No. 05-123-37340), from the Niobrara Formation. Order No. 407-986 is not affected by this Application, and proceeds from any shared lands will be accounted for in the production of the Well.
- On December 11, 2017, the Commission entered Order No. 407-2259, which, among other things, pooled all non-consenting interests in an approximate 640-acre wellbore spacing unit for the S $\frac{1}{2}$ N $\frac{1}{2}$, N $\frac{1}{2}$ S $\frac{1}{2}$ of Section 25, and the NE $\frac{1}{4}$ SW $\frac{1}{4}$, SE $\frac{1}{4}$ NW $\frac{1}{4}$, N $\frac{1}{2}$ SE $\frac{1}{4}$, S $\frac{1}{2}$ NE $\frac{1}{4}$ of Section 26, Township 5 North, Range 65 West, 6th P.M., and the SW $\frac{1}{4}$ NW $\frac{1}{4}$, NW $\frac{1}{4}$ SW $\frac{1}{4}$ of Section 30, Township 5 North, Range 64 West, 6th P.M., for the Bunting 26O-102 Well (API No. 05-123-44083), from the Niobrara Formation. Order No. 407-2259 is not affected by this Application, and proceeds from any shared lands will be accounted for in the production of the Well.

- Also on December 11, 2017, the Commission entered Order No. 407-2260, which, among other things, pooled all non-consenting interests in an approximate 640-acre wellbore spacing unit for the S $\frac{1}{2}$ N $\frac{1}{2}$, N $\frac{1}{2}$ S $\frac{1}{2}$ of Section 25, and the NE $\frac{1}{4}$ SW $\frac{1}{4}$, SE $\frac{1}{4}$ NW $\frac{1}{4}$, N $\frac{1}{2}$ SE $\frac{1}{4}$, S $\frac{1}{2}$ NE $\frac{1}{4}$ of Section 26, Township 5 North, Range 65 West, 6th P.M., and the SW $\frac{1}{4}$ NW $\frac{1}{4}$, NW $\frac{1}{4}$ SW $\frac{1}{4}$ of Section 30, Township 5 North, Range 64 West, 6th P.M., for the Bunting 26O-212 Well (API No. 05-123-45701), from the Niobrara Formation. Order No. 407-2260 is not affected by this Application, and proceeds from any shared lands will be accounted for in the production of the Well.
- Also on December 11, 2017, the Commission entered Order No. 407-2261, which, among other things, pooled all non-consenting interests in an approximate 640-acre wellbore spacing unit for the S $\frac{1}{2}$ N $\frac{1}{2}$, N $\frac{1}{2}$ S $\frac{1}{2}$ of Section 25, and the NE $\frac{1}{4}$ SW $\frac{1}{4}$, SE $\frac{1}{4}$ NW $\frac{1}{4}$, N $\frac{1}{2}$ SE $\frac{1}{4}$, S $\frac{1}{2}$ NE $\frac{1}{4}$ of Section 26, Township 5 North, Range 65 West, 6th P.M., and the SW $\frac{1}{4}$ NW $\frac{1}{4}$, NW $\frac{1}{4}$ SW $\frac{1}{4}$ of Section 30, Township 5 North, Range 64 West, 6th P.M., for the Bunting 26O-332 Well (API No. 05-123-44091), from the Niobrara Formation. Order No. 407-2261 is not affected by this Application, and proceeds from any shared lands will be accounted for in the production of the Well.
- Also on December 11, 2017, the Commission entered Order No. 407-2262, which, among other things, pooled all non-consenting interests in an approximate 320-acre wellbore spacing unit for the N $\frac{1}{2}$ S $\frac{1}{2}$ of Section 25 and the NE $\frac{1}{4}$ SW $\frac{1}{4}$, N $\frac{1}{2}$ SE $\frac{1}{4}$ of Section 26, Township 5 North, Range 65 West, 6th P.M., and the NW $\frac{1}{4}$ SW $\frac{1}{4}$ of Section 30, Township 5 North, Range 64 West, 6th P.M., for the Bunting 26O-232 Well (API No. 05-123-44084), from the Niobrara Formation. Order No. 407-2262 is not affected by this Application, and proceeds from any shared lands will be accounted for in the production of the Well.
- Also on December 11, 2017, the Commission entered Order No. 407-2263, which, among other things, pooled all non-consenting interests in an approximate 640-acre wellbore spacing unit for the S $\frac{1}{2}$ of Section 25 and the SE $\frac{1}{4}$, E $\frac{1}{2}$ SW $\frac{1}{4}$ of Section 26, Township 5 North, Range 65 West, 6th P.M., and the W $\frac{1}{2}$ SW $\frac{1}{4}$ of Section 30, Township 5 North, Range 64 West, 6th P.M., for the Bunting 26P-212 Well (API No. 05-123-44092), from the Niobrara Formation. Order No. 407-2263 is not affected by this Application, and proceeds from any shared lands will be accounted for in the production of the Well.
- Also on December 11, 2017, the Commission entered Order No. 407-2264, which, among other things, pooled all non-consenting interests in an approximate 640-acre wellbore spacing unit for the S $\frac{1}{2}$ of Section 25 and the SE $\frac{1}{4}$, E $\frac{1}{2}$ SW $\frac{1}{4}$ of Section 26, Township 5 North, Range 65 West, 6th P.M., and the W $\frac{1}{2}$ SW $\frac{1}{4}$ of Section 30, Township 5 North, Range 64 West, 6th P.M., for the Bunting 26P-232 Well (API No. 05-123-44089), from the Niobrara Formation. Order No. 407-2264 is not affected by this Application, and proceeds from any shared lands will be accounted for in the production of the Well.
- Also on December 11, 2017, the Commission entered Order No. 407-2269, which, among other things, pooled all non-consenting interests in an approximate 640-acre wellbore spacing unit for the S $\frac{1}{2}$ of Section 25 and the SE $\frac{1}{4}$, E $\frac{1}{2}$ SW $\frac{1}{4}$ of Section 26, Township 5 North, Range 65 West, 6th P.M., and the W $\frac{1}{2}$ SW $\frac{1}{4}$ of Section 30, Township 5 North, Range 64 West, 6th P.M., for the Bunting 26P-302 Well (API No. 05-123-44086), from the Niobrara Formation. Order No. 407-2269 is not affected by this Application, and proceeds from any shared lands will be accounted for in the production of the Well.

- Also on December 11, 2017, the Commission entered Order No. 407-2270, which, among other things, pooled all non-consenting interests in an approximate 640-acre wellbore spacing unit for the S½ of Section 25 and the SE¼, E½SW¼ of Section 26, Township 5 North, Range 65 West, 6th P.M., and the W½SW¼ of Section 30, Township 5 North, Range 64 West, 6th P.M., for the Bunting 26P-312 Well (API No. 05-123-44088), from the Niobrara Formation. Order No. 407-2270 is not affected by this Application, and proceeds from any shared lands will be accounted for in the production of the Well.

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: October 31, 2018

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

Attorneys for Applicant:
Michael T. Jewell
Courtney M. Shephard
Burns, Figa & Will, P.C.
6400 S. Fiddlers Green Cir. - Suite 1000
Greenwood Village, Colorado 80111
Phone: (303) 796-2626
mjewell@bflaw.com
cshephard@bflaw.com