

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. 190100019
CODELL, AND CARLILE FORMATIONS, UNNAMED	)	
FIELD, WELD COUNTY, COLORADO	)	TYPE: SPACING

NOTICE OF HEARING

TO ALL INTERESTED PARTIES AND TO WHOM IT MAY CONCERN:

APPLICATION LANDS

Township 7 North, Range 60 West, 6<sup>th</sup> P.M.  
Section 3: All

APPLICATION

On November 19, 2018, Verdad Resources, LLC (Operator No. 10651) ("Verdad" 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 for the Application Lands to include the Fort Hays, Codell, and Carlile Formations, and to approve a total of sixteen horizontal wells within the unit, with well location rules such that the treated interval of each wellbore within the unit shall be located no closer than 300 feet from the unit boundaries, and no closer than 150 feet from the productive interval of any other wellbore located within the unit, unless an exception is granted by the Director; and
- 2) Require that the wells be drilled and operated from three (3) surface locations within the unit or from legal locations 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")

- 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.
- On July 12, 2011, the Commission entered Order No. 535-41 which established nine approximate 640-acre drilling and spacing units for certain lands in Township 7 North, Range 60 West, 6<sup>th</sup> P.M., 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 wellbores located no closer than 600 feet from the unit boundaries without exception being granted by the Director.
- On September 23, 2011, the Commission entered Order No. 535-79, which pooled all interests in an approximate 640-acre drilling and spacing unit for Section 3, Township

7 North, Range 60 West, 6th P.M., and approved cost-recovery pursuant to Section 34-60-116(7), C.R.S., against any nonconsenting interests in the first horizontal well within the unit, for the production of oil, gas, and associated hydrocarbons from the Niobrara Formation.

- On November 15, 2012, the Commission entered Order No. 535-216, which approved up to four horizontal wells within an approximate 640-acre drilling and spacing unit for Section 3, Township 7 North, Range 60 West, 6th P.M., for the production of oil, gas and associated hydrocarbons from the Niobrara Formation, with the treated interval of the horizontal wellbore 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 in the unit, without exception being granted by the Director.
- On April 5, 2013, the Commission entered Order No. 535-291, which approved up to a total of six horizontal wells within an approximate 640-acre drilling and spacing unit for Section 3, Township 7 North, Range 60 West, 6th P.M., for the production of oil, gas and associated hydrocarbons from the Niobrara Formation, with the treated interval of the horizontal wellbore 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 in the unit, without exception being granted by the Director.

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.

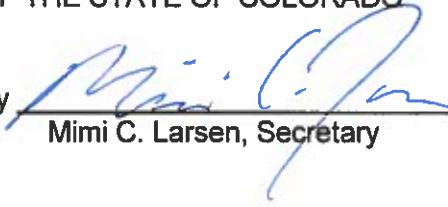
In accordance with the Americans with Disabilities Act, if any party requires special accommodations as a result of a disability for this hearing, please contact Margaret Humecki at (303) 894-2100 ext. 5139, prior to the hearing and arrangements will be made.

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](mailto: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 19, 2018

Colorado Oil and Gas Conservation Commission  
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