

**BEFORE THE OIL AND GAS CONSERVATION COMMISSION
OF THE STATE OF COLORADO**

IN THE MATTER OF THE AMENDED APPLICATION BY NOBLE ENERGY, INC. FOR AN ORDER TO: (1) ESTABLISH AND APPROVE A RULE 216 COMPREHENSIVE DRILLING PLAN FOR APPROXIMATELEY 64,133 ACRES IN ALL OR PORTIONS OF TOWNSHIP 4 NORTH, RANGE 65 WEST, 6TH P.M., TOWNSHIP 4 NORTH, RANGE 64 WEST, 6TH P.M., TOWNSHIP 4 NORTH, RANGE 63 WEST, 6TH P.M., TOWNSHIP 3 NORTH, RANGE 65 WEST, 6TH P.M., TOWNSHIP 3 NORTH, RANGE 64 WEST, 6TH P.M., TOWNSHIP 3 NORTH, RANGE 63 WEST, 6TH P.M., TOWNSHIP 2 NORTH, RANGE 64 WEST, 6TH P.M., AND TOWNSHIP 2 NORTH, RANGE 63 WEST, 6TH P.M., AND (2) STAYING ACCEPTANCE OF CERTAIN APPLICATIONS FOR PERMITS TO DRILL AND/OR APPLICATIONS TO ESTABLISH DRILLING AND SPACING UNITS WITHIN THE LANDS PROPOSED FOR INCLUSION IN THE COMPREHENSIVE DRILLING PLAN, WATTENBERG FIELD, WELD COUNTY, COLORADO

CAUSE NO. 1

DOCKET NO. 180700613

TYPE: GENERAL
ADMINSTRATIVE

**PROTEST OF NOBLE ENERGY'S APPLICATION FOR AN ORDER ESTABLISHING
A COMPREHENSIVE DRILLING PLAN AND REQUEST FOR STAY**

Crestone Peak Resources Operating LLC, Operator No. 10633 ("Crestone" or "Protestant"), by and through its attorneys, Kearney, McWilliams & Davis, PLLC, respectfully files this protest ("Protest") of an application of Noble Energy, Inc. ("Noble" or "Applicant"). In support of its Protest, Crestone states and alleges the following:

A. Procedural Background

1. On May 31, 2018 (amended June 22, 2018), Noble filed with the Oil and Gas Conservation Commission of the State of Colorado ("COGCC" or "Commission") an application ("Application") for an order to, among other things, establish and approve Noble Energy, Inc.'s Initial Comprehensive Drilling Plan ("CDP" or "Initial CDP") in accordance with the requirements of Commission Rule 216 for the below-described lands, for development and production of the Codell, Niobrara Formations, Ft. Hayes and Carlile Shale

Formations:

Township 2 North, Range 63 West, 6th P.M.

Section 4: W/2
Section 5: All
Section 6: All
Section 8: N/2

Township 2 North, Range 64 West, 6th P.M.

Sections 5-8: All
Section 17: All
Section 18: All

Township 3 North, Range 63 West, 6th P.M.

Sections 5-8: All
Sections 17-20: All
Section 28: W/2
Sections 29-32: All
Section 33: W/2

Township 3 North, Range 64 West, 6th P.M.

Section 1-36: All

Township 3 North, Range 65 West, 6th P.M.

Section 1: W/2
Section 2: All
Section 3: All
Sections 10-15: All
Sections 23-26: All
Section 35: All
Section 36: All

Township 4 North, Range 63 West, 6th P.M.

Section 19: All
Section 20: All
Sections 29-32: All

Township 4 North, Range 64 West, 6th P.M.

Sections 10-15: All
Section 19: All
Sections 22-36: All

Township 4 North, Range 65 West, 6th P.M.

Section 36: W/2

64,133 acres, more or less, Weld County, Colorado.

These lands are hereinafter referred to as the "Application Lands" and are depicted on the reference map attached hereto as Exhibit A.

2. Noble's Application requested that the Commission grant a stay, Paragraph 28 of Amended Application ("Stay"), of acceptance of applications for permits-to-drill ("ADPs" or "Form 2s"), Oil and Gas Location Assessments ("Form 2As"), and applications to establish drilling and spacing units in the northern portion of the Application Lands (defined as "Tier One Stay" in Exhibit "A" hereto, and described below) for all Owners and Operators until such time as the Commission has entered an order on the CDP for the Application Lands, or as otherwise determined by the Commission or Director:

Township 3 North, Range 63 West, 6th P.M.

Sections 5-8: All

Section 17: All

Section 18: All

Township 3 North, Range 64 West, 6th P.M.

Sections 1-12: All

Section 18: N/2

Township 3 North, Range 65 West, 6th P.M.

Section 1: W/2

Section 2: All

Section 3: All

Sections 10-12: All

Section 13: N/2

Section 14: N/2, N/2S/2

Section 15: All

Township 4 North, Range 63 West, 6th P.M.

Section 19: All

Section 20: All

Sections 29-32: All

Township 4 North, Range 64 West, 6th P.M.

Sections 10-15: All

Section 19: All

Sections 22-36: All

Township 4 North, Range 65 West, 6th P.M.

Section 36: W/2

3. Noble's Application also requested that the Commission grant a Stay of acceptance of APDs, Form 2As, and applications to establish drilling and spacing units in the southern portion of the Application Lands (defined as "Tier Two Stay" in Exhibit "A" hereto, and

described below) for all Owners and Operators EXCEPT Applicant until such time as the Commission has entered an order on the CDP for the Application Lands, or as otherwise determined by the Commission or Director:

Township 2 North, Range 63 West, 6th P.M.

Section 4: W/2
Section 5: All
Section 6: All
Section 8: N/2

Township 2 North, Range 64 West, 6th P.M.

Sections 5-8: All
Section 17: All
Section 18: All

Township 3 North, Range 63 West, 6th P.M.

Section 19: All
Section 20: All
Section 28: W/2
Sections 29-32: All
Section 33: W/2

Township 3 North, Range 64 West, 6th P.M.

Sections 13-16: All
Section 17: All
Section 18: S/2
Sections 19-36: All

Township 3 North, Range 65 West, 6th P.M.

Section 13: S/2
Section 14: S/2S/2
Sections 23-26: All
Section 35: All
Section 36: All

4. Crestone is a limited liability company duly authorized to conduct business in the State of Colorado and has registered as an operator with the Commission. Crestone has standing to protest the Application pursuant to under § 34-60-108(7) of the Colorado Revised Statutes and COGCC Rules 503, 507 and 509.

B. General Statement of Factual and Legal Basis for the Protest

Improper application of Rule 216

5. Comprehensive Drilling Plans are intended to identify foreseeable oil and gas activities in a defined geographic area, facilitate discussions about potential impacts and identify measures to minimize adverse impacts to public health, safety, welfare, and the environment, including wildlife resources, from such activities. COGCC Rule 216.a. However, Noble's CDP is inconsistent with these intents because of its overreaching size and scope. Noble is requesting that Commission approve a CDP covering approximately 100 square miles of land that is valid for a period of 6 years, *or for so long as oil and gas operations are occurring on the Application Lands* (emphasis added). Amended Application ¶ 4. This variance of COGCC Rule 216.g will allow Noble to continue to develop 100 square miles of land at its own pace, without competition or interference from any other Operator or Interest holder essentially for perpetuity. A CDP of this size and scope can only speculate as to foreseeable oil and gas operations, vastly curtailing the ability to have meaningful and productive conversations about the potential impacts from these speculative operations. The speculative nature of the CDP is compounded by Noble's request for an indefinite variance, indicating that it anticipates more time will be required to develop the Application Lands. Finally, the magnitude of the operations undercut any foreseeability derived from this CDP. Noble states that it will request to establish 47 Drilling and Spacing Units, encompassing approximately 1,280 acres each, and will be designed to accommodate up to 16 horizontal wells per unit. Amended Application ¶ 6.

6. Although operators are encouraged to develop joint Comprehensive Drilling Plans covering the proposed activities of multiple operators where appropriate, Comprehensive Drilling Plans will typically cover the activities of one operator. COGCC Rule 216.b. If Noble were the majority Working Interest Owner in all Application Lands, then it may be reasonable for Noble to be the Operator. However, Noble is *not* the majority Working Interest owners in all of the Application Lands, and specifically all of Sections 3 and 10 and a portion of Section 2, Township 3 North, Range 65 West, 6th P.M., (Sections 2, 3, and 10, Township 3 North, Range 65 West, 6th P.M. being hereinafter referred to as "Crestone Acreage"). To approve this CDP, the COGCC would be setting the precedent that a party can become the sole operator of lands where it does not own a majority working interest. When oil and gas companies purchase the majority of the leases in a section, they generally do so under the assumption that they can develop the lands as the operators. The Commission should not approve Noble as the sole Operator of 64,133 acres of land because it undermines basic industry assumption regarding leasehold ownership and mineral development rights.

7. Noble's plan is inconsistent with the intent of the Comprehensive Development Plan under Rule 216. The sheer size, breadth, and magnitude of the project undercuts any possible benefits related to foreseeability and impact mitigation as intended under Rule 216. Moreover, this CDP has not been derived through collaboration and will harm the rights of mineral and working interest owners. Because the CDP is inconsistent with the scope and intent of Rule 216, the Commission should not approve the plan as proposed.

The proposed Noble CDP and Stay will result in economic waste and an infringement on correlative rights

8. This CDP, if approved, would result in waste. Under Colorado law, a unit agreement is not lawful unless the Commission approves it as being in the public interest for conservation. Colo. Rev. Stat. § 34-60-118(1) (2017). The law prohibits the waste of oil and gas in the State of Colorado. Colo. Rev. Stat. § 34-60-107 (2017). The Act gives the Commission the authority to prevent waste and protect the correlative rights of “all owners.” Colo. Rev. Stat. § 34-60-117(1) (2017). Noble’s proposed CDP is inconsistent with these statutory requirements. Colorado law recognizes inefficient use of oil as one form of waste. Colo. Rev. Stat. § 34-60-103(12) (2017). If approved, the CDP would result in economic waste and violate the correlative rights of Crestone and other interested owners.

9. Noble’s CDP would result in the inefficient development of the Lands, amounting to waste under C.R.S. § 34-60-103(12). Noble states it is vested with a high working interest in the Application lands of the proposed CDP. Amended Application ¶ 3. However, this is not correct when reviewing the working interest on a section by section basis. Crestone is vested with a majority working interest in and to Sections 2, 3, and 10, all in Township 3 North, Range 65 West. This majority working interest gives Crestone the greatest incentive to prioritize the development of these lands.

10. The CDP as proposed would violate the correlative rights of working and mineral interest owners of the Lands. The basic intent of the Act is to “safeguard, protect, and enforce the coequal and correlative rights of owners and producers in a common source or pool of oil and gas to the end that each owner and producer in a common pool or source of supply of oil and gas may obtain a just and equitable share of production therefrom.” Colo. Rev. Stat. § 34-60-102(1)(a)(III) (2017). Correlative rights, as defined by the Act, are the rights of each owner and producer to the “equal opportunity to obtain and produce a just and equitable share of the oil and gas underlying such pool or source of supply.” Colo. Rev. Stat. § 34-60-103(4) (2017).

11. If approved, Noble’s CDP and Stay would prohibit any operator, other than Noble, from applying for a permit to drill within the Application Lands. Amended Application ¶ 28. Granting the CDP and Stay would recognize the leasehold rights of Noble above all other operators. Rather than protecting the equal opportunity of operators and owners, Noble’s proposed operations would directly infringe upon the correlative rights of Crestone in addition to all other working and mineral interest owners in the Lands by freezing their ability to produce their equitable share of oil and/or gas from the Lands.

12. Noble’s CDP would result in the inefficient development of the Application Lands, which is tantamount to economic waste in these circumstances. Further, by freezing otherwise lawful rights to develop these lands, the CDP violates the correlative rights of working and mineral interest owners. Because the CDP results in waste and violates the correlative rights of other parties, it contravenes the public interest and should not be approved as proposed.

Approval of CDP and Stay will subject operators to disparate treatment in violation of law

13. Nowhere in the Act or rules is the Commission authorized to treat similarly situated operators differently to do so would be a violation of equal protection under the law. Indeed, the threshold inquiry in any equal protection claim is whether persons who are in fact similarly situated are subjected by some governmental act to disparate treatment. *Bd. of County Comm'rs v. Flickinger*, 687 P.2d 975, 982 (Colo. 1984). Noble's requested CDP and Stay, if approved, would limit the COGCC's acceptance and processing of APDs from any operator other than Noble. The Stay would selectively and unequally apply the COGCC rules and regulations to owners who have the legal right to drill within the Application Lands. Such dissimilar treatment is a violation of law, and therefore Noble's CDP and Stay request should be denied.

Approval of CDP and Stay will adversely affect Crestone by effectively naming Noble operator of 64,133 acres

14. Currently, the Commission tends to follow a first-to-file policy, meaning that the first operator to file APDs for given lands will generally be issued the APDs over a competing operator's APDs that are subsequently filed. *See* Docket No. 160800347, COGCC Order No. 407-1793; *see also* Director Lepore's presentation to the Commission, January 30, 2017. Noble's CPD and Stay asks the Commission to refuse acceptance of applications for permits-to-drill ("APDs" or Form 2s"), Oil and Gas Location Assessments ("Form 2As"), and applications to establish drilling and spacing units from any Owner or Operator, *except* Noble, in approximately 64,133 acres of open land. If Noble's request to Stay is approved, it will effectively freeze all potential operations and allow Noble to monopolize 64,133 acres in the interim.

15. Noble claims that whatever inconvenience other owners, operators, or working interest holders might suffer from the Stay would be brief in duration. Amended Application ¶ 44. This claim is meritless and frivolous in nature, as the unprecedented nature of the Application presents the possibility the Stay would be extensive and harmful to all other owners in 64,133 acres of land. In accordance with such uncertainty and potential to harm, the Commission should deny Noble's request to stay.

Crestone's drilling plans

16. Crestone owns significant Working Interest in the Crestone Acreage. A map depicting the location of Crestone's leasehold in the Application Lands is attached hereto as Exhibit B. Also, Crestone has existing facilities and Surface Use Agreements on the Crestone Acreage, and plans to amend those Agreements for horizontal well development in the future.

17. Crestone anticipates it will commence development of the Crestone Acreage in 2020. Based upon Noble's Initial CDP, if approved in 2018, the Tier Two Stay lands (southern lands) will not be completely developed until the first half of 2021. Therefore, it is likely that Noble will not begin developing the Tier One Stay lands (northern lands), including the Crestone Acreage, until 2022 or later, and not finish drilling and completion operations until 2024, or later.

The Commission should deny Noble's proposed CDP as written and as to the Crestone Acreage as it undermines the efficient and timely production of the minerals thereunder.

C. Conclusion

18. Approval of Noble's CDP and Stay will have long-term negative effects on the current spacing and permitting procedures, and Colorado's oil and gas industry. Noble has gone beyond the scope and intent of Rule 216. The CDP and Stay, as requested, will cause waste and violate Crestone's correlative rights. Crestone has made a significant investment in the Application Lands with the intent to drill. If Noble's CDP and Stay are approved, it will strip away Crestone's right to submit applications for permits-to-drill ("APDs" or "Form 2s"), Oil and Gas Location Assessments ("Form 2As"), and applications to establish drilling and spacing units within the Application Lands. Additionally, if Noble's CDP is approved, Crestone will be effectively banned from developing its acreage for a period of six (6) years, *or so long as oil and gas operations are occurring on the Application Lands*. Therefore, Crestone asks the Commission to deny Noble's CDP and Stay request so that Crestone may have an equal opportunity to develop its leasehold in the Application Lands.

D. Relief Requested

WHEREFORE, Crestone respectfully requests the following relief:

1. That the Commission require Noble to Amend its Comprehensive Drilling Plan to remove Sections 2, 3 and 10, Township 3 North, Range 65 West, 6th P.M.
2. That the Commission deny Noble's Comprehensive Drilling Plan Application.
3. That the Commission deny Noble's Stay of development request.
4. For such other findings and orders as the Commission may deem proper or advisable in the premises.

E. Description of Intended Presentation

1. Crestone will present arguments and evidence in support of the facts and arguments stated above.
2. Crestone reserves the right to present witnesses as necessary to supplement the above facts and/or rebut any evidence, argument or witness testimony at hearing.

F. Reservation of Rights

In addition to reserving the right to supplement this Protest with additional factual information and/or legal arguments, and to present witnesses, Crestone reserves the right to raise numerous objections to the filing of the Comprehensive Drilling Plan.

G. Time Estimate for Protest

Crestone estimates that it will require approximately one (1) hour to present its evidence and testimony, in support of this Protest to Noble.

DATED this 13th day of July, 2018.

Respectfully submitted,

Crestone Peak Resources Operating, LLC

By: 

Scott Kearney

Grant Boies

Kearney, McWilliams & Davis, PLLC

Attorneys for Protestant

1625 Broadway, Suite 2950

Denver, Colorado 80202

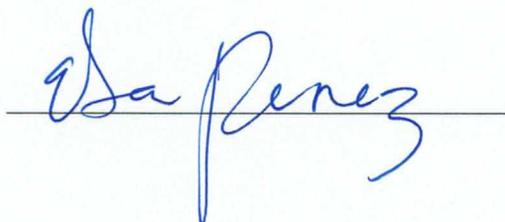
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CERTIFICATE OF SERVICE

I hereby certify that, on July 13, 2018, Kearney, McWilliams & Davis, PLLC caused Crestone's Protest of Noble's Comprehensive Drilling Plan and Stay Request in Colorado Oil and Gas Conservation Commission Docket No. 180700613 to be served via electronic mail to Counsel for Noble and the Colorado Oil and Gas Conservation Commission pursuant to Rule 509(3)E., and by U.S. mail at the addresses listed below.

A handwritten signature in blue ink, reading "Lisa Perez", is written over a horizontal line.

Via electronic mail and courier

Colorado Oil and Gas Conservation Commission
ATTN: Peter Gowen and James Rouse
1120 Lincoln Street, Suite 810
Denver, CO 80203
Peter.Gowen@state.co.us
James.Rouse@state.co.us

Via electronic mail and US mail

Michael J. Wozniak
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Exhibit A
Comprehensive Drilling Plan
Noble Energy, Inc.

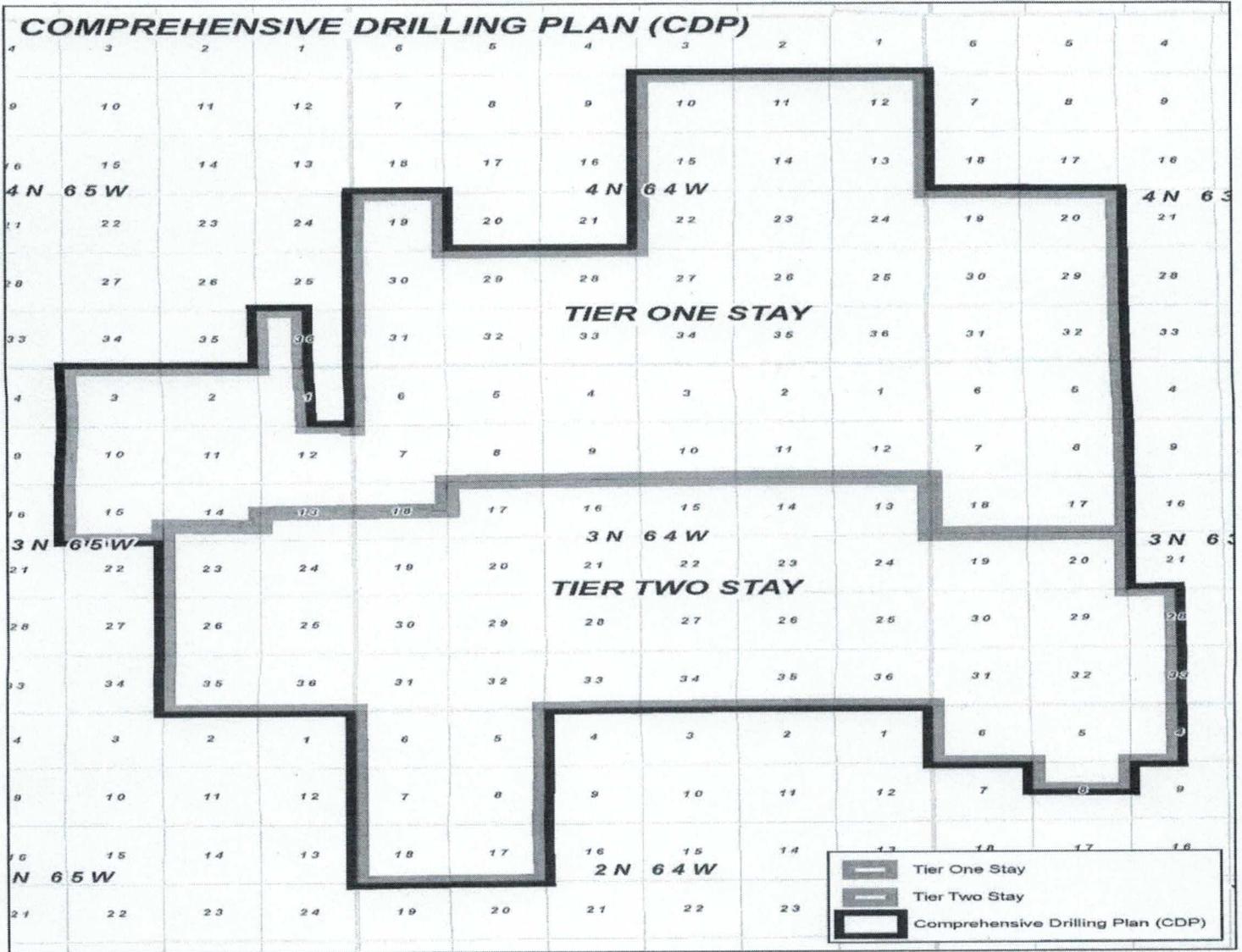
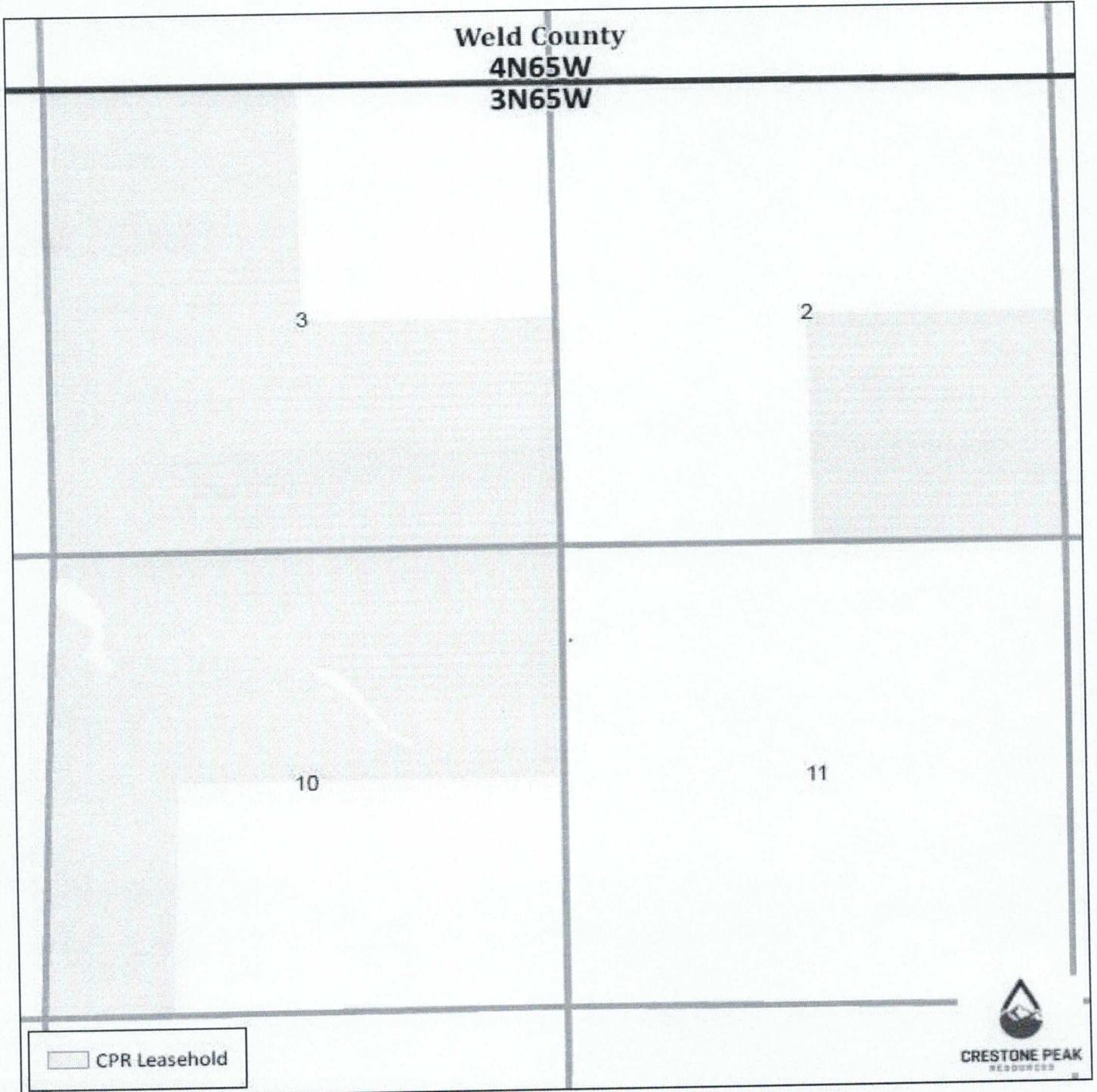


Exhibit B
Leasehold Ownership Map
Crestone Peak Resources Operating, LLC

Township 3 North, Rang 65 West, 6th P.M.
Sections 2, 3, & 10



**BEFORE THE OIL AND GAS CONSERVATION COMMISSION
OF THE STATE OF COLORADO**

IN THE MATTER OF AN AMENDED)
APPLICATION BY NOBLE ENERGY, INC.)
FOR AN ORDER (1) APPROVING A)
COMPREHENSIVE DRILLING PLAN FOR)
APPROXIMATELY 64,133 ACRES IN ALL)
OR PORTIONS OF TOWNSHIP 4 NORTH,)
RANGE 65 WEST, 6TH P.M., TOWNSHIP 4)
NORTH, RANGE 64 WEST, 6TH P.M.,)
TOWNSHIP 4 NORTH, RANGE 63 WEST,)
6TH P.M., TOWNSHIP 3 NORTH, RANGE 65)
WEST, 6TH P.M., TOWNSHIP 3 NORTH,)
RANGE 64 WEST, 6TH P.M., TOWNSHIP 3)
NORTH, RANGE 63 WEST, 6TH P.M.,)
TOWNSHIP 2 NORTH, RANGE 64 WEST,)
6TH P.M., AND TOWNSHIP 2 NORTH,)
RANGE 63 WEST, 6TH P.M.; AND (2))
STAYING ACCEPTANCE OF CERTAIN)
APPLICATIONS FOR PERMITS TO DRILL)
AND/OR APPLICATIONS TO ESTABLISH)
DRILLING AND SPACING UNITS WITHIN)
THE LANDS PROPOSED FOR INCLUSION)
IN THE COMPREHENSIVE DRILLING PLAN,)
WATTENBERG FIELD, WELD COUNTY, CO)

Cause No. 1

Docket No. 180700613

Type: GENERAL ADMINISTRATIVE

PROTEST OF NOBLE ENERGY, INC.'S AMENDED APPLICATION

Incline Niobrara Partners, LP ("Incline Niobrara"), Incline Minerals, LLC ("Incline Minerals"), and Incline Energy, LLC ("Incline Energy") (collectively, "Incline") by and through undersigned counsel, hereby file this protest ("Protest") of the application, as amended on June 22, 2018, of Noble Energy, Inc. ("Noble") (the "Application"). In support of its Protest, Incline states and alleges the following:

A. Procedural Background

1. On June 22, 2018, Noble filed its Application with the Colorado Oil and Gas Conservation Commission of the State of Colorado ("Commission") for an order to: (1) establish and approve a Rule 216 Comprehensive Drilling Plan ("CDP") for the Application Lands, described below, in Weld County, Colorado, for the development and operation of the Codell, Niobrara, Ft. Hayes and Carlisle Shale formations; and (2) to stay acceptance of applications for permits-to-drill ("APDs" or "Form 2s"), Oil and Gas Location Assessments ("Form 2As"), and applications to establish drilling and spacing units in the Application Lands until such time as the Commission has entered an order on the CDP for the Application Lands, or as otherwise determined by the Commission or Director:

Township 2 North, Range 63 West, 6th P.M.

Section 4: W ½
Section 5: All
Section 6: All
Section 8: N ½

Township 2 North, Range 64 West, 6th P.M.

Sections 5-8: All
Section 17: All
Section 18: All

Township 3 North, Range 63 West, 6th P.M.

Sections 5-8: All
Sections 17-20: All
Section 28: W ½
Sections 29-32: All
Section 33: W ½

Township 3 North, Range 64 West, 6th P.M.

Sections 1-36: All

Township 3 North, Range 65 West, 6th P.M.

Section 1: W ½
Section 2: All
Section 3: All
Sections 10-15: All
Sections 23-26: All
Section 35: All
Section 36: All

Township 4 North, Range 63 West, 6th P.M.

Section 19: All
Section 20: All
Section 29-32: All

Township 4 North, Range 64 West, 6th P.M.

Sections 10-15: All
Section 19: All
Sections 22-36: All

Township 4 North, Range 65 West, 6th P.M.

Section 36: W ½

64,133 acres, more or less, Weld County, Colorado (the "Application Lands").

2. Incline Niobrara is a Delaware limited partnership duly authorized to conduct business in the State of Colorado.

3. Incline Minerals is a Delaware limited liability company duly authorized to conduct business in the State of Colorado.

4. Incline Energy is a Delaware limited liability company duly authorized to conduct business in the State of Colorado.

5. Incline is a mineral owner and working interest owner in about 98 net mineral acres within the Application Lands.

6. For the hearing noticed for July 30-August 1, 2018, the Commission is to consider whether Noble's stay is granted for the Application Lands during the CDP process.

B. Factual and Legal Basis for the Protest

7. Rule 503.e states:

No later than seven days after the application is filed, the applicant shall submit to the Commission a certificate of service demonstrating that the applicant served a copy of the application on all persons entitled to notice pursuant to these rules by mailing a copy thereof, first-class postage prepaid, to the last known mailing address of the person to be served, or by personal delivery. The applicant shall at the same time submit to the Commission of all persons entitled to notice pursuant to these rules on compatible electronic media.

(emphasis added).

8. Moreover, pursuant to Rule 507.a., notice of the proceeding must be given to all persons specified in Rules 507.b. and 507.c. at least 35 days in advance of any Commission hearing at which the matter will be heard.

9. For applications affecting drilling units, like Noble's Application requesting approval of a Rule 216 CDP and stay of all APDs or Form 2s, Form 2As and applications to establish drilling and spacing units in the Application Lands, "notice of the application shall be served on the owners within the proposed drilling unit or within the existing drilling unit to be affected by the applications." Commission Rule 507.b.(1).

10. Here, as stated above, Incline is a mineral owner and working interest owner in about 72 net mineral acres within the Application lands and, therefore, is entitled to receive notice of the application and hearing.

11. Despite Incline's ownership within the proposed drilling unit, Incline has not been provided copies of Noble's Application within seven days from filing the Application as required by Rule 503.e., and within 35 days of the hearing as required by Rule 507.

12. Paragraph 48 of Noble's Application states that Noble served each interested party in accordance with Commission Rules 503.e. and 507. Noble's Affidavit of Mailing does not list service of Incline Niobrara, Incline Energy, or Incline Minerals.

13. Accordingly, Incline has not been afforded notice to permit it a meaningful opportunity to participate in the proceeding and review Noble's Application, which purports to stay all APDs and drilling and spacing applications in the Application lands – covering over 64,000 acres.

14. The failure to provide notice to Incline is not immaterial for the following reasons:

- a. The Colorado Oil and Gas Conservation Act (the "Act") provides that a basic intent is to "safeguard, protect, and enforce the coequal and correlative rights of owners and producers in a common source or pool of oil and gas to the end that each owner and producer in a common pool or source of supply of oil and gas may obtain a just and equitable share of production therefrom." C.R.S. § 34-60-102(1)(a)(III).
- b. According to the Act, correlative rights means "that each owner and producer in a common pool or source of supply of oil and gas shall have an equal opportunity to obtain and produce his just and equitable share of the oil and gas underlying such pool or source of supply." C.R.S. § 34-60-103(4).
- c. Noble's request for a stay and CDP will prohibit any other owner, aside from Noble, from applying for a permit to drill within the Application Lands or otherwise taking action to develop the hydrocarbons within the Application Lands for an undetermined amount of time. Nowhere in Rule 216 does it permit an applicant to obtain a stay for an undetermined amount of time during the CDP process.
- d. As such, if the Commission enters an Order approving Noble's request for a stay, it will prevent owners, like Incline, from obtaining and producing their just and equitable share of the production in violation of Act's requirement to protect the equal opportunity of operators to produce their just and equitable share of hydrocarbons. Essentially, such a request will treat Noble as the only operator permitted to develop over 64,000 acres in Weld County, Colorado without time limits, which would result in unequal treatment in violation of the law. Incline believes such relief would be premature considering that no CDP has been presented or approved by the Commission for the Application Lands to date.

C. Conclusion

15. Noble's Application requesting the Commission to approve a stay until such time that the Commission has entered an order on the CDP for the Application Lands, or as otherwise determined by the Commission or Director, cannot be entered until Incline receives notice as an interested party of Noble's Application and the hearing in accordance with Rules 503.e. and 507. This is especially true considering that Noble's Application would have such a significant impact on the correlative rights of Incline to develop its just and equitable share of the hydrocarbons in the Application Lands. At a minimum, the Application should be denied until Incline is given the opportunity to meaningfully participate by providing it requisite notice as mandated by the Commission Rules.

D. Relief Requested

16. Incline requests that the Commission deny Noble's request for a stay on all APDs and applications for the formation of drilling and spacing units for failure to provide notice to Incline as required by Rule 503.e. and 507.

17. For such other findings and orders as the Commission may deem proper or advisable.

18. Incline reserves the right to supplement this Protest with additional factual information and/or legal arguments after it is provided the requisite notice.

E. Description of Intended Presentation

19. Incline intends to present factual and legal information regarding the issues identified above. The witness(es) will testify regarding factual issues, including but not limited to Noble's failure to provide notice to Incline. Counsel will address the legal issues raised herein.

20. Incline intends to present testimony from its own land witness(es) and cross-examine Noble's land witness(es). Incline reserves the right to identify additional witnesses or experts as this matter proceeds to the hearing.

F. Time Estimate

21. Incline estimates it will need 30 minutes to present its case in addition to the time needed by Noble.

DATED this 16th day of July, 2018.

Respectfully submitted,



Nathan K. Davis, # 31187
Cody C. Bourke, # 46370
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(303)-634-2020 (fax)

The Incline Parties Address:

Attn: William Francis
Incline Niobrara Partners, LP
1626 Wazee Street, Ste 200-B
Denver, CO 80202
william@inclineresources.com

CERTIFICATE OF SERVICE

I hereby certify that, on this 16th day of July, 2018, a true and correct copy of the above and foregoing document was served via email and U.S. Mail to the following:

Colorado Oil and Gas Conservation Commission
Attn: Peter Gowen and James Rouse
1120 Lincoln Street, Suite 810
Denver, CO 80203

Michael J. Wozniak
James Martin
Jillian Fulcher
Beatty & Wozniak, P.C.
21 16th Street, Suite 1100
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jmartin@bwenergylaw.com
jfulcher@bwenergylaw.com
Attorneys for Applicant

A handwritten signature in blue ink, consisting of stylized initials, is written over a horizontal line.

For Snell & Wilmer L.L.P.

4831-0561-2141.2

BEFORE THE OIL AND GAS CONSERVATION COMMISSION
OF THE STATE OF COLORADO

IN THE MATTER OF THE PROMULGATION AND) CAUSE NO. 1
ESTABLISHMENT OF FIELD RULES TO GOVERN)
OPERATIONS IN THE NIOBRARA, CODELL, FORT) DOCKET NO. 180700613
HAYS, AND CARLILE FORMATIONS,)
WATTENBERG FIELD, WELD COUNTY,) TYPE: GENERAL
COLORADO.) ADMINISTRATIVE

PROTEST

Anadarko Petroleum Corporation, on behalf of itself and its affiliates, Anadarko Land Corporation, Anadarko E&P Onshore LLC, and Kerr-McGee Oil & Gas Onshore LP (collectively, "Anadarko"), by and through its attorneys, Welborn Sullivan Meck & Tooley, P.C., submits this Protest to Noble Energy, Inc.'s ("Noble") Amended Application ("Application") in the above-captioned docket.

INTRODUCTION

Anadarko supports comprehensive development plans and recognizes the need to identify, discuss, and minimize potential adverse impacts to public health, safety, welfare, and the environment from oil and gas activities. At this time, Anadarko takes no position on the propriety of Noble's proposed Rule 216 Comprehensive Drilling Plan ("CDP") and is not necessarily opposed to a CDP for the Application Lands. Anadarko is, however, opposed to Noble's requested indefinite injunction of all permitting by other parties with such rights, despite Noble's characterization of it as a stay "brief in duration."

Enthusiasm for comprehensive development plans should not indefinitely impair the property and statutory rights of other owners. While Noble offers that this Application and CDP will offer many benefits and that it will engage in discussions with other operators and stakeholders, its requested indefinite injunction is not consistent with the spirit of Rule 216. The injunction proposed by Noble is not the result of stakeholder collaboration. See Application, ¶ 22. Indeed, while Noble approached Anadarko on the eve of filing the application and disclosed its intent to seek a stay of all permitting as part of the CDP, Noble failed to disclose the indefinite nature of the proposed injunction; Anadarko first learned of the proposed indefinite injunction after the application was filed.

Anadarko's preference is to work with Noble to formulate an acceptable voluntary agreement among all owners rather than a forced injunction preventing all owners, except Noble, from exercising their legal rights in the Application Lands. Since filing the Application, Noble and Anadarko have met to discuss the Application and the preliminarily draft of the CDP. The parties did not reach agreement on the indefinite injunction which Anadarko believes should be limited in duration to a term not longer than six (6) months. Additional meaningful discussions are necessary, discussions which are expressly contemplated by Rule 216. Because Noble's Application only

seeks the injunction at this time, with the merits of the proposed CDP to be heard at some future hearing on an undetermined date, this Protest only addresses Noble's request for an indefinite injunction to Commission Rule 303.

STANDING

Anadarko owns significant mineral interests in the Application Lands and, therefore, has standing to file this Protest. Some of Anadarko's interests are leased, some are unleased, and some lands may become unleased if production is lost during the term of the requested stay or the term of the CDP. Anadarko therefore presently has the right, pursuant to Rule 303, to submit APDs for development of its interests in the Application Lands. Noble's injunction would indefinitely enjoin Anadarko and all other owners, except Noble, from filing any APDs to develop their mineral or leasehold interests in those lands while Noble develops its conceptual CDP. Accordingly, Anadarko has interests entitled to protection under the Conservation Act and Commission Rules affording it standing to file this Protest.

ARGUMENT

I. General Statement of Factual and Legal Basis for Protest

A. Noble's indefinite injunction under Rule 216 is in conflict with the Conservation Act's plain language and the spirit of Rule 216.

Rule 216 contemplates that when there is more than one operator in the area to be encompassed by a CDP, the CDP will accommodate the interests of all operators, not to indefinitely enjoin all others for the benefit of one. Noble's requested injunction, which would indefinitely apply to all operators except Noble, asks the Commission to indefinitely stop doing the job that it is statutorily mandated to do.¹ Anadarko is agreeable to a stay, limited in duration, to allow Noble to pursue its CDP. Anadarko believes a limited, six (6) month injunction, would best serve that purpose and remain consistent with the spirit of Rule 216 and the Conservation Act, to "ffoster the responsible, balanced development, production, and utilization of the natural resources of oil and gas in the state of Colorado . . . [and] safeguard, protect, and enforce the coequal and correlative rights of owners and producers in a common source or pool of oil and gas . . ." C.R.S. § 34-60-102(1)(a)(I), (III) (emphasis added).

Engaging in the CDP process is entirely voluntary and the process is designed to facilitate collaboration between owners and agencies to resolve the very issues raised by Noble's requested injunction. Rule 216 expressly states that a CDP covering lands with multiple owners should take into account the planned operations of those other owners. See Rule 216.b. Moreover, Rule 216 contemplates the submission of a CDP by more than one operator. See Rule 216.d.(1). Given that a CDP for the 100 square miles at issue could take years to develop, negotiate, and approve, Noble's proposed

¹ "[T]he Commission shall . . . [p]romulgate rules to establish a timely and efficient procedure for the review of applications for a permit to drill and applications for an order establishing or amending a drilling and spacing unit." C.R.S. § 34-60-106(11)(a)(I)(A).

indefinite freeze on other operators' APDs will unreasonably impair Anadarko's mineral rights. See Order No. 1-143 (taking over two years to approve CDP); *Huber v. Colorado Mining Ass'n*, 264 P.3d 884, 889 (Colo. 2011). As a result of the indefinite injunction, Anadarko's mineral rights may be adversely affected and aggrieved including, but not limited to, the loss of competition and marketability of its mineral rights. Rule 216 does not empower the Commission to indefinitely suspend the rights of all other owners in the Application Lands while the CDP process plays out.

Rule 216's procedure for development and implementation of a CDP mandates a collaborative process. See Rule 216.d.(1)–(7). Rule 216 provides that an applicant “shall invite the Colorado Department of Public Health and Environment, the Colorado Parks and Wildlife, local governmental designee(s), and all surface owners to participate . . .” Anadarko owns significant mineral interests in the Application Lands. And contrary to the inference of its representation in paragraph 22 of the Application, it was not until five days before the protest deadline, July 11, 2018, that Noble made any concerted effort to even engage with Anadarko regarding the substance of the preliminary CDP draft and the Application. Noble asserts that it conducted consultation with the Commission staff and Executive Director, Colorado Department of Public Health and Environment, and the Colorado Parks and Wildlife, all while failing to substantially consult with arguably the most important stakeholders, the mineral owners who will be deeply affected by the indefinite injunction. See *Application*, ¶ 20.

Further, before an application for approval of a CDP may even be placed on the Commission's agenda, Rule 216 expressly requires that a CDP has first been “agreed to in writing by the operator(s) and that the Director considers suitable” Rule 216.d.(4). Anadarko has not agreed in writing to any version of the conceptual CDP. Nor has the Director made any determination as to whether Noble's conceptual CDP is suitable. While Noble has submitted a preliminary draft CDP, that does not satisfy the Rule's straightforward requirement of first obtaining an agreed upon and Director-approved plan before filing the application. Rule 216.d.(1), (4). The approved plan is necessary to ensure meaningful participation from other stakeholders prior to submission to the Commission. An indefinite injunction barring all other owners from proceeding with development plans while Noble develops its own plan that has yet to be submitted is inconsistent with the language and intent of Rule 216 procedures.

CONCLUSION

An indefinite injunction is contrary to the spirit of Rule 216, which is designed to encourage collaboration and negotiation among owners and operators within the area covered by the conceptual CDP. Voluntary accords are precisely the type of collaboration that Rule 216 contemplates. This CDP is the largest ever proposed in the Greater Wattenberg Area. Therefore, it is incumbent on the Commission and stakeholders to ensure the CDP is done right by following the law and the Commission Rules and ensuring that the rights of all interested parties are respected. Anadarko stands ready and willing to engage, in good faith, in the Rule 216 collaborative process. Amid the apparent enthusiasm for comprehensive development, the Commission must take care not to disregard the rights of other owners.

II. Relief Requested

Anadarko respectfully requests that the Commission:

1. GRANT Noble its requested relief Item "B" with the following modifications:

July 30-31, 2018 Hearing: Approving Noble's request for stay of acceptance of all APDs, Form 2As, and applications to establish drilling and spacing units within the Tier One Lands submitted by all Owners and Operators, including Noble, for a period of six (6) months or until the Commission has issued an order on the final CDP, whichever is earlier, and approving stay of acceptance of all APDs, Form 2As, and applications to establish drilling and spacing units within the Tier Two Lands submitted by all Owners and Operators, excluding and excepting Noble, for a period of six (6) months or until the Commission has issued an order on the final CDP, whichever is earlier.

2. Or, in the alternative, DENY Noble's Application as to its requested relief item "B" for:

July 30-31, 2018 Hearing: Approving Noble's request for stay of acceptance of all APDs, Form 2As, and applications to establish drilling and spacing units within the Tier One Lands submitted by all Owners and Operators, including Noble, until the Commission has issued an order on the final CDP, and approving stay of acceptance of all APDs, Form 2As, and applications to establish drilling and spacing units within the Tier Two Lands submitted by all Owners and Operators, excluding and excepting Noble, until the Commission has issued an order on the final CDP.

III. Description of Intended Presentation, Witnesses, and Time Estimate

Anadarko's presentation will be consistent with the content of this Protest. Anadarko estimates that it will require approximately one (1) hour to present its case in chief and rebut Noble's testimony and evidence. Anadarko may present one land witness, one geology witness, one engineering witness, and one regulatory witness.

IV. Reservation of Rights

Anadarko reserves the right to amend this Protest and/or include additional and supplemental factual and legal arguments at hearing and to file a separate protest to Noble's Requested Relief item "A" when the final CDP is noticed to be brought before the Commission for approval.

To Anadarko's information and belief, no party other than Anadarko has filed a protest or requested to intervene in this matter and, therefore, no service of this motion to any party other than Noble is required.

WHEREFORE, Anadarko respectfully requests that the Commission deny Noble's Amended Application for an indefinite injunction, enter an order consistent with

Requested Relief in Section II above, and continue this matter to the September 17-18, 2018 Commission hearing to enable the parties to continue discussions, and award Anadarko such further relief as the Commission deems just and proper.

DATED this 16th day of July, 2018.

Respectfully submitted,

WELBORN SULLIVAN MECK & TOOLEY,P.C.

By: 

Joseph C. Pierzchala
Geoffrey W. Storm
1125 17th Street, Suite 2200
Denver, CO 80202
Telephone: 303-830-2500
jpierzchala@wsmtlaw.com
gstorm@wsmtlaw.com

*Attorneys for Anadarko Petroleum Corporation,
on behalf of itself and its affiliates, Anadarko
Land Corporation, Anadarko E&P Onshore
LLC, and Kerr-McGee Oil & Gas Onshore LP*

CERTIFICATE OF SERVICE

I hereby certify that, on July 16, 2018, I caused a copy of this Protest to be served via electronic mail to Counsel for Noble Energy, Inc. and the Colorado Oil and Gas Conservation Commission pursuant to Rule 509.3.(E), and by U.S. mail at the addressed listed below.

Via electronic mail and courier:

Colorado Oil and Gas Conservation Commission
ATTN: Julie Spence Prine and James Rouse
1120 Lincoln Street, Suite 810
Denver, CO 80203
julie.prine@state.co.us
james.rouse@state.co.us

Michael J. Wozniak
James Martin
Jillian Fulcher
Beatty & Wozniak, P.C.
216 16th Street, Suite 1100
Denver, CO 80202
mwozniak@bwenergylaw.com
jmartin@bwenergylaw.com
jfulcher @bwenergylaw.com

Attorneys for Noble Energy, Inc.



Joan E. Hoover



Docket No. 180700613 - Noble CDP Application

2 messages

Rouse - DNR, James <james.rouse@state.co.us>

Tue, Jul 17, 2018 at 11:14 AM

To: "Wozniak, Michael" <MWozniak@bwenergylaw.com>, "Martin, James" <jmartin@bwenergylaw.com>, "Fulcher, Jill" <jfulcher@bwenergylaw.com>, Joe Pierzchala <jpierzchala@wsmtlaw.com>, Geoffrey Storm <GStorm@wsmtlaw.com>, "Scott C. Kearney" <skearney@kmd.law>, Grant Boies <gboies@kmd.law>, "Davis, Nathan K." <ndavis@swlaw.com>, "Bourke, Cody" <cbourke@swlaw.com>

Cc: Julie Murphy <julie.murphy@state.co.us>, Julie Prine - DNR <julie.prine@state.co.us>, Margaret Humecki - DNR <margaret.humecki@state.co.us>

Protests have been filed by Anadarko, Crestone, and Incline. A prehearing conference is set for 1:30 p.m. on Thursday, July 19, 2018. The only issue that will be presented to the Commission at its July 30-August 1, 2018 hearing is Noble's request for a stay and the objections thereto.

James P. Rouse

Hearings Supervisor



P 303.894.2100 x5181 | F 303.894.2109

1120 Lincoln Street, Suite 801, Denver, CO 80203

james.rouse@state.co.us | www.colorado.gov/cogcc

Bourke, Cody <cbourke@swlaw.com>

Thu, Jul 19, 2018 at 12:54 PM

To: "Rouse - DNR, James" <james.rouse@state.co.us>

Cc: Julie Murphy <julie.murphy@state.co.us>, Julie Prine - DNR <julie.prine@state.co.us>, Margaret Humecki - DNR <margaret.humecki@state.co.us>, "Wozniak, Michael" <MWozniak@bwenergylaw.com>, "Martin, James" <jmartin@bwenergylaw.com>, "Fulcher, Jill" <jfulcher@bwenergylaw.com>

Mr. Rouse,

In advance of the prehearing conference today, the Incline Parties noticed a mistake in their Protest. Incline Niobrara Partners, LP did in fact receive a copy of the application and are listed on Exhibit A to Noble's Certificate of Mailing. Accordingly, we plan to drop the Incline Niobrara Partners from the Protest, but keep Incline Energy, LLC and Incline Minerals, LLC. I apologize for the confusion.

Thanks,

Cody

Cody Bourke

Snell & Wilmer L.L.P.

Tabor Center

1200 Seventeenth Street, Suite 1900

Denver, CO 80202-5854

Office: 303.634.2114; Cell: 308.530.0972

cbourke@swlaw.com www.swlaw.com

Snell & Wilmer

From: Rouse - DNR, James [mailto:james.rouse@state.co.us]

Sent: Tuesday, July 17, 2018 11:15 AM

To: Wozniak, Michael; Martin, James; Fulcher, Jill; Joe Pierzchala; Geoffrey Storm; Scott C. Kearney; Grant Boies; Davis, Nathan K.; Bourke, Cody

Cc: Julie Murphy; Julie Prine - DNR; Margaret Humecki - DNR

Subject: Docket No. 180700613 - Noble CDP Application

[Quoted text hidden]



Docket No. 180700613 - Noble CDP Application

2 messages

Scott C. Kearney <skearney@kmd.law>

Sun, Jul 22, 2018 at 4:16 PM

To: "Rouse - DNR, James" <james.rouse@state.co.us>, Julie Prine - DNR <julie.prine@state.co.us>

Cc: Grant Boies <gboies@kmd.law>, Zachary Chapman <zchapman@kmd.law>

Mr. Rouse,

After further discussions with Crestone, they have decided to revoke their protest insofar as it pertains to the Stay as updated by Ms. Prine on Friday, July 20th. However, Crestone intends on maintaining their protest to the CDP's inclusion of Sections 2, 3 and 10, 3N, 65W, and all other claims. We will be amending our original Protest and filing same if it would please the Commission, and if necessary. Should the Commission require anything further, please do not hesitate to inform me.

We have notified Mr. Martin and Ms. Fulcher, as well.

Thank you,
Scott

Scott C. Kearney, J.D.

Managing Member, Attorney



Kearney, McWilliams & Davis, PLLC

Denver Energy Center, 1625 Broadway, Suite 2950, Denver, Colorado 80202

Houston Technology Center, [410 Pierce, Suite 241, Houston, Texas 77002](#)

Direct: [\(303\) 586-3992](#) • Work [\(720\) 863-4012](#) • Fax: [\(303\) 586-3992](#)

Cell: [\(303\) 900-8910](#) • [www.kmd.law](#) • [LinkedIn](#)

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Rouse - DNR, James <james.rouse@state.co.us>

Mon, Jul 23, 2018 at 7:35 AM

To: "Scott C. Kearney" <skearney@kmd.law>

Cc: Julie Prine - DNR <julie.prine@state.co.us>, Grant Boies <gboies@kmd.law>, Zachary Chapman <zchapman@kmd.law>, "Wozniak, Michael" <MWozniak@bwenerylaw.com>, "Fulcher, Jill" <jfulcher@bwenerylaw.com>, "Martin, James" <jmartin@bwenerylaw.com>, Joe Pierzchala <jpierzchala@wsmtlaw.com>, Geoffrey Storm <GStorm@wsmtlaw.com>, "Davis, Nathan K." <ndavis@swlaw.com>, "Bourke, Cody" <cbourke@swlaw.com>, Margaret Humecki - DNR <margaret.humecki@state.co.us>

Crestone's protest to the stay, as modified at the prehearing conference, is withdrawn. The balance of Crestone's protest remains in place as filed. With this partial withdrawal, neither Crestone nor Noble need file a proposed final prehearing order and prehearing statements today. The order for stay will be presented to the Commission as an un-protested order.

In the future, when you need to communicate with me regarding a protested matter, please be sure to copy all other counsel of record on your email. See Rule 515.

James P. Rouse

Hearings Supervisor



P [303.894.2100](tel:303.894.2100) x5181 | F [303.894.2109](tel:303.894.2109)

1120 Lincoln Street, Suite 801, Denver, CO 80203

james.rouse@state.co.us | www.colorado.gov/cogcc

[Quoted text hidden]



Docket No. 180700613 - Noble CDP Application

1 message

Scott C. Kearney <skearney@kmd.law>

Fri, Sep 14, 2018 at 10:50 PM

To: "Rouse - DNR, James" <james.rouse@state.co.us>

Cc: Julie Prine - DNR <julie.prine@state.co.us>, "Martin, James" <jmartin@bwenergylaw.com>, "Fulcher, Jill" <jfulcher@bwenergylaw.com>, Grant Boies <gboies@kmd.law>, dnr_hearingapplications@state.co.us

Mr. Rouse,

Noble and Crestone have agreed to a Settlement regarding Crestone's interest within Noble's proposed CDP (Docket No. 180700613). In accordance with said Settlement, Crestone has agreed to fully withdraw our previously filed Protest dated July 13, 2018, and are no longer contesting the matter as it stands. Please accept this email as our formal withdrawal of said Protest.

Thank you for your time and attention to this matter.

Sincerely,
Scott

Scott C. Kearney, J.D.

Managing Member, Attorney



KEARNEY, McWILLIAMS & DAVIS, PLLC

Denver Energy Center, 1625 Broadway, Suite 2950, Denver, Colorado 80202

Houston Technology Center, 410 Pierce, Suite 241, Houston, Texas 77002

Direct: (303) 586-3992 • Work (720) 863-4012 • Fax: (303) 586-3992

Cell: (303) 900-8910 • www.kmd.law • [LinkedIn](#)

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2 attachments



image001.png
21K

image003.png
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OFFICE OF BOARD OF COMMISSIONERS
PHONE: 970-336-7204
FAX: 970-336-7233
1150 O STREET
P.O. BOX 758
GREELEY, COLORADO 80632

October 15, 2018

Ms. Julie Murphy, Director
Colorado Oil and Gas Conservation Commission
1120 Lincoln Street, Suite 801
Denver, Colorado 80203

Re: Letter of Support for the Approval of Final Comprehensive Drilling Plan;
Docket No. 180700613

Dear Director Murphy,

The Board of County Commissioners of Weld County (the "Board") supports the final Comprehensive Drilling Plan ("CDP" or "Plan") submitted by Noble Energy, Inc. ("Noble"), in Colorado Oil and Gas Conservation Commission ("COGCC") Docket No. 180700613. The Board concurs with the Colorado Department of Public Health and Environment comment letter submitted to the you on July 26, 2018, which notes the CDP is a strong proposal that will give Noble, landowners, neighbors, mineral owners and local governments more certainty and long-term understanding of the activity associated with the Plan.

The Plan comprises approximately 64,133 contiguous acres wherein Noble has a very high working interest. The CDP is located exclusively in Weld County and encompasses rural lands with no municipalities within the boundaries.

The Board understands Noble intends to apply innovative best management practices to minimize surface disturbance, increase efficiency, and reduce environmental impacts to the surrounding communities. The CDP operations will be conducted in a systematic drilling corridor or "row" concept drilling from west to east beginning in the southern half of the CDP. The drilling corridor provides foreseeable timing and planning expectancies of operations as drilling progresses in a predictable pattern, rather than sporadic development throughout the approximate 100 square miles of the CDP area.

The operations will utilize "econode" development to minimize surface disturbance. A robust pipeline infrastructure will be installed in the CDP area to transport all completion and production fluids, reducing the number of truck trips and emissions. It is estimated that the proposal will eliminate nearly 7 million truck trips over the life of the plan – or 152 million miles of truck traffic – from Weld County's roads.

The CDP identifies approximately 1,471 existing Noble operated wells which will largely be plugged and removed in conjunction with the drilling operations of the CDP. Reclamation of lands due to the plugging and removal process will return lands and access roads to surface owners for agricultural and other non-oil and gas uses.

Letter, Julie Murphy, Director
October 15, 2018
Page 2

Transportation routes identified for traffic associated with the CDP development have been designed to utilize existing paved roads, such as WCR 49, that have been constructed to accommodate heavy commercial traffic. Minimizing the overall truck trips throughout the life of the CDP development will also lessen the potential for traffic accidents.

In conclusion, the Board fully supports the Plan and asks for its approval by the COGCC. Please contact Jason Maxey, Weld County's Local Government Designee, if you should have any questions or need further information. Mr. Maxey may be reached at (970) 400-3579.

Very truly yours,

BOARD OF COUNTY COMMISSIONERS



Steve Moreno, Chair

pc: Bruce T. Barker, Weld County Attorney
Jason Maxey, Weld County Local Government Designee



Via email

October 15, 2018

Colorado Oil & Gas Conservation Commission
Attention: Hearings Department
1120 Lincoln Street, Suite 801
Denver, Colorado 80203

RULE 510 STATEMENT – NO OBJECTION TO APPLICATION

Re: Noble Energy, Inc. Application in Docket No. 180700613

Director Murphy:

Please accept this statement of Anadarko Petroleum Corporation (“Anadarko”) submitted pursuant to Commission Rule 510 regarding the above-referenced application (“Application”) submitted by Noble Energy, Inc. (“Noble”) to establish a Comprehensive Drilling Plan (“CDP”) covering approximately 64,133 acres in Weld County, Colorado (“CDP Area”). Anadarko, and its wholly owned subsidiaries, is an owner of mineral and leasehold interests in various portions of the CDP Area. As an owner of interests in such lands, Anadarko has no objection to the relief requested by the Application and no objection to approval of the Application by the Colorado Oil and Gas Conservation Commission.

Anadarko has reviewed Noble’s CDP, and as now amended, fully supports approval of the CDP for this acreage. Anadarko’s initial concern related to the indefinite nature of the CDP which, as originally drafted, would have allowed the area to be controlled by a single operator without any commitment for continuous development. Anadarko and Noble have worked collaboratively during the CDP process to resolve this concern and Anadarko now fully supports Noble’s application.

If you have any questions, please contact the undersigned.

Very truly yours,

A handwritten signature in blue ink, appearing to be "LA", followed by a horizontal line and a period.

Lauren Anderson
Land Manager/DJ Basin

cc: Jeffrey Fiske, Managing Senior Counsel - Anadarko Petroleum Corporation



STATE OF
COLORADO

Rouse - DNR, James <james.rouse@state.co.us>

180700613

4 messages

Julie Prine - DNR <julie.prine@state.co.us>

Thu, Oct 18, 2018 at 3:39 PM

To: Joe Pierzchala <JPierzchala@wsmtlaw.com>

Cc: Geoffrey Storm <GStorm@wsmtlaw.com>, James Rouse - DNR <james.rouse@state.co.us>

Hi Joe,

We're working on the draft order for 180700613, the Noble CDP. The order states that Anadarko withdrew its protest, but I can't find anything in writing to confirm that. I know Anadarko withdrew its protest over the stay, but can you please confirm withdrawal of the protest over the actual CDP? If you already provided this and I'm not finding it, I'm sorry for the inconvenience to ask for it again.

Thank you for the help! Julie

Julie Spence Prine, JD

Hearings and Regulatory Affairs Manager



COLORADO

Oil & Gas Conservation
Commission

Department of Natural Resources

P 303.894.2100 x5152 | C 720.352.6791

1120 Lincoln Street, Suite 801, Denver, CO 80203

julie.prine@state.co.us | www.colorado.gov/cogcc

Julie Prine - DNR <julie.prine@state.co.us>

Thu, Oct 18, 2018 at 3:41 PM

To: ndavis@swlaw.com, cbourke@swlaw.com

Cc: James Rouse - DNR <james.rouse@state.co.us>

Hello,

We're working on the draft order for 180700613, the Noble CDP. The order states that Incline (that is, Incline Niobrara Partners, Incline Minerals, and Incline Energy collectively) withdrew its protest, but I can't find anything in writing to confirm that. I know Incline withdrew its protest over the stay, but can you please confirm withdrawal of the protest over the actual CDP? If you already provided this and I'm not finding it, I'm sorry for the inconvenience to ask for it again.

Thank you for the help! Julie

Julie Spence Prine, JD

Hearings and Regulatory Affairs Manager



COLORADO

**Oil & Gas Conservation
Commission**

Department of Natural Resources

P 303.894.2100 x5152 | C 720.352.6791
1120 Lincoln Street, Suite 801, Denver, CO 80203
julie.prine@state.co.us | www.colorado.gov/cogcc

Joe Pierzchala <JPierzchala@wsmtlaw.com> Thu, Oct 18, 2018 at 3:43 PM
To: Julie Prine - DNR <julie.prine@state.co.us>
Cc: Geoffrey Storm <GStorm@wsmtlaw.com>, James Rouse - DNR <james.rouse@state.co.us>

Hi Julie,

Sorry for any confusion. Anadarko only protested the stay, which it withdrew. Nevertheless, on behalf of Anadarko, I hereby confirm that Anadarko does not protest the actual CDP, so long as the negotiated continuous operations provision is included in the order, and hereby withdraw any protest to the CDP itself.

Regards,

Joe

Joseph C. Pierzchala

Attorney

Welborn Sullivan Meck & Tooley, P.C.
1125 17th Street, Suite 2200, Denver, CO 80202
EMAIL: jpierzchala@wsmtlaw.com

DIRECT: 303-376-4473

MAIN: 303-830-2500

FAX: 303-832-2366

www.wsmtlaw.com

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From: Julie Prine - DNR [mailto:julie.prine@state.co.us]
Sent: Thursday, October 18, 2018 3:39 PM
To: Joe Pierzchala
Cc: Geoffrey Storm; James Rouse - DNR
Subject: 180700613

[Quoted text hidden]

Bourke, Cody <cbourke@swlaw.com>
To: Julie Prine - DNR <julie.prine@state.co.us>, "Davis, Nathan K." <ndavis@swlaw.com>
Cc: James Rouse - DNR <james.rouse@state.co.us>

Thu, Oct 18, 2018 at 3:51 PM

Julie,

I apologize if it was not clear. The Incline Parties withdraw from the protest of the CDP. Let me know if I need to draft a Notice or if this email will suffice.

Thanks,

Cody

Cody Bourke

Snell & Wilmer L.L.P.

Tabor Center

1200 Seventeenth Street, Suite 1900

Denver, CO 80202-5854

Office: 303.634.2114; Cell: 308.530.0972

cbourke@swlaw.com www.swlaw.com

Snell & Wilmer

From: Julie Prine - DNR <julie.prine@state.co.us>
Sent: Thursday, October 18, 2018 3:41 PM
To: Davis, Nathan K. <ndavis@swlaw.com>; Bourke, Cody <cbourke@swlaw.com>
Cc: James Rouse - DNR <james.rouse@state.co.us>
Subject: 180700613

[Quoted text hidden]