

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 CODELL-NIOBRARA) DOCKET NO. 190100090
FORMATION, WATTENBERG FIELD, WELD)
COUNTY, COLORADO) TYPE: POOLING

NOTICE OF HEARING

TO ALL INTERESTED PARTIES AND TO WHOM IT MAY CONCERN:

APPLICATION LANDS

Township 7 North, Range 67 West, 6th P.M.

Section 15: All

Section 16: All

Section 21: All

Section 22: All

APPLICATION

On November 21, 2018 (amended December 20, 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) Pooling all interests in the approximate 2,560-acre drilling and spacing unit established for the Application Lands, for development and operation of the Codell-Niobrara Formation, and authorizing the recovery of costs and statutory risk penalties from nonconsenting owners for the drilling, completion and operation of the Well (described below).

2) 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 certain authorized wells, for production of oil, gas and associated hydrocarbons from both Codell-Niobrara Formation, having been pooled by operation of statute, pursuant to §34-60-116(6) & (7), C.R.S., are made subject to cost recovery and risk penalties provided therein.

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. which, among other things, allowed certain drilling locations to be utilized to drill or twin a well, deepen a well or recomplete a well and to commingle any or all Cretaceous Age Formations from the base of the Dakota Formation to the surface. Rule 318A. supersedes all prior Commission drilling and spacing orders affecting well location and density requirements of Greater Wattenberg Area ("GWA") wells. On December 5, 2005, Rule 318A. was amended, among other things, to allow interior infill and boundary wells to be drilled and wellbore spacing units to be established. On August 8, 2011, Rule 318A. was again amended, among other things, to address drilling of horizontal wells. The Application Lands are subject to Rule 318A. for the Codell-Niobrara Formation.

- On July 20, 2015, the Commission issued Order No. 407-1355 which, among other things, pooled all interests in two approximate 560-acre horizontal wellbore spacing units established for certain portions of Sections 21, 22, 27 and 28, Township 7 North, Range 67 West, 6th P.M., including the S½ SW¼ and SW¼ SE¼ of said Section 22, for development and operation of the Codell and Niobrara Formations, and authorizing the recovery of costs and statutory risk penalties for the drilling of Nelson Farms 1 well (API No. 05-123-39961) and Nelson Farms 2 well (API No. 05-123-39954).
- On July 24, 2017, the Commission issued Order No. 407-2127 which, among other things, established an approximate 2,560-acre drilling and spacing unit for the Application Lands, with authority to drill 44 horizontal wells within the unit, for production of oil, gas and associated hydrocarbons from the Codell-Niobrara Formation.
- Acting under authority granted by Order No. 407-2127, Applicant drilled and completed the Walt 16E-20-9C well, API #05-123-45243 ("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: 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

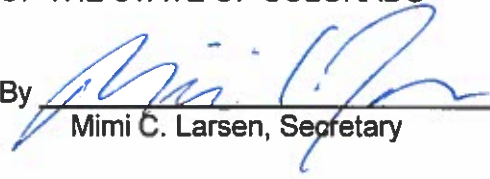
Additional information about the hearing on this Application will be in the Commission's Agenda, which is posted on the Commission website approximately three days before the hearing.

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 24, 2018

Colorado Oil and Gas Conservation Commission
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