

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 IN THE WATTENBERG FIELD,) DOCKET NO. 1109-SP-116
WELD COUNTY, COLORADO)

NOTICE OF HEARING

TO ALL INTERESTED PARTIES AND TO WHOM IT MAY CONCERN:

On December 19, 1983, the Commission issued Order No. 407-1 (amended on March 29, 2000 in accordance with Order No. 407-17, entered November 18, 1985), which among other things, established 80-acre drilling and spacing units for the production of oil and/or gas and associated hydrocarbons from the Codell Formation underlying certain lands, including Section 25, Township 6 North, Range 63 West, 6th P.M., with the drilling and spacing unit to be designated by the operator drilling the first well in the quarter section (or the Director, if the operator fails to designate). The permitted well shall be located in the center of either 40-acre tract within the drilling and spacing unit with a tolerance of 200 feet in any direction. The operator shall have the option to drill an additional well on the undrilled 40-acre tract in each 80-acre drilling and spacing unit.

On February 19, 1992, the Commission issued Order No. 407-87 (amended August 20, 1993), which among other things, established 80-acre drilling and spacing units for the production of oil and/or gas from the Codell and Niobrara Formations underlying certain lands, including Section 25, Township 6 North, Range 63 West, 6th P.M., with the permitted well locations in accordance with the provisions of Order No. 407-1.

On April 27, 1998, 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 of the Cretaceous Age Formations from the base of the Dakota Formation to the surface. Pursuant to Rule 318A.j., Rule 318A. supersedes all prior Commission drilling and spacing orders affecting well location and density requirements of Greater Wattenberg Area wells. Rule 318A.d. provides that an operator may allocate production to any drilling and spacing unit with respect to a particular Cretaceous Age Formation consistent with the provisions of Rule 318A. Section 25, Township 6 North, Range 63 West, 6th P.M. is subject to Rule 318A., for the production of oil, gas and associated hydrocarbons from the Niobrara Formation. Rule 318A.f. provides that there shall be no more than eight producing completions in the Niobrara Formation in any 160-acre governmental quarter section.

On July 21, 2011, Noble Energy, Inc. ("Noble" or "Applicant"), by its attorneys, filed with the Commission a verified application (the "Application") for an order to: (1) establish an approximate 640-acre drilling and spacing unit for the below-listed lands, and approve of nine (9) horizontal wells within the unit, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation:

Township 6 North, Range 63 West, 6th P.M.
Section 25: All

(2) approve a variance from Rule 318A.f. to authorize a total of up to ten (10) producing completions for the NW $\frac{1}{4}$ and NE $\frac{1}{4}$ of said Section 25, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation; (3) approve exception locations for the horizontal wells to be drilled under the Application from the Rule 318A.a. surface drilling locations for good cause, which includes a surface use agreement, or alternatively, the consent of the surface owner, with two multi-well pads to be used for the six (6) horizontal wells to be drilled from the W $\frac{1}{2}$ of said Section 25; and (4) approve setbacks for wells drilled under the Application to require the treated interval of the wellbore should be no closer than 460 feet from the boundaries of the unit, excepting the AA25-69HN Well, with an intended bottomhole location in the NE $\frac{1}{4}$ NE $\frac{1}{4}$ of said Section 25, may be located within the 460 foot setback allowed under Rule 318A.

Noble states that the Application is not requesting the change of any established 80-acre drilling and spacing units or the established distribution of proceeds for any existing vertical Niobrara Formation wells. Noble will allocate and distribute proceeds from the Well on a 320-acre basis.

NOTICE IS HEREBY GIVEN, that the Oil and Gas Conservation Commission of the State of Colorado, pursuant to the above, has scheduled the above-entitled matter for hearing on:

Date: Monday, September 19, 2011
Tuesday, September 20, 2011

Time: 9:00 a.m.

Place: City & County of Broomfield
City & County Building – Council Chambers
One DesCombes Drive
Broomfield, CO 80020

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.

Pursuant to said hearing in the above-entitled matter at the time and place aforesaid, or at any adjourned meeting, the Commission will enter such orders as it deems appropriate to protect the health, safety and welfare of the public and to prevent the waste of oil and gas, either or both, in the operations of said field, and to carry out the purposes of the statute.

In accordance with Rule 509., any interested party desiring to protest the granting of the application or to intervene on the application should file with the Commission a written protest or intervention no later than September 2, 2011, briefly stating the basis of the protest or intervention. Such interested party shall, at the same time, serve a copy of the protest or intervention to the person filing the application. An original and 13 copies shall be filed with the Commission. Anyone who files a protest or intervention must be able to participate in a prehearing conference during the week of September 6, 2011. Pursuant to Rule 503.g., if a party who has received notice under Rule 503.b. wishes to receive further pleadings in the above-referenced matter, that party must file a protest or intervention in accordance with these rules. In accordance with the practices of the Commission, should no protests or interventions be filed in this matter by September 2, 2011, the Applicant may request that an administrative hearing be scheduled during the week of September 6, 2011. In the alternative, pursuant to Rule 511., if the matter is uncontested, the applicant may request, and the Director may recommend approval on the basis of the merits of the verified application and the supporting exhibits.

IN THE NAME OF THE STATE OF COLORADO

OIL AND GAS CONSERVATION COMMISSION
OF THE STATE OF COLORADO

By



Robert A. Willis, Acting Secretary

Dated at Suite 801
1120 Lincoln Street
Denver, Colorado 80203
August 9, 2011

Attorneys for Noble:
Jamie L. Jost /William A. Keefe/Elizabeth Y. Gallaway
Beatty & Wozniak, P.C.
216 Sixteenth Street, Suite 1100
Denver, Colorado 80202
(303) 407-4499