### September 16, 2013

The Oil and Gas Conservation Commission ("COGCC") met on September 16, 2013, at the offices of the COGCC, 1120 Lincoln Street, Suite 801, Denver, Colorado 80203.

#### Monday, September 16, 2013 - Roll Call of Commissioners:

Present:

Tom Compton	Chairman
Perry Pearce	Vice-Chairman
Mike King	Commissioner
John Benton	Commissioner
Deann Craig	Commissioner
Richard D. Alward	Commissioner
Matt Lepore	Director
Jake Matter	Assistant Attorney General
Robert J. Frick	Hearings Manager

Absent:

Andrew Spielman Tommy Holton CDPHE Director Commissioner Commissioner Commissioner (Vacant)

#### Approval of Proceedings:

Commissioner Benton made a Motion to Approve the minutes from the July 29, 2013 hearing. The Motion was seconded by Commissioner Pearce and approved unanimously.

#### DNR Executive Director's Report:

DNR Director King was absent due to the historical flooding in Colorado.

#### Director's Report:

- 1) Tisha Shuller COGA briefed the Commission on Industry flood response activity.
- 2) Stan Dempsey Colorado Petroleum Assoc. (CPA) was present. The Director asked for him to coordinate with the COGCC.
- 3) The COGCC was tracking information and serving as a central repository and information clearinghouse for oil and gas facilities impacted by flooding.
- 4) The COGCC was creating a map with the GIS system to coordinate flood response.
- 5) Staff Activities, COGCC and CDPHE participated in public speaking training. Seven COGCC staff members participated in the 2 day training by Baker Communications.
- 6) COGCC Enforcement staff will participate in Process Improvement Training "Lean" to review the NOAV process.
- 7) 11 of 19 FTE's have been hired. The COGCC has hired 4 of 11 inspectors.
- 8) Margaret Ash, COGCC Environmental Manager noted staff participated in the "Top Corps" training program for oil and gas regulators, including an Inspection Certificate Update, a tour and talk about daily Inspector Activities, Horizontal Drilling and Hydraulic Stimulation. The training included online national testing certification.

- 9) Kevin King briefed the Commission with a summary of the Debuque Waterflow Environment Reclamation Project. A water flow was discovered in a pasture on the Northwest edge of the town DeBeque and was reported to COGCC on July 9, 2013. Initial investigations show that this flow is likely associated with historical drilling activity in this area from the early 1900's. COGCC contractor and staff excavated a small area around the flow, found an old wellhead, and stopped the flow by installing a new cap and valve. This water flow has been added to the PRAW program and COGCC plans to return to the site to reenter and properly plug and abandon the well.
- 10) COGCC Deputy Director Thom Kerr briefed the Commission on the monthly statistics report. The Director announced Thom Kerr would be retiring from the COGCC staff in December. Thom joined the COGCC in 1990.

Commissioner Compton requested Thom define the technical term for "spud". Thom Kerr stated it was when the bit hits the ground to drill the well, when the hole cannot be backfilled because surface casing was set and would require actual plugging of the well.

DNR Director Mike King arrived to the hearing and briefed the Commission on Flooding current oil and gas impacts. The flood response included the National Response Center (NRC), CDPHE and the EPA.

Tisha Shuller, COGA, briefed the Commission on the following response activity:

- 1) When flooding began, wells began being shut in
- 2) Incident Command Center opened
- 3) Active Monitoring
- 4) No reports of incidents outside of the front range
- 5) All affected wells are shut in
- 6) 2 empty tanks were known to be floating (confirmed)
- 7) Some tanks were dislodged from anchors
- 8) All facilities that are accessible have been or will be visited
- 9) Continuous / Remote monitoring
- 10) Aerial Surveys
- 11) Midstream facilities visited
- 12) Responding to all calls
- 13) Address social media pictures when they can be identified
- 14) Flood response is top priority
- 15) Noble Energy provided \$500,000 to the Red Cross
- 16) Tisha Schuller, noted COGA met the flood response with a \$1,000,000 challenge to Operators

DNR Director King noted he would have to leave and that DNR Deputy Director Bob Randall would sit in his place. COGCC Director Lepore noted the DNR Deputy Director had statutory authority to sit in DNR Director King's place and to participate in voting in his absence, maintaining a quorum.

Larry Wolf, the new CDPHE Director began his first day and would be joining the Commission.

#### **Commissioner Comments:**

There were no Commissioner Comments

#### Public Comments:

There were no public Comments

#### Consent Agenda

With 35 matters listed for the Consent Agenda, Chairman Compton suggested that the Commission consider the matters in five groups, as organized by Staff.

COGCC Docket Nos. 1307-AW-39 and 1307-AW-40 (Great Western) were pulled from the Consent Agenda to be addressed later.

#### Group A

Chairman Compton asked if any Commissioners had a conflict of interest or recusals with any of the items within Group A of the Consent Agenda. No conflicts were reported.

Commissioner Pierce moved for the approval of Group A, with the exception of COGCC Docket Nos. 1307-AW-39 and 1307-AW-40 (Great Western), as recommended by Staff, as follows:

<b>Docke</b>	t No. 1307-UP-135, Unnamed Field, Chevenne County
Staff:	Jill Dorancy, Hearing Officer

Applicant:	Vecta Oil & Gas, Ltd.
Attorneys:	David Little

Subject: Request for an order to: 1) establish an approximate 160-acre drilling and spacing unit consisting of certain lands in Section 32, Township 12 South, Range 47 West, 6th P.M., and approve one vertical well within the unit, for the production of oil, gas and associated hydrocarbons from all Pre-Permian Formations and 2) to pool all interests within the proposed unit, for the development and operation of said Formations.

Docket No. 1307-UP-149, Smokey Hill Field, Kit Carson County Staff: Roger Allbrandt, Hearing Officer

Applicant:John C. NiernbergerAttorneys:Scott M. Campbell & Jeremy I. Ferrin

Subject: Request for an order to establish an approximate 160-acre enhanced recovery unit ("Lowe #1-B Unit"), to accommodate the Lowe 1-B Well (API No. 05-063-06186), and approve enhanced recovery operations for certain lands in Section 14, Township 11 South, Range 46 West, 6th P.M., for the development and operation of the Morrow and Keyes Formations.

Docket No. 1307-UP-163, Wattenberg Field, Weld County Staff: Roger Allbrandt, Hearing Officer

Applicant:Kerr-McGee Oil & Gas Onshore LPAttorneys:Jamie L. Jost & Elizabeth Y. Gallaway

Subject: Request for an order to pool all interests in four approximate 360 to 720acre designated wellbore spacing units established for certain lands in Sections 7, 18 and 19, Township 3 North, Range 66 West, 6th P.M., for the development and operation of the Niobrara Formation.

Docket No. 1307-UP-164, Wattenberg Field, Weld County Staff: Roger Allbrandt, Hearing Officer

Applicant:Kerr-McGee Oil & Gas Onshore LPAttorneys:Jamie L. Jost & Elizabeth Y. Gallaway

Subject: Request for an order to pool all interests in seven approximate 240 to 480--acre designated wellbore spacing units established for certain lands in Sections 7, 12, 13, and 18, Township 3 North, Range 66 and 67 West, 6th P.M., for the development and operation of the Codell and Niobrara Formations.

Docket No. 1307-UP-165, Unnamed Field, Weld County Staff: Jill Dorancy, Hearing Officer

Applicant:Dakota Exploration, LLCAttorneys:Jamie L. Jost & Gregory J. Nibert Jr

Subject: Request for an order to pool all interests in an approximate 640-acre drilling and spacing unit established for Section 11, Township 11 North, Range 59 West, 6th P.M., for the development and operation of the Niobrara Formation.

Protested by: Whiting Oil and Gas Corporation (Withdrawn) Attorneys: Stephen J. Sullivan & Chelsey J. Russell

Docket No. 1307-UP-166, Unnamed Field, Weld County Staff: Jill Dorancy, Hearing Officer

Applicant:Dakota Exploration, LLCAttorneys:Jamie L. Jost & Gregory J. Nibert Jr.

Subject: Request for an order to pool all interests in an approximate 960-acre drilling and spacing unit established for certain lands in Sections 9 and 16, Township 11 North, Range 58 West, 6th P.M., for the development and operation of the Niobrara Formation.

Protested by: Whiting Oil and Gas Corporation (Withdrawn) Attorneys: Stephen J. Sullivan & Chelsey J. Russell

Docket No. 1307-UP-167, Unnamed Field, Weld County Staff: Jill Dorancy, Hearing Officer

Applicant:Dakota Exploration, LLCAttorneys:Jamie L. Jost & Gregory J. Nibert Jr.

Subject: Request for an order to pool all interests in an approximate 960-acre drilling and spacing unit established for certain lands in Sections 10 and 15, Township

11 North, Range 58 West, 6th P.M., for the development and operation of the Niobrara Formation.

Protested by: Whiting Oil and Gas Corporation (Withdrawn) Attorneys: Stephen J. Sullivan & Chelsey J. Russell

Docket No. 1307-UP-168, Unnamed Field, Weld County Staff: Jill Dorancy, Hearing Officer

Applicant:Dakota Exploration, LLCAttorneys:Jamie L. Jost & Gregory J. Nibert Jr.

Subject: Request for an order to pool all interests in an approximate 640-acre drilling and spacing unit established for Section 2, Township 11 North, Range 59 West, 6th P.M., for the development and operation of the Niobrara Formation.

The motion was seconded by Commissioner Craig and approved unanimously, with Commissioner Pierce abstaining from consideration and voting.

### Group B

Chairman Compton asked if any Commissioners had a conflict of interest or recusals with any of the items within Group B of the Consent Agenda. No conflicts were reported.

Commissioner Benton moved for the approval of Group B, as recommended by Staff, as follows:

Docket No. 1309-AW-55, Mamm Creek & Grand Valley Fields, Garfield CountyApplicant:Ursa Operating Company LLCAttorneys:Gregory J. Nibert Jr.

Subject: Request for an order to approve one additional horizontal well, for a total of up to two horizontal wells within an approximate 640-acre drilling and spacing unit established for certain lands in Sections 11 and 14, Township 6 South, Range 92 West, 6th P.M., for the production of oil, gas and associated hydrocarbons from the Williams Fork Formation.

Docket No. 1309-UP-179, Wattenberg Field, Weld CountyApplicant:Noble Energy Inc.Attorneys:Jamie L. Jost & Gregory J. Nibert Jr.

Subject: Request for an order to pool all interests in an approximate 160-acre designated wellbore spacing unit established for certain lands in Section 8, Township 1 North, Range 65 West, 6th P.M., for the development and operation of the Niobrara Formation.

Docket No. 1309-UP-180, Wattenberg Field, Weld CountyApplicant:Noble Energy Inc.Attorneys:Jamie L. Jost & Gregory J. Nibert Jr.

Subject: Request for an order to affirm Order No. 407-765, pooling all interests, including previously unnoticed interests, in an approximate 640-acre designated wellbore spacing unit established for the certain lands in Sections 9, 10, 15 and 16, Township 6 North, Range 63 West, 6th P.M., for the development and operation of the Niobrara Formation.

Docket No. 1309-UP-181, Wattenberg Field, Weld CountyApplicant:Kerr-McGee Oil & Gas Onshore LPAttorneys:Jamie L. Jost & Gregory J. Nibert Jr.

Subject: Request for an order to pool all interests in five approximate 240 to 480acre designated wellbore spacing units established for certain lands in Sections 20, 21, 28 and 29, Township 1 North, Range 67 West, 6th P.M., for the development and operation of the Codell and Niobrara Formations.

Docket No. 1309-UP-182, Wattenberg Field, Weld CountyApplicant:Noble Energy Inc.Attorneys:Jamie L. Jost & Gregory J. Nibert Jr.

Subject: Request for an order to pool all interests in an approximate 480-acre designated wellbore spacing unit established for certain lands in Sections 9, 10, 15 and 16, Township 5 North, Range 64 West, 6th P.M., for the development and operation of the Niobrara Formation.

Docket No. 1309-UP-184, Wattenberg Field, Weld CountyApplicant:PDC Energy, Inc.Attorneys:Jamie L. Jost & Gregory J. Nibert Jr.

Subject: Request for an order to pool all interests, including previously unnoticed interests, in an approximate 160-acre designated wellbore spacing unit established for certain lands in Section 10, Township 4 North, range 67 west, 6th P.M., for the Binder 10-OU Well (API No. 05-123-31021), for the production of oil, gas and associated hydrocarbons from the Niobrara Formation.

Docket No. 1309-UP-202, Wattenberg Field, Weld County

Applicant:Bill Barrett CorporationAttorneys:Robert A. Willis

Subject: Request for an order to pool all interests in an approximate 320-acre designated wellbore spacing unit established for Section 3, Township 4 North, Range 63 West, 6th P.M., for the development and operation of the Niobrara Formation.

Docket No. 1309-UP-203, Wattenberg Field, Weld County

Applicant:	Bill Barrett Corporation
Attorneys:	Robert A. Willis

Subject: Request for an order to pool all interests in an approximate 320-acre designated wellbore spacing unit established for Section 3, Township 4 North, Range 63 West, 6th P.M., for the development and operation of the Niobrara Formation.

The motion was seconded by Commissioner Pearce and approved unanimously.

### Group C

The Commission then considered Group C. Chairman Compton asked if any Commissioners had a conflict of interest or recusals with any of the items within Group C of the Consent Agenda. No conflicts were reported.

Commissioner Benton moved for the approval of Group C, as recommended by Staff, as follows:

Docket No. 1309-SP-1145, Unnamed Field, Weld County Applicant: Whiting Oil and Gas Corporation

Attorneys: Stephen J. Sullivan & Chelsey J. Russell

Subject: Request for an order to: 1) vacate Order No. 535-32; and 2) establish six approximate 960-acre drilling and spacing units and two approximate 640-acre drilling and spacing units for certain lands in Sections 2, 3, 10, 14, 15, 22, 24, 25, 27, 30, 31 and 34, Township 10 North, Rangew 57 West, 6th P.M., and approve up to sixteen horizontal wells within each unit, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation.

Docket No. 1309-SP-1146, Unnamed Field, Weld County Applicant: Whiting Oil and Gas Corporation

Attorneys: Stephen J. Sullivan & Chelsey J. Russell

Subject: Request for an order establishing two approximate 960-acre drilling and spacing units for certain lands in Sections 10, 12, 13 and 15 Township 10 north, Range 58 West, 6th P.M., and approve up to sixteen horizontal wells within each unit, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation.

Docket No. 1309-SP-1147, Unnamed Field, Weld County

Applicant: Whiting Oil and Gas Corporation

Attorneys: Stephen J. Sullivan & Chelsey J. Russell

Subject: Request for an order to: 1) vacate the 960-acre drilling and spacing unit established by Order No. 535-204 for Section 17 and the S<sup>1</sup>/<sub>2</sub> of Section 8, Township 10 North, Range 57 West, 6th P.M.; and 2) establish two approximate 1280-acre drilling and spacing units for certain lands in Sections 8, 17, 28 and 33, Township 10 North, Range 57 West, 6th P.M., and approve up to sixteen horizontal wells within each unit, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation.

Docket No. 1309-SP-1148, Unnamed Field, Weld County

Applicant:	Whiting Oil and Gas Corporation
Attorneys:	Stephen J. Sullivan & Chelsey J. Russell

Subject: Request for an order to establish four approximate 960-acre drilling and spacing units for certain lands in Sections 1, 12, 13, 23, 26 and 35, Township 10 North, Range 57 West, 6th P.M., and approve up to sixteen horizontal wells within each unit, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation.

Docket No. 1309-SP-1149, Unnamed Field, Weld County

Applicant:Whiting Oil and Gas CorporationAttorneys:Stephen J. Sullivan & Chelsey J. Russell

Subject: Request for an order to establish four approximate 640-acre drilling and spacing units for certain lands in Section 9, 10, 24 and 34, Township 10 North, Range 59 West, 6th P.M., and approve up to sixteen horizontal wells within each unit, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation.

Commissioner Craig seconded the motion and Group C was approved unanimously.

### Group D

Chairman Compton asked if any Commissioners had a conflict of interest or recusals with any of the items within Group D of the Consent Agenda. Commissioner Pearce noted his employer was ConocoPhillips and stated he would abstain from discussion and voting on Docket No. 1309-AW-48, as his employer was the applicant.

Docket No. 1309-AW-48 was separated from the remaining Group D matters.

Commissioner Pearce moved for the approval of Group D matters, as recommended by Staff, as follows:

Docket No. 1306-AW-21, Wattenberg Field, Weld County Staff: Jill Dorancy, Hearing Officer

Applicant:Bonanza Creek Energy Operating CompanyAttorneys:J. Michael Morgan

Subject: Request for an order to approve up to ten horizontal wells within an approximate 640-acre drilling and spacing unit consisting of Section 29, Township 5 North, Range 61 West, 6th P.M., for the production of oil, gas and associated hydrocarbons from the Niobrara Formation.

Docket No. 1309-AW-49, Wattenberg Field, Weld County Staff: Jill Dorancy, Hearing Officer

Applicant:Bonanza Creek Energy Operating Company LLCAttorneys:J. Michael Morgan

Subject: Request for an order to approve up to ten horizontal wells within an approximate 640-acre drilling and spacing unit established for Section 3, Township 4 North, Range 62 West, 6th P.M., for the production of oil, gas and associated hydrocarbons from the Niobrara Formation

Docket No. 1307-SP-1139, Unnamed Field, Weld County Staff: Jill Dorancy, Hearing Officer Stuart Ellsworth, Engineering Manager

Applicant: Dakota Exploration, LLC.

Attorneys: Jamie L. Jost & Gregory J. Nibert

Subject: Request for an order to establish an approximate 640-acre drilling and spacing unit consisting of Section 2, Township 11 North, Range 59 West, 6th P.M., and approve up to four horizontal wells within the unit, for the production of oil, gas, and associated hydrocarbons from the Niobrara Formation.

Comment: Applicant submitted initial 511 testimony which did not provide information such as fracture models, reservoir models, engineering calculations of analogous wells (EUR and drainage area calculations), examples of decline curve analysis, etc. Revised materials and information has been provided by the Applicant addressing these concerns.

Docket No. 1307-SP-1140, Unnamed Field, Weld County Staff: Jill Dorancy, Hearing Officer Stuart Ellsworth, Engineering Manager

Applicant:Dakota Exploration, LLCAttorneys:Jamie L. Jost & Gregory J. Nibert

Subject: Request for an order to establish an approximate 640-acre drilling and spacing unit consisting of Section 11, Township 11 North, Range 59 West, 6th P.M., and approve up to four horizontal wells within the unit, for the production of oil, gas, and associated hydrocarbons from the Niobrara Formation.

Comment: Applicant submitted initial 511 testimony which did not provide information such as fracture models, reservoir models, engineering calculations of analogous wells (EUR and drainage area calculations), examples of decline curve analysis, etc. Revised materials and information has been provided by the Applicant addressing these concerns.

Docket No. 1309-SP-1151, Unnamed Field, Weld County

Applicant:	Foundation Energy Management, L.L.C.
Attorneys:	Stephen J. Sullivan & Chelsey J. Russell

Subject: Request for an order to establish an approximate 640-acre drilling and spacing unit for Section 34, Township 8 North, Range 60 West, 6th P.M., and approve up to four horizontal wells within the unit, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation.

Docket No. 1309-SP-1152, Grand Valley Field, Garfield CountyApplicant:Caerus Piceance LLCAttorneys:J. Michael Morgan & Justin Plaskov

Subject: Request for an order to establish an approximate 80-acre drilling and spacing unit for certain lands in Section 14, Township 7 South, Range 96 West, 6th P.M., for the production of oil, gas and associated hydrocarbons from the Williams Fork and lles Formations.

Docket No. 1309-SP-1154, Unnamed Field, Weld County Applicant: Noble Energy, LLC

Attorneys: Jamie L. Jost & Gregory J. Nibert Jr.

Subject: Request for an order to vacate two approximate 640-acre drilling and spacing units established by Order No. 535-3 for Sections 13 and 24, Township 8 North, Range 61 West, 6th P.M., and establish an approximate 1,280-acre drilling and spacing unit for said lands, and approve up to two horizontal wells within the unit, for the production of oil, gas and associated hydrocarbons from the Codell-Niobrara Formation.

Docket No. 1309-UP-174, Wattenberg Field, Weld County		
Applicant:	Synergy Resources Corporation	
Attorneys:	Randall J. Feuerstein & Kevin K. Gallaway	

Subject: Request for an order to pool all interests in five approximate 400-acre designated wellbore spacing units established for certain lands in Sections 1 and 7, Township 6 North, Range 66 West, 6th P.M., for the development and operation of the Codell and Niobrara Formations.

Docket No.	1309-UP-175, Wattenberg Field, Weld County
Applicant:	Mendell Niobrara, LLC
Attorneys:	Stephen J. Sullivan & Chelsey J. Russell

Subject: Request for an order to pool all interests in the approximate 80-acre drilling and spacing unit established for certain lands in Section 25, Township 5 North, Range 64 West, 6th P.M., for the development and operation of the Codell and Niobrara Formations.

The motion was seconded by Commissioner Benton and approved unanimously.

Commissioner Benton moved for the approval of Group D matters, with Commissioner Pearce abstaining from deliberation and voting, as recommended by Staff, as follows:

Docket No. 1309-AW-48, Wattenberg Field, Weld County Staff: Jill Dorancy, Hearing Officer

Applicant:Bonanza Creek Energy Operating Company LLCAttorneys:J. Michael Morgan

Subject: Request for an order to approve up to ten horizontal wells within an approximate 640-acre drilling and spacing unit established for Section 28, Township 5 North, Range 61 West, 6th P.M., for the production of oil, gas and associated hydrocarbons from the Niobrara Formation.

The motion was seconded by Commissioner Alward and approved unanimously, with Commissioner Pearce not voting.

#### Group E - Enforcement

Chairman Compton asked if any Commissioners had a conflict of interest or recusals with any of the items within Group E of the Enforcement Agenda. No conflicts were reported.

Commissioner Benton moved for the approval of Group E matters, as recommended by Staff, as follows:

Docket No. 1307-OV-19, Benchmark Energy LLC Staff: Peter Gowen, Enforcement Officer

Subject: Staff requests approval of an AOC with Benchmark Energy LLC (Operator No. 10380) imposing a \$10,000 penalty for a violation of Rule 1004 (Final Reclamation Threshold for Release of Financial Assurance) for the Logan J Sand Unit #4-19 Well (API # 05-075-06043) located in the NE¼, SE¼, Section 1, Township 8 North, Range 54 West, 6th P.M., for failure to satisfactorily perform final reclamation for a produced water pit as required by the approved Form 27, and failure to keep the reclaimed area clear of noxious weeds.

Docket No. 1307-OV-20, Axia Energy LLC Staff: Peter Gowen, Enforcement Officer

Subject: Staff requests approval of an AOC with Axia imposing a \$50,000 penalty for alleged violations of Rule 902.c, Rule 902.d, Rule 903, Rule 906, and Rule 907. for the Bulldog 5-31H-790 Well (API No. 05-081-07727-01), located in Lot 6, Section 5, Township 7 North, Range 90 West, 6th P.M. The penalty is calculated based on 10 days for each violation.

The motion was seconded by Commissioner Craig and approved unanimously.

#### General Hearing Matters

The Commission then called Docket No. 1307-UP-143 (WPX), a Protested matter:

Docket No. 1307-UP-143, Wattenberg Field, Weld County Staff: Jill Dorancy, Hearing Officer

Applicant:WPX Energy Rocky Mountain, LLCAttorneys:Gretchen VanderWerf

Subject: Request for an order to pool all interests in an approximate 160-acre drilling and spacing unit established for certain lands in Section 13, Township 7 South, Range 96 West, 6th P.M., for the development and operation of the Williams Fork Formation of the Mesaverde Group.

Protested by: Diamond Minerals, LLC and Sidney and Ruth Lindauer Family Trust (Withdrawn)

Attorney: Nathan Keever

Comment: The protest was withdrawn on Thursday, September 12<sup>th</sup>, after the Consent Agenda deadline; therefore this matter will remain as an uncontested Hearing Matter. Applicant submitted 511 testimony which was reviewed by the Hearing Officer prior to the Commission hearing.

Gretchen VanderWerf, Attorney for WPX stated the Protest had been resolved and withdrawn. Union Pacific Rail Road and Pucket Land Company will remain as nonconsenting parties, and

WPX requested the Commission enter an order for statutory pooling and approve cost recovery pursuant to statute.

Commissioner Pearce made a Motion to Approve Docket No. 1307-UP-143. The Motion was seconded by Commissioner Craig and approved unanimously.

The Commission then called the following Applications by Carrizo:

Docket No. 1309-AW-52, 1309-AW-61, 1309-AW-62, 1309-SP-1178, 1309-SP-1179, Carrizo Oil and Gas, Inc. - Presentation by the Commission: Staff: Jill Dorancy, Hearings Officer

Preliminary issue regarding Notice will be presented to the Commission:

Whether Applicant is required to provide Notice of the Application to owners of contiguous or cornering tracts who may be affected by the reduced setbacks pursuant to Rule 507(b)(4).

Comment: These matters are not protested. Staff has requested the Applicant make a presentation before the Commission regarding the request for reduced setbacks.

Recommendation: Staff recommends continuing these matters to the October hearing after appropriate notice is completed.

Docket No. 1309-AW-52, Unnamed Field, Weld CountyApplicant:Carrizo Oil and Gas, Inc.Attorneys:Elizabeth Y. Gallaway

Subject: Request for an order to approve an additional three horizontal wells, for a total of up to sixteen horizontal wells within an approximate 640-acre drilling and spacing unit established for Section 31, Township 11 North, Range 59 West, 6th P.M., for the production of oil, gas and associated hydrocarbons from the Niobrara Formation.

Comment: Applicant has withdrawn request for 300-foot unit boundary setbacks for the south line of Section 31, Township 11 North, Range 59 West, 6<sup>th</sup> P.M., thus addressing the concern of BLM. However, the 300-foot unit boundary setback for the remaining boundaries exist.

An administrative hearing was held September 11, 2013.

Applicant:	Carrizo Oil and Gas, In	C.

Attorneys: Elizabeth Y. Gallaway

Subject: Request for an order to approve an additional three horizontal wells, for a total of up to 16 horizontal wells within an approximate 640-acre drilling and spacing unit established for Section 2, Township 8 North, Range 61 West, 6th P.M., for the production of oil, gas and associated hydrocarbons from the Niobrara Formation.

Comment: An administrative hearing was held September 11, 2013.

Docket No. 1309-AW-62, Unnamed Field, Weld County Staff: Jill Dorancy, Hearing Officer

Applicant:Carrizo Oil and Gas, Inc.Attorneys:Elizabeth Y. Gallaway

Subject: Request for an order to approve an additional 10 horizontal wells, for a total of up to 16 horizontal wells within an approximate 640-acre drilling and spacing unit established for Section 27, Township 8 North, Range 61 West, 6th P.M., for the production of oil, gas and associated hydrocarbons from the Niobrara Formation.

Comment: An administrative hearing was held September 11, 2013.

Docket No. 1309-SP-1178, Unnamed Field, Weld County

Applicant:Carrizo Oil and Gas, Inc.Attorneys:Elizabeth Gallaway

Subject: Request for an order to: 1) vacate two approximate 640-acre drilling and spacing units established by Order No. 535-3 for Sections 20 and 29; 2) vacate Order Nos. 535-221, 535-241, 535-256, 535-287 and 535-339; 3) vacate an approximate 640-acre drilling and spacing unit established by Order No. 535-265 for Section 20, Township 8 North, Range 61 West, 6th P.M.; and 4) establish an approximate 960-acre drilling and spacing unit for certain lands in Sections 20 and 29, Township 8 North, Range 61 West, 6th P.M.; and approve up to sixteen horizontal wells in the unit, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation.

Comment: An administrative hearing was held September 11, 2013.

Docket No. 1309-SP-1179, Unnamed Field, Weld County

Applicant: Carrizo Oil and Gas, Inc.

Attorneys: Elizabeth Gallaway

Subject: Request for an order to: 1) vacate two approximate 640-acre drilling and spacing units established by Order No. 535-3 for Sections 20 and 29; 2) vacate Order Nos. 535-221, 535-241, 535-256, 535-287 and 535-339; 3) vacate an approximate 640-acre drilling and spacing unit established by Order No. 535-265 for Section 20, Township 8 North, Range 61 West, 6th P.M.; and 4) establish an approximate 960-acre drilling and spacing unit for certain lands in Sections 20 and 29, Township 8 North, Range 61 West, 6th P.M.; and approve up to sixteen horizontal wells in the unit, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation.

Comment: An administrative hearing was held September 11, 2013.

Liz Gallaway, Attorney for Carrizo restated the request for 300 foot boundary setbacks, and to request the equivalent of one wellpad per quarter section. She stated that Carrizo would provide notice to contiguous, cornering and adjacent unit mineral and surface owners in current and future applications.

Following the presentation, COGCC staff requested the Commission continue these matters to the October hearing to be properly noticed to cornering and adjacent unit owners.

Commissioner Pearce suggested the Commission conditionally approve the Applications, contingent upon there being no protest filed based on the additional notice.

There was no BLM Protest in these five matters.

Commissioner Alward suggested these matters would be on the Consent Agenda at the next hearing, not requiring a significant amount of Commission time.

Director Lepore requested a condition be placed in the order that offset landowners may request similar setbacks.

Commissioner Pearce made a Motion to Conditionally Approve Docket Nos. 1309-AW-52, 1309-AW-61, 1309-AW-62, 1309-SP-1178, 1309-SP-1179. Subject to additional notice and the matter being unprotested. Commissioner Benton added that reciprocal owners could request the Commission approve similar setbacks The Motion was seconded by Commissioner Craig and approved unanimously.

Commissioner Alward requested a report from Commission staff at the next Commission hearing.

The Commission then called Docket No. 1309-SP-1167.

Docket No. 1309-SP-1167, Unnamed Field, Garfield County (Late addition to docket with resolution of protest) Staff: Roger Allbrandt, Hearing Officer

Applicant:WPX Energy Rocky Mountain, LLCAttorneys:Jamie L. Jost & Gregory J. Nibert

Subject: Request for an order to establish an approximate 362.73-acre drilling and spacing unit for certain lands in Sections 21 and 28, Township 6 South, Range 96 West, 6th P.M., and approve up to two horizontal wells within the unit, for the production of oil, gas and associated hydrocarbons from the Mancos, Niobrara, Frontier, Mowry and Dakota Formations.

Protested by: Bureau of Land Management (withdrawn)

Representative: Lonny R. Bagley, Deputy State Director, Energy, Lands, and Minerals.

Comments: The BLM protested this matter on September 11, 2013. The protest was resolved on September 12, 2013. This matter will remain as an uncontested Hearing Matter. The applicant will be making a presentation before the Commission.

Hearing Officer Roger Allbrandt briefed the Commission on WPX's withdrawal of it request for 300 foot setbacks, requesting standard statewide setbacks of 600 feet, satisfying BLM's protest.

Commissioner Pearce made a Motion to Approve Docket No. 1309-SP-1167. The Motion was seconded by Commissioner Alward and approved unanimously.

The Commission then called Docket Nos. 1309-SP-1161 and 1309-SP-1164.

Docket No. 1309-SP-1161, Wattenberg Field, Weld County

Staff: Roger Allbrandt, Hearing Officer

Applicant:Great Western Operating Company, LLCAttorneys:Jamie L. Jost & Gregory J. Nibert

Subject: Request for an order to establish an approximate 640-acre horizontal drilling and spacing unit for Section 20, Township 7 North, Range 66 West, 6th P.M., and approve up to fourteen horizontal wells within the unit, for the production of oil, gas, and associated hydrocarbons from the Codell-Niobrara Formation.

Comments: The Applicant's request for 330 foot setbacks was withdrawn after the Consent Agenda deadline, therefore this matter will remain as an uncontested Hearing Matter. The applicant will be making a presentation before the Commission.

Docket No. 1309-SP-1164, Wattenberg Field, Weld County Staff: Roger Allbrandt, Hearing Officer

Applicant:Great Western Operating Company, LLCAttorneys:Jamie L. Jost & Gregory J. Nibert

Subject: Request for an order to establish an approximate 320-acre horizontal drilling and spacing unit for the certain lands in Section 34, Township 7 North, Range 64 West, 6th P.M., and approve up to eight horizontal wells within the unit, for the production of oil, gas, and associated hydrocarbons from the Codell-Niobrara Formation.

Comments: The Applicant's request for 330 foot setbacks was withdrawn after the Consent Agenda deadline, therefore this matter will remain as an uncontested Hearing Matter. The applicant will be making a presentation before the Commission.

Commissioner Alward then made a Motion to Approve Docket Nos. 1309-SP-1161 and 1309-SP-1164. Commissioner Pearce seconded the Motion and the Commission approved both matters unanimously.

The Commission then called Docket Nos. 1307-AW-39 and 1307-AW-40 (Great Western), which were removed from the Consent Agenda, Group A. Chairman Compton asked if any Commissioners had a conflict of interest or recusals. Commissioner Pearce noted his employer was listed as an Interested Party and stated he would abstain from discussion and voting on Docket No. 1309-AW-40.

Docket No. 1307-AW-39, Wattenberg Field, Weld County Staff: Roger Allbrandt, Hearing Officer

Applicant:Great Western Operating Company, LLCAttorneys:Jamie L. Jost & Gregory J. Nibert Jr.

Subject: Request for an order to approve up to twelve horizontal wells within an approximate 480-acre drilling and spacing unit consisting of certain lands in Section 19 and 30, Township 6 North, range 67 West, 6th P.M., for the production of oil, gas and associated hydrocarbons from the Codell-Niobrara Formation.

510 Statement: Patty Contrell

Docket No. 1307-AW-40, Wattenberg Field, Weld County Staff: Roger Allbrandt, Hearing Officer

Applicant:Great Western Operating Company, LLCAttorneys:Jamie L. Jost & Gregory J. Nibert Jr.

Subject: Request for an order to approve up to twelve horizontal wells within an approximate 640-acre drilling and spacing unit consisting of Section 16, Township 6 North, Range 67 West, 6th P.M., for the production of oil, gas and associated hydrocarbons from the Codell-Niobrara Formation.

COGCC Hearing Officer Roger Allbrandt noted the 511 testimony provided contained several errors, that Great Western had met with Stuart Ellsworth, COGCC Engineering Manager and submitted updated Rule 511 testimony. COGCC engineering staff reviewed the testimony and supported approval.

Commissioner Alward moved for the approval Docket Nos. 1307-AW-39 and 1307-AW-40, as recommended by Staff. The motion was seconded by Commissioner Craig and approved unanimously.

Jake Matter, Assistant Attorney General requested guidance from the Commission if they requested an Executive Session to discuss Conoco's request to withdraw it's Application on the eve of a hearing.

Commissioner Pearce noted his employer was ConocoPhillips and he would recuse himself from the Executive Session as well as deliberations and voting on the issue and related matters.

AG Matter read the litany prior to entering Executive Session. Commissioner (inaudible) made a motion to enter Executive Session. The motion was seconded by Commissioner (inaudible) and approved unanimously. The Commission entered Executive Session.

#### Executive Session

1) Guidance on the withdrawal of a contested application. Docket No. 1303-SP-35 and 1307-UP-1130

Commissioner Craig made a motion to exit the Executive Session. The motion was seconded by Commissioner Benton and approved unanimously. AG Matter stated that no decisions were made.

The Commission then called Docket No. 1303-UP-65.

Docket No. 1303-UP-65, Wattenberg Field, Weld County Staff: Roger Allbrandt, Hearing Officer

Applicant:Encana Oil and Gas (USA) Inc.Attorneys:Jamie L. Jost & Elizabeth Gallaway

Subject: Request for an order to pool all interests in an approximate 160-acre designated wellbore spacing unit consisting of certain lands in Section 4, Township 3

North, Range 68 West, 6th P.M., for the development and operation of the J-Sand, Codell and Niobrara Formations.

Statement by: Joe Freeman, LLC

Representative: Joe Freeman, Manager for Joe Freeman, LLC and Triton Energy Holdings, LLC

Protest by: Triton Energy Holdings LLC Representative: Ronald L. Warren, CPA/CFO

Statement by: WYOTEX Oil Company Representative: Louis A. Oswald, III

Protested by: Apollo Operating LLC - Withdrawn Representative: Jesse L. White CPL, Operations Manager Attorney: Rob Willis

510 Statements: Freeman, WYOTEX, and Triton.

Comment: On September 9, 2013, a Prehearing Conference was held after notifying all parties that **in accordance with Rule 527.f.**, failure to attend the PHC could result **in the dismissal of any protest.** Freeman and WYOTEX did not respond. Triton did not respond, but did affirmatively decline to attend the PHC. Apollo withdrew its protest. The Hearing Officer issued a PHC Report and Order recasting the protests / letters of objection as Rule 510 statements and finding the matter is uncontested, having resolved all protests.

COGCC Hearing Officer Roger Allbrandt briefed the Commission on the matter.

Commissioner Benton then made a Motion to Approve Docket No. 1303-UP-65. The Motion was seconded by Commissioner Pearce and approved unanimously.

The Commission then called Docket Nos. 1309-UP-201, 1309-SP-1188, 1309-SP-1189 and 1309-SP-1191.

Commissioner Pearce noted his employer was ConocoPhillips and he would recuse himself from deliberations and voting on matters. Commissioner Pearce excused himself from the remainder of the Commission hearing.

Docket No. 1309-UP-201, Unnamed Field, Weld County Staff: Roger Albrandt, Hearings Officer

Applicant:ConocoPhillips CompanyAttorneys:Jamie L. Jost & James P. Parrot

Subject: Request for an order to pool all interests in an approximate 640-acre exploratory drilling and spacing unit established for Section 9, Township 4 South, Range 64 West, 6th P.M., for the development and operation of the Niobrara Formation.

Comment: This application requests to pool/cost recovery for two wells. The Bomhoff 5-1H was identified in the Application, the second well was not. 511 testimony

states well location certificates were provided for the 5-1H and "one other well". The well location certificate is for the Bomhoff 5-8H. There is no certificate for the 5-1H. On September 11<sup>th</sup>, corrected / missing 511 testimony was submitted.

Commissioner Alward then made a Motion to Approve Docket No. 1309-UP-201. The Motion was seconded by Commissioner Benton and approved unanimously.

The Commission then called Docket No. 1309-SP-1188.

Docket No. 1309-SP-1188, Unnamed Field, Weld County Staff: Jill Dorancy, Hearing Officer

Applicant:ConocoPhillips CompanyAttorneys:Jamie L. Jost & James P. Parrot

Subject: Request for an order to vacate two approximate 640-acre drilling and spacing units established by Order No. 535-97 for Sections 21 and 22, Township 4 South, Range 65 West, 6th P.M.; and establish an approximate 1280-acre exploratory drilling and spacing unit and approve up to two horizontal wells within the unit for Sections 21 and 22, Township 4 South, Range 65 West, 6th P.M., for the production of oil, gas and associated hydrocarbons from the Niobrara Formation.

Comment: 511 testimony was submitted, however it was incomplete. On September 11, 2013, additional 511 materials were submitted. The applicant will be making a presentation before the Commission.

Commissioner Benton then made a Motion to Approve Docket No. 1309-SP-1188. The Motion was seconded by Acting Commissioner - DNR Deputy Director Bob Randall for Commissioner King and approved unanimously.

Commissioner Benton made a statement that he would like to see more information on future development plans.

The Commission then called 1309-SP-1189.

Docket No. 1309-SP-1189, Unnamed Field, Weld County Staff: Jill Dorancy, Hearing Officer

Applicant:ConocoPhillips CompanyAttorneys:Jamie L. Jost & James P. Parrot

Subject: Request for an order to vacate two approximate 640-acre drilling and spacing units established by Order No. 535-97 for Sections 23 and 24, Township 4 South, Range 65 West, 6th P.M. and establish an approximate 1280-acre exploratory drilling and spacing unit and approve up to two horizontal wells within the unit for Section 23 and 24, Township 4 South, Range 65 West, 6th P.M., for the production of oil, gas and associated hydrocarbons from the Niobrara Formation.

Protested by: Jason Leeper & Tamara Leeper (Withdrawn), included as a 510 statement.

Comments: The Protest was withdrawn after the Consent Agenda deadline, therefore this matter will remain as an uncontested Hearing Matter. The applicant will be making a presentation before the Commission.

Commissioner Craig then made a Motion to Approve Docket No. 1309-SP-1189. The Motion was seconded by Commissioner Benton and approved unanimously.

The Commission then called Docket No. 1309-SP-1191.

Docket No. 1309-SP-1191, Unnamed Field, Weld County Staff: Jill Dorancy, Hearing Officer

Applicant:ConocoPhillips CompanyAttorneys:Jamie L. Jost & James P. Parrot

Subject: Request for an order to vacate the well exception location established by Order No. 535-97 for Section 9, Township 4 South, Range 64 West, 6th P.M.; and establish an approximate 640-acre exploratory drilling and spacing unit and approve up to two horizontal wells within the unit for the below-described lands ("Application Lands"), for the production of oil, gas and associated hydrocarbons from the Niobrara Formation.

Comment: 511 testimony was submitted, however it was incomplete. On September 11, 2013, additional 511 materials were submitted. The applicant will be making a presentation before the Commission.

Commissioner Benton then made a Motion to Approve Docket No. 1309-SP-1191. The Motion was seconded by Acting Commissioner - DNR Deputy Director Bob Randall for Commissioner King and approved unanimously.

The Commission then called Docket Nos. 1303-SP-35, 1307-UP-155, 1303-SP-36, 1307-UP-156, 1307-SP-1130 and 1307-UP-153.

Docket No. 1303-SP-35, Wattenberg Field, Arapahoe County Staff: Jill Dorancy, Hearing Officer Robert J. Frick, Hearings Manager

Applicant:ConocoPhillips CompanyAttorneys:Jamie L. Jost, James P. Parrot, Karen L. Spaulding

Subject: Request for an order to establish an approximate 1280-acre drilling and spacing unit consisting of Sections 15 and 16, Township 5 South, Range 64 West, 6th P.M., and approve up to two horizontal wells within the unit, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation.

Protested by: Renegade Oil & Gas Company, LLC. Attorney: Scott M. Campbell & Jeremy I. Ferrin

Comment: A Hearing Officer Recommendation will be filed to reflect Staff Recommendation.

Docket No. 1307-UP-155, Unnamed Field, Arapahoe County

Staff: Jill Dorancy, Hearing Officer Robert J. Frick, Hearings Manager

Applicant:ConocoPhillips CompanyAttorneys:Jamie L. Jost & James P. Parrot

Subject: Request for an order to pool all interests within an approximate 1280-acre exploratory drilling and spacing unit established for Section 15 and 16, Township 5 South, Range 64 West, 6th P.M., for the development and operation of the Niobrara Formation.

Protested by: Renegade Oil & Gas Company, LLC Attorney: Scott M. Campbell & Jeremy I. Ferrin

Comment: A Hearing Officer Recommendation will be filed to reflect Staff Recommendation.

Docket No. 1307-SP-1130, Unnamed Field, Arapahoe County

Staff: Jill Dorancy, Hearing Officer Robert J. Frick, Hearings Manager

Applicant: ConocoPhillips Company Attorneys: Jamie L. Jost & James P. Parrot

Subject: Request for an order to: 1) vacate an approximate 640-acre drilling and spacing unit established by Order No. 535-313, for Section 26, Township 4 South, Range 64 West, 6th P.M.; and 2) establish an approximate 1280-acre exploratory drilling and spacing unit consisting of Section 26 and 27, Township 4 South, Range 64 West, 6th P.M., and approve up to two horizontal wells within the unit, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation.

Protested by: Renegade Oil & Gas Company, LLC Attorney: Scott M. Campbell & Jeremy I. Ferrin

Comment: A Hearing Officer Recommendation will be filed to reflect Staff Recommendation.

Docket No. 1307-UP-153, Unnamed Field, Arapahoe County Staff: Jill Dorancy, Hearing Officer Robert J. Frick, Hearings Manager

Applicant:ConocoPhillips CompanyAttorneys:Jamie L. Jost & James P. Parrot

Subject: Request for an order to pool all interests within an approximate 1280-acre exploratory drilling and spacing unit established for Sections 26 and 27, Township 4 South, Range 64 West, 6th P.M., for the development and operation of the Niobrara Formation.

Protested by: Renegade Oil & Gas Company, LLC

Attorney: Scott M. Campbell & Jeremy I. Ferrin

Comment: A Hearing Officer Recommendation will be filed to reflect Staff Recommendation.

AG Matter briefed the Commission on the procedural history of the matters and provided guidance to the Commission on Conoco's request to withdraw the Applications.

The Parties appeared before the Commission and stated that they stipulated to a withdrawal of Docket Nos. 1303-SP-35, 1307-UP-155, 1307-SP-1130 and 1307-UP-153.

Commissioner Benton made a Motion to Adopt All of the Hearing Officer Recommendations, except those made on Friday, September 15th., in Docket Nos. 1303-SP-35, 1307-UP-155, 1307-SP-1130 and 1307-UP-153, located on Page 256 of Portfolio #2. Commissioner Craig seconded the Motion and it was approved unanimously.

The Commission then called Docket Nos. 1303-SP-36 and 1307-UP-156.

Docket No. 1303-SP-36, Unnamed Field, Arapahoe County Staff: Jill Dorancy, Hearing Officer Robert J. Frick, Hearings Manager

Applicant: ConocoPhillips Company Attorneys: Jamie L. Jost, James P. Parrot & Karen L. Spaulding

Subject: Request for an order to establish five approximate 640-acre drilling and spacing units consisting of Sections 20, 26, 27, 28 and 33, Township 4 South, Range 64 West, 6th P.M., and approve up to two horizontal wells within each unit, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation.

Protested by: Renegade Oil & Gas Company, LLC. Attorney: Scott M. Campbell & Jeremy I. Ferrin

Comment: A Hearing Officer Recommendation will be filed to reflect Staff Recommendation.

Docket No. 1307-UP-156, Unnamed Field, Arapahoe County Staff: Jill Dorancy, Hearing Officer Robert J. Frick, Hearings Manager

Applicant: ConocoPhillips Company Attorneys: Jamie L. Jost, James P. Parrot

Subject: Request for an order to pool all interests within two approximate 640-acre exploratory drilling and spacing units established for Sections 20 and 28, Township 4 South, Range 64 West, 6th P.M., for the development and operation of the Niobrara Formation.

Protested by: Renegade Oil & Gas Company, LLC Attorney: Scott M. Campbell & Jeremy I. Ferrin

Comment: A Hearing Officer Recommendation will be filed to reflect Staff Recommendation.

Following the Contested Hearing, the Commissioners deliberated on Docket No. 1303-SP-36. The hearing audio is available.

Commissioner Benton made a Motion to Approve Docket No. 1303-SP-36. The Motion was seconded by Commissioner Craig and approved unanimously.

The Commissioners then began deliberations on Docket No. 1307-UP-156.

At 7:45 p.m. the Commission went into recess until conveniening on Tuesday, September 17, 2013 at 9:00 a.m. to continue deliberations in Docket No. 1307-UP-156.

### Tuesday, September 17, 2013 - Roll Call of Commissioners:

Present:

Tom Compton	Chairman
Bob Randall for Mike King	Commissioner (Deputy DNR Director)
John Benton	Commissioner
Deann Craig	Commissioner
Richard D. Alward	Commissioner
Andrew Spielman	Commissioner
Matt Lepore	Director
Jake Matter	Assistant Attorney General
Robert J. Frick	Hearings Manager

Absent:

Tommy Holton CDPHE Director Commissioner Commissioner (Vacant)

Recused from Docket No. 1307-UP-156 Participation, Deliberations and Voting:

Perry Pearce Vice-Chairman

The Commission then recalled Docket No. 1307-UP-156.

The Commissioners then continued deliberations. The hearing audio is available.

Upon the conclusion of deliberations, Commissioner Benton made a Motion to Deny the Application for Pooling in Docket No. 1307-UP-156. Commissioner Alward seconded the Motion to Deny the Application.

The Commission voted unanimously to Approve the Motion to Deny the Application for Pooling in Docket No. 1307-UP-156.

The Application in Docket No. 1307-UP-156 was therefore DENIED.

Upon conclusion of the Hearing Agenda, the Commission then began the Wildlife Maps Update Rulemaking.

The Sensitive Wildlife Habitat Maps and Restricted Surface Occupancy Area Maps contain the ranges of animals of special interest to the State of Colorado. The maps depict features that are variable both over time and over the landscape. As such, when new or more accurate data becomes available, the maps need to be modified. The Commission believes the current maps, adopted December 11, 2008, should be reviewed and updated where appropriate. The Commission's authority to conduct this rulemaking includes §§ 34-60-105 and 34-60-106(2)(d) C.R.S.

Director Lepore noted the Greater Sage Grouse Portion would be "held over" because Colorado Parks and Wildlife (CPW) may need to update the map again in 2014.

DNR Director Mike King then returned to the Commission replacing DNR Deputy Director Bob Randall.

CPW noted there was a change in the Big Horn Sheep Map which is available on their website.

### Commission Staff and Colorado Parks and Wildlife-

Chad Bishop presented for Colorado Parks and Wildlife:

CPW recently conducted a fine-scale habitat use study of the Parachute-Piceance-Roan Greater Sage Grouse population and intends to update its priority habitat map for that population in late 2013 or early 2014. Accordingly, CPW and COGCC have determined the COGCC rule making to consider updates to the Sensitive Wildlife Habitat and Restricted Surface Occupancy maps for Greater Sage Grouse should be continued until CPW completes this update. No testimony will be heard regarding the Greater Sage Grouse maps at the rule making on September 17. The rule making to consider updates to SWH and RSO maps for all other species will go forward as scheduled.

Commissioner Alward noted / disclosed he did Wildlife mapping as part of his employment, but was not involved in these matters.

#### Public Comment-

There were no public Comments.

#### Elected Officials-

There were no elected officials present to address the Commission.

#### Preliminary Motions-

There were no Preliminary Motions.

#### Local Governments-

No Comments were made.

#### Regulated Industry and their Associations-

Jamie Jost, Attorney for Encana, gave a presentation before the Commission regarding the Big Horn Sheep portion of the Rulemaking.

Chad Bishop from CPW responded to several questions from Encana.

Commissioner King noted the COGCC has rarely disagreed with the economic or technical feasibility conclusions made by Industry and recommend CPW continue to engage in mapping as historically undertaken.

Encana requested a note or other footnote to be included on the maps or appendix.

Scott Hall, CEO of Black Diamond Minerals gave a presentation on their operations on the western slope and the Colorado Cutthroat Trout RSO in those areas. Black Diamond did not believe the CCT RSO was accurate in some of their operational areas.

Andrew Casper, Regulatory Council for COGA commented.

Scott Campbell, Attorney for Chevron commented.

Chad Bishop, CPW responded to Chevron's questions.

Stan Dempsey, President of the Colorado Petroleum Association commented.

Trout Unlimited commented.

Commissioner Compton asked if the Commission was ready to end deliberations.

Commissioner Pearce made a Motion to Approve the Proposed Rulemaking maps, with an Addendum to the maps to specify the purpose of the maps was, in part, to indicate areas in which Consultation pursuant to Rule 309 was required.

Commissioner King seconded the Motion.

#### The Commission voted unanimously to Adopt the Revised Wildlife Maps.

Director Lepore asked to take up a proposed rule on spill reporting, pursuant to House Bill 13-1278. He noted the proposed rule had been circulated to stakeholders.

Commissioner Pearce suggested the Commission move quickly to ensure a rule was approved prior to the 2014 legislative session.

Commissioner Compton suggested the Commission consider taking up a rulemaking regarding statutory pooling.

Director Lepore commented that COGCC staff have been speaking with various stakeholders regarding spacing and pooling to solicit feedback, and that a draft policy was likely.

Commissioner Alward requested COGCC staff look at additional definitions for the 100 Series Rules.

Director Lepore said this would likely be part of a "clean-up rulemaking".

Thereafter, the Commission adjourned at approximately 5:00 p.m.

The Secretary was therefore authorized to issue the following orders:

<u>Order No. 548-1, Docket No. 1307-UP-135, Unnamed Field, Cheyenne County</u>, Applicant, Vecta Oil & Gas, Ltd. Approves the request for an order to: 1) establish an approximate 160acre drilling and spacing unit consisting of certain lands in Section 32, Township 12 South, Range 47 West, 6th P.M., and approve one vertical well within the unit, for the production of oil, gas and associated hydrocarbons from all Pre-Permian Formations and 2) to pool all interests within the proposed unit, for the development and operation of said Formations.

<u>Order No. 549-1, Docket No. 1307-UP-149, Smokey Hill Field, Kit Carson County</u>, Applicant, John C. Niernberger. Approves the request for an order to establish an approximate 160-acre enhanced recovery unit ("Lowe #1-B Unit"), to accommodate the Lowe 1-B Well (API No. 05-063-06186), and approve enhanced recovery operations for certain lands in Section 14, Township 11 South, Range 46 West, 6th P.M., for the development and operation of the Morrow and Keyes Formations.

<u>Order No. 407-853, Docket No. 1307-UP-163, Wattenberg Field, Weld County</u>, Applicant, Kerr-McGee Oil & Gas Onshore LP. Approves the request for an order to pool all interests in four approximate 360 to 720-acre designated wellbore spacing units established for certain lands in Sections 7, 18 and 19, Township 3 North, Range 66 West, 6th P.M., for the development and operation of the Niobrara Formation.

<u>Order No. 407-854, Docket No. 1307-UP-164, Wattenberg Field, Weld County</u>, Applicant, Kerr-McGee Oil & Gas Onshore LP. Approves the request for an order to pool all interests in seven approximate 240 to 480-acre designated wellbore spacing units established for certain lands in Sections 7, 12, 13, and 18, Township 3 North, Range 66 and 67 West, 6th P.M., for the development and operation of the Codell and Niobrara Formations.

<u>Order No. 535-404, Docket No. 1307-UP-165, Unnamed Field, Weld County</u>, Applicant, Dakota Exploration, LLC. Approves the request for an order to pool all interests in an approximate 640-acre drilling and spacing unit established for Section 11, Township 11 North, Range 59 West, 6th P.M., for the development and operation of the Niobrara Formation.

<u>Order No. 535-405, Docket No. 1307-UP-166, Unnamed Field, Weld County</u>, Applicant, Dakota Exploration, LLC. Approves the request for an order to pool all interests in an approximate 960-acre drilling and spacing unit established for certain lands in Sections 9 and 16, Township 11 North, Range 58 West, 6th P.M., for the development and operation of the Niobrara Formation.

<u>Order No. 535-406, Docket No. 1307-UP-167, Unnamed Field, Weld County</u>, Applicant, Dakota Exploration, LLC. Approves the request for an order to pool all interests in an approximate 960-acre drilling and spacing unit established for certain lands in Sections 10 and 15, Township 11 North, Range 58 West, 6th P.M., for the development and operation of the Niobrara Formation.

<u>Order No. 535-407, Docket No. 1307-UP-168, Unnamed Field, Weld County</u>, Applicant, Dakota Exploration, LLC. Approves the request for an order to pool all interests in an approximate 640-acre drilling and spacing unit established for Section 2, Township 11 North, Range 59 West, 6th P.M., for the development and operation of the Niobrara Formation.

Order No. 191-98 & 510-65, Docket No. 1309-AW-55, Mamm Creek & Grand Valley Fields, Garfield County, Applicant, Ursa Operating Company LLC. Approves the request for an order to

approve one additional horizontal well, for a total of up to two horizontal wells within an approximate 640-acre drilling and spacing unit established for certain lands in Sections 11 and 14, Township 6 South, Range 92 West, 6th P.M., for the production of oil, gas and associated hydrocarbons from the Williams Fork Formation.

<u>Order No. 407-861, Docket No. 1309-UP-179, Wattenberg Field, Weld County</u>, Applicant, Noble Energy Inc. Approves the request for an order to pool all interests in an approximate 160-acre designated wellbore spacing unit established for certain lands in Section 8, Township 1 North, Range 65 West, 6th P.M., for the development and operation of the Niobrara Formation.

<u>Order No. 407-862, Docket No. 1309-UP-180, Wattenberg Field, Weld County</u>, Applicant, Noble Energy Inc. Approves the request for an order to affirm Order No. 407-765, pooling all interests, including previously unnoticed interests, in an approximate 640-acre designated wellbore spacing unit established for the certain lands in Sections 9, 10, 15 and 16, Township 6 North, Range 63 West, 6th P.M., for the development and operation of the Niobrara Formation.

<u>Order No. 407-863, Docket No. 1309-UP-181, Wattenberg Field, Weld County</u>, Applicant, Kerr-McGee Oil & Gas Onshore LP. Approves the request for an order to pool all interests in five approximate 240 to 480-acre designated wellbore spacing units established for certain lands in Sections 20, 21, 28 and 29, Township 1 North, Range 67 West, 6th P.M., for the development and operation of the Codell and Niobrara Formations.

<u>Order No. 407-864, Docket No. 1309-UP-182, Wattenberg Field, Weld County</u>, Applicant, Noble Energy Inc. Approves the request for an order to pool all interests in an approximate 480-acre designated wellbore spacing unit established for certain lands in Sections 9, 10, 15 and 16, Township 5 North, Range 64 West, 6th P.M., for the development and operation of the Niobrara Formation.

<u>Order No. 407-865, Docket No. 1309-UP-184, Wattenberg Field, Weld County</u>, Applicant, PDC Energy, Inc. Approves the request for an order to pool all interests, including previously unnoticed interests, in an approximate 160-acre designated wellbore spacing unit established for certain lands in Section 10, Township 4 North, range 67 west, 6th P.M., for the Binder 10-OU Well (API No. 05-123-31021), for the production of oil, gas and associated hydrocarbons from the Niobrara Formation.

<u>Order No. 407-866, Docket No. 1309-UP-202, Wattenberg Field, Weld County</u>, Applicant, Bill Barrett Corporation. Approves the request for an order to pool all interests in an approximate 320-acre designated wellbore spacing unit established for Section 3, Township 4 North, Range 63 West, 6th P.M., for the development and operation of the Niobrara Formation.

<u>Order No. 407-867, Docket No. 1309-UP-203, Wattenberg Field, Weld County</u>, Applicant, Bill Barrett Corporation. Approves the request for an order to pool all interests in an approximate 320-acre designated wellbore spacing unit established for Section 3, Township 4 North, Range 63 West, 6th P.M., for the development and operation of the Niobrara Formation.

<u>Order No. 535-413, Docket No. 1309-SP-1145, Unnamed Field, Weld County</u>, Applicant, Whiting Oil and Gas Corporation. Approves the request for an order to: 1) vacate Order No. 535-32; and 2) establish six approximate 960-acre drilling and spacing units and two approximate 640-acre drilling and spacing units for certain lands in Sections 2, 3, 10, 14, 15, 22, 24, 25, 27, 30, 31 and 34, Township 10 North, Rangew 57 West, 6th P.M., and approve up to

sixteen horizontal wells within each unit, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation.

<u>Order No. 535-414, Docket No. 1309-SP-1146, Unnamed Field, Weld County</u>, Applicant, Whiting Oil and Gas Corporation. Approves the request for an order establishing two approximate 960-acre drilling and spacing units for certain lands in Sections 10, 12, 13 and 15 Township 10 north, Range 58 West, 6th P.M., and approve up to sixteen horizontal wells within each unit, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation.

<u>Order No. 535-415, Docket No. 1309-SP-1147, Unnamed Field, Weld County</u>, Applicant, Whiting Oil and Gas Corporation. Approves the request for an order to: 1) vacate the 960-acre drilling and spacing unit established by Order No. 535-204 for Section 17 and the S<sup>1</sup>/<sub>2</sub> of Section 8, Township 10 North, Range 57 West, 6th P.M.; and 2) establish two approximate 1280-acre drilling and spacing units for certain lands in Sections 8, 17, 28 and 33, Township 10 North, Range 57 West, 6th P.M., and approve up to sixteen horizontal wells within each unit, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation.

<u>Order No. 535-416, Docket No. 1309-SP-1148, Unnamed Field, Weld County</u>, Applicant, Whiting Oil and Gas Corporation. Approves the request for an order to establish four approximate 960-acre drilling and spacing units for certain lands in Sections 1, 12, 13, 23, 26 and 35, Township 10 North, Range 57 West, 6th P.M., and approve up to sixteen horizontal wells within each unit, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation.

<u>Order No. 535-417, Docket No. 1309-SP-1149, Unnamed Field, Weld County</u>, Applicant, Whiting Oil and Gas Corporation. Approves the request for an order to establish four approximate 640-acre drilling and spacing units for certain lands in Section 9, 10, 24 and 34, Township 10 North, Range 59 West, 6th P.M., and approve up to sixteen horizontal wells within each unit, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation.

<u>Order No. 407-850 & 535-398</u>, <u>Docket No. 1306-AW-21</u>, <u>Wattenberg Field</u>, <u>Weld County</u>, Applicant, Bonanza Creek Energy Operating Company. Approves the request for an order to approve up to ten horizontal wells within an approximate 640-acre drilling and spacing unit consisting of Section 29, Township 5 North, Range 61 West, 6th P.M., for the production of oil, gas and associated hydrocarbons from the Niobrara Formation.

<u>Order No. 407-856 & 535-409</u>, <u>Docket No. 1309-AW-49</u>, <u>Wattenberg Field</u>, <u>Weld County</u>, Applicant, Bonanza Creek Energy Operating Company LLC. Approves the request for an order to approve up to ten horizontal wells within an approximate 640-acre drilling and spacing unit established for Section 3, Township 4 North, Range 62 West, 6th P.M., for the production of oil, gas and associated hydrocarbons from the Niobrara Formation

<u>Order No. 535-399</u>, <u>Docket No. 1307-SP-1139</u>, <u>Unnamed Field</u>, <u>Weld County</u>, Applicant, Dakota Exploration, LLC. Approves the request for an order to establish an approximate 640-acre drilling and spacing unit consisting of Section 2, Township 11 North, Range 59 West, 6th P.M., and approve up to four horizontal wells within the unit, for the production of oil, gas, and associated hydrocarbons from the Niobrara Formation.

<u>Order No. 535-400, Docket No. 1307-SP-1140, Unnamed Field, Weld County</u>, Applicant, Dakota Exploration, LLC. Approves the request for an order to establish an approximate 640-acre drilling and spacing unit consisting of Section 11, Township 11 North, Range 59 West, 6th P.M., and approve up to four horizontal wells within the unit, for the production of oil, gas, and associated hydrocarbons from the Niobrara Formation.

<u>Order No. 535-418, Docket No. 1309-SP-1151, Unnamed Field, Weld County</u>, Applicant, Foundation Energy Management, L.L.C. Approves the request for an order to establish an approximate 640-acre drilling and spacing unit for Section 34, Township 8 North, Range 60 West, 6th P.M., and approve up to four horizontal wells within the unit, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation.

<u>Order No. 510-66, Docket No. 1309-SP-1152, Grand Valley Field, Garfield County</u>, Applicant, Caerus Piceance LLC. Approves the request for an order to establish an approximate 80-acre drilling and spacing unit for certain lands in Section 14, Township 7 South, Range 96 West, 6th P.M., for the production of oil, gas and associated hydrocarbons from the Williams Fork and Iles Formations.

<u>Order No. 535-419, Docket No. 1309-SP-1154, Unnamed Field, Weld County</u>, Applicant, Noble Energy, LLC. Approves the request for an order to vacate two approximate 640-acre drilling and spacing units established by Order No. 535-3 for Sections 13 and 24, Township 8 North, Range 61 West, 6th P.M., and establish an approximate 1,280-acre drilling and spacing unit for said lands, and approve up to two horizontal wells within the unit, for the production of oil, gas and associated hydrocarbons from the Codell-Niobrara Formation.

<u>Order No. 407-859, Docket No. 1309-UP-174, Wattenberg Field, Weld County</u>, Applicant, Synergy Resources Corporation. Approves the request for an order to pool all interests in five approximate 400-acre designated wellbore spacing units established for certain lands in Sections 1 and 7, Township 6 North, Range 66 West, 6th P.M., for the development and operation of the Codell and Niobrara Formations.

<u>Order No. 407-860, Docket No. 1309-UP-175, Wattenberg Field, Weld County</u>, Applicant, Mendell Niobrara, LLC. Approves the request for an order to pool all interests in the approximate 80-acre drilling and spacing unit established for certain lands in Section 25, Township 5 North, Range 64 West, 6th P.M., for the development and operation of the Codell and Niobrara Formations.

<u>Order No. 407-855 & 535-408, Docket No. 1309-AW-48, Wattenberg Field, Weld County</u>, Applicant, Bonanza Creek Energy Operating Company LLC. Approves the request for an order to approve up to ten horizontal wells within an approximate 640-acre drilling and spacing unit established for Section 28, Township 5 North, Range 61 West, 6th P.M., for the production of oil, gas and associated hydrocarbons from the Niobrara Formation.

<u>Order No. 479-25, Docket No. 1307-UP-143, Wattenberg Field, Weld County</u>, Applicant, WPX Energy Rocky Mountain, LLC. Approves the request for an order to pool all interests in an approximate 160-acre drilling and spacing unit established for certain lands in Section 13, Township 7 South, Range 96 West, 6th P.M., for the development and operation of the Williams Fork Formation of the Mesaverde Group.

<u>Order No. 535-410, Docket No. 1309-AW-52, Unnamed Field, Weld County</u>, Applicant, Carrizo Oil and Gas, Inc. Approves the request for an order to approve an additional three horizontal

wells, for a total of up to sixteen horizontal wells within an approximate 640-acre drilling and spacing unit established for Section 31, Township 11 North, Range 59 West, 6th P.M., for the production of oil, gas and associated hydrocarbons from the Niobrara Formation.

<u>Order No. 535-411, Docket No. 1309-AW-61, Unnamed Field, Weld County</u>, Applicant, Carrizo Oil and Gas, Inc. Approves the request for an order to approve an additional three horizontal wells, for a total of up to 16 horizontal wells within an approximate 640-acre drilling and spacing unit established for Section 2, Township 8 North, Range 61 West, 6th P.M., for the production of oil, gas and associated hydrocarbons from the Niobrara Formation.

<u>Order No. 535-412, Docket No. 1309-AW-62, Unnamed Field, Weld County</u>, Applicant, Carrizo Oil and Gas, Inc. Approves the request for an order to approve an additional 10 horizontal wells, for a total of up to 16 horizontal wells within an approximate 640-acre drilling and spacing unit established for Section 27, Township 8 North, Range 61 West, 6th P.M., for the production of oil, gas and associated hydrocarbons from the Niobrara Formation.

<u>Order No. 535-420, Docket No. 1309-SP-1178, Unnamed Field, Weld County</u>, Applicant, Carrizo Oil and Gas, Inc. Approves the request for an order to: 1) vacate two approximate 640-acre drilling and spacing units established by Order No. 535-3 for Sections 20 and 29; 2) vacate Order Nos. 535-221, 535-241, 535-256, 535-287 and 535-339; 3) vacate an approximate 640-acre drilling and spacing unit established by Order No. 535-265 for Section 20, Township 8 North, Range 61 West, 6th P.M.; and 4) establish an approximate 960-acre drilling and spacing unit for certain lands in Sections 20 and 29, Township 8 North, Range 61 West, 6th P.M., and approve up to sixteen horizontal wells in the unit, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation.

<u>Order No. 535-421, Docket No. 1309-SP-1179, Unnamed Field, Weld County</u>, Applicant, Carrizo Oil and Gas, Inc. Approves the request for an order to: 1) vacate two approximate 640-acre drilling and spacing units established by Order No. 535-3 for Sections 20 and 29; 2) vacate Order Nos. 535-221, 535-241, 535-256, 535-287 and 535-339; 3) vacate an approximate 640-acre drilling and spacing unit established by Order No. 535-265 for Section 20, Township 8 North, Range 61 West, 6th P.M.; and 4) establish an approximate 960-acre drilling and spacing unit for certain lands in Sections 20 and 29, Township 8 North, Range 61 West, 6th P.M., and approve up to sixteen horizontal wells in the unit, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation.

<u>Order No. 547-3, Docket No. 1309-SP-1167, Unnamed Field, Garfield County</u>, Applicant, WPX Energy Rocky Mountain, LLC. Approves the request for an order to establish an approximate 362.73-acre drilling and spacing unit for certain lands in Sections 21 and 28, Township 6 South, Range 96 West, 6th P.M., and approve up to two horizontal wells within the unit, for the production of oil, gas and associated hydrocarbons from the Mancos, Niobrara, Frontier, Mowry and Dakota Formations.

<u>Order No. 407-857, Docket No. 1309-SP-1161, Wattenberg Field, Weld County</u>, Applicant, Great Western Operating Company, LLC. Approves the request for an order to establish an approximate 640-acre horizontal drilling and spacing unit for Section 20, Township 7 North, Range 66 West, 6th P.M., and approve up to fourteen horizontal wells within the unit, for the production of oil, gas, and associated hydrocarbons from the Codell-Niobrara Formation.

Order No. 407-858, Docket No. 1309-SP-1164, Wattenberg Field, Weld County, Applicant, Great Western Operating Company, LLC. Approves the request for an order to establish an

approximate 320-acre horizontal drilling and spacing unit for the certain lands in Section 34, Township 7 North, Range 64 West, 6th P.M., and approve up to eight horizontal wells within the unit, for the production of oil, gas, and associated hydrocarbons from the Codell-Niobrara Formation.

<u>Order No. 407-851, Docket No. 1307-AW-39, Wattenberg Field, Weld County</u>, Applicant, Great Western Operating Company, LLC. Approves the request for an order to approve up to twelve horizontal wells within an approximate 480-acre drilling and spacing unit consisting of certain lands in Section 19 and 30, Township 6 North, range 67 West, 6th P.M., for the production of oil, gas and associated hydrocarbons from the Codell-Niobrara Formation.

<u>Order No. 407-852, Docket No. 1307-AW-40, Wattenberg Field, Weld County</u>, Applicant, Great Western Operating Company, LLC. Approves the request for an order to approve up to twelve horizontal wells within an approximate 640-acre drilling and spacing unit consisting of Section 16, Township 6 North, Range 67 West, 6th P.M., for the production of oil, gas and associated hydrocarbons from the Codell-Niobrara Formation.

<u>Order No. 232-349 & 407-849</u>, <u>Docket No. 1303-UP-65</u>, <u>Wattenberg Field</u>, <u>Weld County</u>, Applicant, Encana Oil and Gas (USA) Inc. Approves the request for an order to pool all interests in an approximate 160-acre designated wellbore spacing unit consisting of certain lands in Section 4, Township 3 North, Range 68 West, 6th P.M., for the development and operation of the J-Sand, Codell and Niobrara Formations.

<u>Order No. 535-402, Docket No. 1309-UP-201, Unnamed Field, Weld County</u>, Applicant, ConocoPhillips Company. Approves the request for an order to pool all interests in an approximate 640-acre exploratory drilling and spacing unit established for Section 9, Township 4 South, Range 64 West, 6th P.M., for the development and operation of the Niobrara Formation.

<u>Order No. 535-422, Docket No. 1309-SP-1188, Unnamed Field, Weld County</u>, Applicant, ConocoPhillips Company. Approves the request for an order to vacate two approximate 640acre drilling and spacing units established by Order No. 535-97 for Sections 21 and 22, Township 4 South, Range 65 West, 6th P.M.; and establish an approximate 1280-acre exploratory drilling and spacing unit and approve up to two horizontal wells within the unit for Sections 21 and 22, Township 4 South, Range 65 West, 6th P.M.; for the production of oil, gas and associated hydrocarbons from the Niobrara Formation.

<u>Order No. 535-423, Docket No. 1309-SP-1189, Unnamed Field, Weld County</u>, Applicant, ConocoPhillips Company. Approves the request for an order to vacate two approximate 640acre drilling and spacing units established by Order No. 535-97 for Sections 23 and 24, Township 4 South, Range 65 West, 6th P.M. and establish an approximate 1280-acre exploratory drilling and spacing unit and approve up to two horizontal wells within the unit for Section 23 and 24, Township 4 South, Range 65 West, 6th P.M., for the production of oil, gas and associated hydrocarbons from the Niobrara Formation.

<u>Order No. 535-401, Docket No. 1309-SP-1191, Unnamed Field, Weld County</u>, Applicant, ConocoPhillips Company. Approves the request for an order to vacate the well exception location established by Order No. 535-97 for Section 9, Township 4 South, Range 64 West, 6th P.M.; and establish an approximate 640-acre exploratory drilling and spacing unit and approve up to two horizontal wells within the unit for the below-described lands ("Application Lands"), for the production of oil, gas and associated hydrocarbons from the Niobrara Formation.

<u>Order No. 535-397, Docket No. 1303-SP-36, Unnamed Field, Arapahoe County</u>, Applicant, ConocoPhillips Company. Approves the request for an order to establish five approximate 640-acre drilling and spacing units consisting of Sections 20, 26, 27, 28 and 33, Township 4 South, Range 64 West, 6th P.M., and approve up to two horizontal wells within each unit, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation.

<u>Order No. 1V-421, Docket No. 1307-OV-19, Benchmark Energy LLC</u>, Approves the request for an AOC with Benchmark Energy LLC (Operator No. 10380) imposing a \$10,000 penalty for a violation of Rule 1004 (Final Reclamation Threshold for Release of Financial Assurance) for the Logan J Sand Unit #4-19 Well (API # 05-075-06043) located in the NE¼, SE¼, Section 1, Township 8 North, Range 54 West, 6th P.M., for failure to satisfactorily perform final reclamation for a produced water pit as required by the approved Form 27, and failure to keep the reclaimed area clear of noxious weeds.

<u>Order No. 1V-419, Docket No. 1307-OV-20, Axia Energy LLC</u>, Approves the request for of an AOC with Axia imposing a \$50,000 penalty for alleged violations of Rule 902.c, Rule 902.d, Rule 903, Rule 906, and Rule 907. for the Bulldog 5-31H-790 Well (API No. 05-081-07727-01), located in Lot 6, Section 5, Township 7 North, Range 90 West, 6th P.M. The penalty is calculated based on 10 days for each violation.

-END-

FOR THE COLORADO OIL AND GAS CONSERVATION COMMISSION

rick. Secretary

Approved: