

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

|                                     |   |                  |
|-------------------------------------|---|------------------|
| IN THE MATTER OF THE APPLICATION OF | ) |                  |
| EOG RESOURCES, INC. FOR AN ORDER    | ) |                  |
| ESTABLISHING DRILLING AND SPACING   | ) |                  |
| UNITS AND ESTABLISHING WELL         | ) |                  |
| LOCATION RULES FOR THE NIOBRARA     | ) | Cause No.        |
| FORMATION OF THE CERTAIN DESCRIBED  | ) | Docket No. _____ |
| LANDS IN JACKSON COUNTY, COLORADO   | ) |                  |

APPLICATION

EOG Resources, Inc. (“Applicant”), by and through its attorneys, Beatty & Wozniak, P.C., respectfully submits this Application to the Oil and Gas Conservation Commission of the State of Colorado (the “Commission”) for an order establishing ten drilling and spacing units and establishing existing well location rules applicable to the drilling and producing of wells from the Niobrara Formation covering certain described lands in Jackson County, Colorado and in support of its Application, Applicant states and alleges as follows:

1. Applicant is a corporation duly authorized to conduct business in the State of Colorado.
2. Applicant owns leasehold interests in the following described lands:

Township 6 North, Range 80 West, 6<sup>th</sup> P.M.  
Section 4: Lots 1-4 S<sup>1</sup>/<sub>2</sub>N<sup>1</sup>/<sub>2</sub>, S<sup>1</sup>/<sub>2</sub>  
Section 5: Lots 2, 3, 5-13, SE<sup>1</sup>/<sub>4</sub>NW<sup>1</sup>/<sub>4</sub>, E<sup>1</sup>/<sub>2</sub>SW<sup>1</sup>/<sub>4</sub>, S<sup>1</sup>/<sub>2</sub>SE<sup>1</sup>/<sub>4</sub>  
Section 6: Lots 1-12, SE<sup>1</sup>/<sub>4</sub>NW<sup>1</sup>/<sub>4</sub>, NE<sup>1</sup>/<sub>4</sub>SW<sup>1</sup>/<sub>4</sub>, S<sup>1</sup>/<sub>2</sub>NE<sup>1</sup>/<sub>4</sub>

Township 7 North, Range 80 West, 6<sup>th</sup> P.M.  
Section 28: All  
Section 29: All  
Section 30: Lots 1-4, E<sup>1</sup>/<sub>2</sub>W<sup>1</sup>/<sub>2</sub>, E<sup>1</sup>/<sub>2</sub>  
Section 31: Lots 3-8, E<sup>1</sup>/<sub>2</sub>SW<sup>1</sup>/<sub>4</sub>, NE<sup>1</sup>/<sub>4</sub>, N<sup>1</sup>/<sub>2</sub>SE<sup>1</sup>/<sub>4</sub>, SW<sup>1</sup>/<sub>4</sub>SE<sup>1</sup>/<sub>4</sub>  
Section 32: All  
Section 33: All

Jackson County, Colorado.

(hereafter the “Application Lands”).

3. Pursuant to Commission Rule 318.a., a well to be drilled in excess of two thousand five hundred (2,500) feet in depth shall be located not less than six hundred (600) feet from any lease line, and shall be located not less than one thousand two hundred (1,200) feet from any other producible or drilling oil or gas well when drilling to the same source of supply, unless authorized by order of the Commission upon hearing. There are no other Commission Orders applicable to the Niobrara Formation underlying the Application Lands.
4. To promote efficient drainage within the Niobrara Formation of the Application Lands, to protect correlative rights and to avoid waste, the Commission should establish drilling and spacing units of the approximate size and configuration as described below:

Township 6 North, Range 80 West  
Section 4: Lots 1-4, S<sup>1</sup>/<sub>2</sub>N<sup>1</sup>/<sub>2</sub>, S<sup>1</sup>/<sub>2</sub>  
643.36 acres

Township 6 North, Range 80 West  
Section 5: Lots 2, 3, 5-13, SE<sup>1</sup>/<sub>4</sub>NW<sup>1</sup>/<sub>4</sub>, E<sup>1</sup>/<sub>2</sub>SW<sup>1</sup>/<sub>4</sub>, S<sup>1</sup>/<sub>2</sub>SE<sup>1</sup>/<sub>4</sub>  
649.43 acres

Township 6 North, Range 80 West  
Section 6: Lots 1-12, SE<sup>1</sup>/<sub>4</sub>NW<sup>1</sup>/<sub>4</sub>, NE<sup>1</sup>/<sub>4</sub>SW<sup>1</sup>/<sub>4</sub>, S<sup>1</sup>/<sub>2</sub>NE<sup>1</sup>/<sub>4</sub>  
620.07 acres

Township 7 North, Range 80 West  
Section 28: N $\frac{1}{2}$ , SE $\frac{1}{4}$   
480.00 acres

Township 7 North, Range 80 West  
Section 29: N $\frac{1}{2}$ , SW $\frac{1}{4}$   
480.00 acres

Township 7 North, Range 80 West  
Section 30: Lots 1-4, E $\frac{1}{2}$ W $\frac{1}{2}$ , E $\frac{1}{2}$   
629.16 acres

Township 7 North, Range 80 West  
Section 31: Lots 3-8, E $\frac{1}{2}$ SW $\frac{1}{4}$ , E $\frac{1}{2}$   
622.65 acres

Township 7 North, Range 80 West  
Section 32: W $\frac{1}{2}$ , SE $\frac{1}{4}$   
480.00 acres

Township 7 North, Range 80 West  
Section 33: E $\frac{1}{2}$ , SW $\frac{1}{4}$   
480.00 acres

Township 7 North, Range 80 West  
Section 28: SW $\frac{1}{4}$   
Section 29: SE $\frac{1}{4}$   
Section 32: NE $\frac{1}{4}$   
Section 33: NW $\frac{1}{4}$   
640.00 acres

5. That Applicant has drilled, tested and completed wells in the Niobrara Formation upon the lands nearby to Application Lands.

6. That the above-proposed drilling and spacing units will allow more efficient drainage of the Niobrara Formation; will prevent waste; will not adversely affect correlative rights and will assure the greatest ultimate recovery of gas and associated hydrocarbon substances from the reservoirs. Drilling and spacing units of the size and shape specified above are not smaller than the maximum area that can be economically and efficiently drained by the proposed wells.

7. That the Applicant is requesting to drill and complete one horizontal well in each of the established drilling and spacing units described in paragraph 4, with the option to drill a second horizontal well in each of the drilling and spacing units for the Niobrara Formation except for within the approximate 480-acre units. The Applicant states that each proposed horizontal well shall be drilled in the designated drilling and spacing unit with initial penetration of the Niobrara Formation and an ultimate bottomhole location no closer than 600' from the boundaries of the drilling and spacing unit. The Applicant further maintains that the proposed horizontal wells will have no adverse effect on correlative rights of adjacent owners.

8. That the Applicant further states that the requested additional wells can be developed in a manner consistent with protection of the environment, public health, safety and welfare.

9. That the names and addresses of the interested parties according to the information and belief of the Applicant are set forth in Exhibit A attached hereto and made a part hereof, and the undersigned certifies that copies of this Application shall be served on each interested party within the next seven days as required by Rule 503.d.

WHEREFORE, Applicant respectfully requests that this matter be set for hearing, that notice be given as required by law and that upon such hearing this Commission enter its order consistent with Applicant's proposals as set forth above.

Dated this \_\_\_\_ day of January, 2008.

Respectfully submitted,

EOG RESOURCES, INC.

By: \_\_\_\_\_  
Michael J. Wozniak  
Susan L. Aldridge  
Beatty & Wozniak, P.C.  
Attorneys for Applicant  
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Denver, Colorado 80202  
(303) 407-4499

Applicant's Address:

600 17th Street, Suite 1100N  
Denver, CO 80202

## VERIFICATION

STATE OF COLORADO )  
 ) ss.  
CITY & COUNTY OF DENVER )

Tessa Dean, \_\_\_\_\_ of EOG Resources, Inc., upon oath deposes and says that she has read the foregoing Application and that the statements contained therein are true to the best of her knowledge, information and belief.

EOG RESOURCES, INC.

By: Tessa Dean  
\_\_\_\_\_, EOG Resources, Inc.

Subscribed and sworn to before me this \_\_\_\_ day of January, 2008, by Tessa Dean,  
\_\_\_\_\_, of EOG Resources, Inc.

Witness my hand and official seal. My commission expires:\_\_\_\_\_

Notary Public

## EXHIBIT A

### INTERESTED PARTIES

U. S. Dept of the Interior, BLM  
2850 Youngfield St.  
Lakewood, CO 80215

John M. Lockley  
5522 E. Shaw Butte Dr.  
Scottsdale, AZ 85254

Questar Exploration and Production Company  
1050 17th Street, Suite 500  
Denver, CO 80265

Lon J. Putnam and Virginia C. Putnam Trust  
c/o Bank of Oklahoma Oil and Gas Services  
Attn: Dan Cagle  
One Williams Center  
Tulsa, OK 74172

Barbara T. Jaicks Marital Trust, James Jarvis,  
Trustee, 330 N. Wabash, Suite 3000,  
Chicago, IL 60611

Marion R. Stone Revocable Trust dated April 26,  
2006, Marion R. Stone and R. Gregg Stone  
Trustees  
C/O North American Management Corporation  
Attn: Jake Brown  
10 Post Office square, Suite 1200  
Boston, MA 02109

Colorado State Board of Land Commissioners  
1313 Sherman Street, Room 621  
Denver, CO 80203

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c/o J.L. Doering  
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Frederick, CO 80504

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