

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. 190100010
FORMATIONS, WATTENBERG FIELD, WELD)
COUNTY, COLORADO) TYPE: SPACING

NOTICE OF HEARING

TO ALL INTERESTED PARTIES AND TO WHOM IT MAY CONCERN:

APPLICATION LANDS

Township 5 North, Range 65 West, 6th P.M.
Section 31: All
Section 32: All

APPLICATION

On November 5, 2018, PDC Energy, Inc. (Operator No. 69175) ("PDC" or "Applicant"), filed a verified application pursuant to §34-60-116, C.R.S. for an order to:

- 1) Vacate Order Nos. 407-316, 407-326, and 407-327;
- 2) Establish an approximate 1,280-acre drilling and spacing unit for the Application Lands and approve up to 17 horizontal wells in the proposed unit, for production of oil, gas, and associated hydrocarbons from the Niobrara and Codell Formations, with the productive interval of any horizontal well permitted under this Application located no less than 150 feet from the east and west unit boundaries, no less than 460 feet from the north and south unit boundaries, and no less than 150 feet from the productive interval of any wellbore within the same unit, unless an exception is granted by the Director;
- 3) Require that the wells be drilled from no more than two surface locations within the unit or on adjacent lands, unless an exception is granted by the Director;
- 4) Provide that any permitted wells shall be drilled in an east-west orientation or a west-east orientation.

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 31 and 32 of Township 5 North, Range 65 West, 6th P.M., are subject to this rule for the Niobrara and Codell Formations.
- 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 31 and 32 of Township 5 North, Range 65 West, 6th P.M., with the permitted well locations in accordance with the provisions of Order 407-1.

- On September 22, 2008, the Commission entered Order No. 407-316, which, among other things, established an approximate 80-acre drilling and spacing unit consisting of the E $\frac{1}{2}$ SW $\frac{1}{4}$ of Section 31, Township 5 North, Range 65 West, 6th P.M., for the production of oil and associated hydrocarbons from the Sussex, Codell, "J" Sand, and Dakota Formations, and pooled all nonconsenting interests within the approximate 80-acre drilling and spacing unit.
- Also on September 22, 2008, the Commission entered Order No. 407-317, which, among other things, established an approximate 160-acre wellbore spacing unit for an unspecified well consisting of the E $\frac{1}{2}$ SW $\frac{1}{4}$ and the W $\frac{1}{2}$ SE $\frac{1}{4}$ of Section 31, Township 5 North, Range 65 West, 6th P.M., for the production of oil and associated hydrocarbons from the Sussex, Codell, Niobrara, "J" Sand, and Dakota Formations, and pooled all nonconsenting interests within the approximate 160-acre wellbore spacing unit. PDC excludes from this Application any well drilled under Order No. 407-317 and asserts that the production and payments from any well drilled under Order No. 407-317 should be maintained under the authority of Order No. 407-317 and other applicable Commission orders and rules.
- Also on September 22, 2008, the Commission entered Order No. 407-318, which, among other things, established an approximate 160-acre wellbore spacing unit for an unspecified well consisting of the N $\frac{1}{2}$ NE $\frac{1}{4}$ of Section 6, Township 4 North, Range 65 West, 6th P.M., and S $\frac{1}{2}$ SE $\frac{1}{4}$ of Section 31, Township 5 North, Range 65 West, 6th P.M., for the production of oil and associated hydrocarbons from the Sussex, Codell, Niobrara, "J" Sand, and Dakota Formations, and pooled all nonconsenting interests within the approximate 160-acre wellbore spacing unit. PDC excludes from this Application any well drilled under Order No. 407-318 and asserts that the production and payments from any well drilled under Order No. 407-318 should be maintained under the authority of Order No. 407-318 and other applicable Commission orders and rules.
- Also on September 22, 2008, the Commission entered Order No. 407-321, which, among other things, established an approximate 160-acre wellbore spacing unit for an unspecified well consisting of the N $\frac{1}{2}$ NW $\frac{1}{4}$ of Section 6, Township 4 North, Range 65 West, 6th P.M., and the S $\frac{1}{2}$ SW $\frac{1}{4}$ of Section 31, Township 5 North, Range 65 West, 6th P.M., for the production of oil and associated hydrocarbons from the Sussex, Codell, Niobrara, "J" Sand, and Dakota Formations, and pooled all nonconsenting interests within the approximate 160-acre wellbore spacing unit. PDC excludes from this Application any well drilled under Order No. 407-321 and asserts that the production and payments from any well drilled under Order No. 407-321 should be maintained under the authority of Order No. 407-321 and other applicable Commission orders and rules.
- Also on September 22, 2008, the Commission entered Order No. 407-323, which, among other things, established an approximate 160-acre wellbore spacing unit for an unspecified well consisting of the NW $\frac{1}{4}$ NE $\frac{1}{4}$ and the NE $\frac{1}{4}$ NW $\frac{1}{4}$ of Section 6, Township 4 North, Range 65 West, 6th P.M., and the SE $\frac{1}{4}$ SW $\frac{1}{4}$ and the SW $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 31, Township 5 North, Range 65 West, 6th P.M., for the production of oil and associated hydrocarbons from the Sussex, Codell, Niobrara, "J" Sand, and Dakota

Formations, and pooled all nonconsenting interests within the approximate 160-acre wellbore spacing unit. PDC excludes from this Application any well drilled under Order No. 407-323 and asserts that the production and payments from any well drilled under Order No. 407-323 should be maintained under the authority of Order No. 407-323 and other applicable Commission orders and rules.

- Also on September 22, 2008, the Commission entered Order No. 407-325, which, among other things, established an approximate 160-acre wellbore spacing unit for an unspecified well consisting of the S $\frac{1}{2}$ NE $\frac{1}{4}$ and the N $\frac{1}{2}$ SE $\frac{1}{4}$ of Section 31, Township 5 North, Range 65 West, 6th P.M., for the production of oil and associated hydrocarbons from the Sussex, Codell, Niobrara, "J" Sand, and Dakota Formations, and pooled all nonconsenting interests within the approximate 160-acre wellbore spacing unit. PDC excludes from this Application any well drilled under Order No. 407-325 and asserts that the production and payments from any well drilled under Order No. 407-325 should be maintained under the authority of Order No. 407-325 and other applicable Commission orders and rules.
- Also on September 22, 2008, the Commission entered Order No. 407-326, which, among other things, established an approximate 160-acre drilling and spacing unit consisting of the SE $\frac{1}{4}$ of Section 31, Township 5 North, Range 65 West, 6th P.M., for the production of oil and associated hydrocarbons from the Sussex, Codell, Niobrara, "J" Sand, and Dakota Formations, and pooled all nonconsenting interests within the approximate 160-acre drilling and spacing unit.
- Also on September 22, 2008, the Commission entered Order No. 407-327, which, among other things, established an approximate 160-acre drilling and spacing unit consisting of the SW $\frac{1}{4}$ of Section 31, Township 5 North, Range 65 West, 6th P.M., for the production of oil and associated hydrocarbons from the Sussex, Codell, Niobrara, "J" Sand, and Dakota Formations, and pooled all nonconsenting interests within the approximate 160-acre drilling and spacing unit.
- Also on September 22, 2008, the Commission entered Order No. 407-328, which, among other things, established an approximate 160-acre wellbore spacing unit for an unspecified well consisting of the SW $\frac{1}{4}$ NE $\frac{1}{4}$, SE $\frac{1}{4}$ NW $\frac{1}{4}$, NE $\frac{1}{4}$ SW $\frac{1}{4}$, and the NW $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 31, Township 5 North, Range 65 West, 6th P.M., for the production of oil and associated hydrocarbons from the Sussex, Codell, Niobrara, "J" Sand, and Dakota Formations, and pooled all nonconsenting interests within the approximate 160-acre wellbore spacing unit. PDC excludes from this Application any well drilled under Order No. 407-328 and asserts that the production and payments from any well drilled under Order No. 407-328 should be maintained under the authority of Order No. 407-328 and other applicable Commission orders and rules.

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: January 28-29, 2019

Time: 9:00 a.m.

Place: Colorado Oil and Gas Conservation Commission

The Chancery Building
1120 Lincoln Street, Suite 801
Denver, Colorado 80203

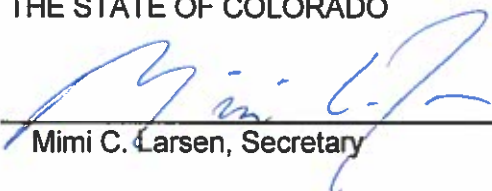
Additional information about the hearing on this Application will be in the Commission's Agenda, which is posted on the Commission website approximately three days before the hearing.

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 January 14, 2019.** Please see Commission Rule 509 at: <http://cogcc.state.co.us>, under "Regulation," then select "Rules". Please note that, under Commission Rule 506.c., the deadline for protests and interventions will not be continued even if the hearing is continued beyond the date that is stated above. Protests and interventions must be sent to the Applicant at the below address, and must be sent to the Commission via email to: dnr_hearingapplications@state.co.us. **Anyone who files a protest or intervention must be able to participate in a prehearing conference during the week of January 14, 2019, 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


Mimi C. Larsen, Secretary

Dated: December 20, 2018

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