

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 twenty-seven approximate 640-acre 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 lands described on Exhibit B attached hereto and incorporated herein by reference (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. However, through Order No. 531-1, this Commission approved drilling and spacing units, well locations and filed rules identical to the present Application on adjacent lands. Therefore, this Application seeks to extend the Application of the field rules established in Order 531-1 to the Applications 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 approximately 640 acres as more particularly described in Exhibit B attached hereto and incorporated herein by reference.
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 2, with the option to drill a second horizontal well in each of the drilling and spacing units for the Niobrara Formation. 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 May, 2008.

Respectfully submitted,

EOG RESOURCES, INC.

By: \_\_\_\_\_  
Michael J. Wozniak  
Beatty & Wozniak, P.C.  
Attorneys for Applicant  
216 16<sup>th</sup> Street, Suite 1100  
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 )

Steve Smith, \_\_\_\_\_ of EOG Resources, Inc., upon oath deposes and says that he has read the foregoing Application and that the statements contained therein are true to the best of his knowledge, information and belief.

EOG RESOURCES, INC.

Steve Smith, \_\_\_\_\_

Subscribed and sworn to before me this \_\_\_\_\_ day of May, 2008, by Steve Smith,  
\_\_\_\_\_ of EOG Resources, Inc.

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

Notary Public

EXHIBIT A

INTERESTED PARTIES

Red Willow Production LLC  
14933 Highway 172  
Ignacio, CO 81137-0369

Dorothy Trowsell  
7770 W. 38th Ave.  
Apt. 301 North  
Wheat Ridge, CO 80033

The Ray Stephens Trust and The  
Clarence Stephens Trust  
Box 3  
Rand, CO 80473

Diversified Operating Corp.  
15000 W. 6th Ave. #102  
Golden, CO 80401

Dianne Buckley McGowan  
12005 Bald Hills Rd. SE  
Yelm, WA 98597

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

Craig Settle  
5897 S. Fulton Way  
Greenwood Village, CO 80111-3719

Dianne Buckley McGowan  
60 Westwood Place  
#C-9  
Durango, CO 81301

Joseph C. McGowan  
P.O. Box 1244  
Littleton, CO 80160

United States of America  
c/o Bureau of Land Management  
2850 Youngfield Street  
Lakewood, CO 80215

James P. McGowan  
4250 Parks #10  
San Diego, CA 91941

Kelly Ross  
3551 E. Orchard Rd.  
Centennial, CO 80121

United States of America  
c/o U.S. Fish and Wildlife Service  
P.O. Box 25486  
Denver, CO 80225

Lon J. Virginia and Virginia C. Putnam Trust  
c/o Colorado State Bank Trust Department  
1600 Broadway  
Denver, CO 80202-4999

C.E.D. Company  
1050 Walnut, Suite 216  
Boulder, CO 80302

All States Trucking Corp  
3511 Stanton Road  
Yakima, WA 98903

Shawn C. Heringer and  
Judy A. Heringer  
1818 Poly Drive  
Billings, MT 59102

Questar Exploration and Production Company  
1050 17<sup>th</sup> Street, Suite 500  
Denver, CO 80265

Robert G. Stone, Jr.  
69 Clapboard Ridge Rd.  
Greenwich, CT 06830

NAPI, Inc.  
2022 Jackson CR 26  
Walden, CO 80480

Judy Tillemans  
4 Willowdale Drive  
Mulvane, KS 67110

Robert L. Beard  
2016 18th Ave.  
Greeley, CO 80631

Estate of Lorraine Miller, deceased  
No address found

John David Beard  
506 East Genaro, Apt. #A  
Lafayette, CO 80026

Theodore Stacey Beard  
2016 18th Ave.  
Greeley, CO 80631

Carla Johnson Hobbs  
c/o John R. Haley  
14491 Weld Co. Rd. 5  
Longmont, CO 80501

Charles Stromquist  
13625 Weld County Rd.  
Longmont, CO 80504

Charles Grant  
P.O. Box 908  
Longmont, CO 80502

Dorotha Stromquist Ekl  
1097 Purdue Drive  
Longmont, CO 80503

Luther Stromquist  
8646 N. 119th  
Longmont, CO 80501

Arapaho Ranch Corporation  
13244 Highway 14  
Walden, CO 80480

Van Valkenburg Cattle Co.  
12353 State Hwy. 14  
Walden, CO 80480

Helen Ruth Hughes  
1361 Glenaire Dr.  
Casper, WY 82609

Anna Marie Hanson  
2211 W. Mulberry #262  
Ft. Collins, CO 80521

Albert Henry Van Valkenburg  
11453 State Hwy. 14  
Walden, CO 80480

Edward R. Van Valkenburg  
P.O. Box 32  
Bellevue, CO 80512

Charles F. Wyatt  
P.O. Box 783  
Walden, CO 80480

Harmon Land LLC  
P.O. Box 18046  
Sugarland, TX 77496

Arapahoe Ranch Corporation  
c/o Benjamin F. Stapleton III  
925 Park Ave. Apt. 9B  
New York, NY 10028

Edna Pearl Easthouse  
c/o Richard K. Easthouse  
27750 State Hwy. 72  
Golden, CO 80403

Arthur H. Williams  
c/o Dr. Jerome Waters  
237 NE 33rd Street  
Miami, FL 33137

Jackson County, State of Colorado  
Board of County Commissioners  
P.O. Box 1019  
Walden, CO 80480

Francis J. Chedsey, husband of  
Lois L. Chedsey  
Box 546  
Walden, CO 80480

Glen E. Chedsey (et ux Beverly J. Chedsey)  
6742 County Road 24  
Coalmont, CO 80430

Ruth Ann Hanson, wife of  
Carl B. Hanson  
Box 73  
Walden, CO 80480

Frances Nadene Kerbs, wife of  
Carl D. Kerbs  
Box 546  
Saratoga, WY 82331

Coalmont - Spicer Community Club, Inc.  
3455 JCR 11  
Coalmont, CO 80430

Jay Goza  
1944 26th Avenue Court  
Greeley, CO 80631

Charlotte L. Hankins and  
Delbert P. Hankins, Jr., J/T  
P.O. Box 385  
Walden, CO 80480

WM Kent Crowder  
Jackson County  
PO Box 1019  
Walden, CO 80480

## EXHIBIT B

### LIST OF DRILLING AND SPACING UNITS

Township 6 North, Range 80 West, 6<sup>th</sup> P.M.

Section 7: Lots 3-7, SE/4NW/4, E/2SW/4, E/2  
(623.28 acres)

Township 6 North, Range 80 West, 6<sup>th</sup> P.M.

Section 8: All  
(640.00 acres)

Township 6 North, Range 80 West, 6<sup>th</sup> P.M.

Section 9: All  
(640.00 acres)

Township 6 North, Range 80 West, 6<sup>th</sup> P.M.

Section 16: All  
(640.00 acres)

Township 6 North, Range 80 West, 6<sup>th</sup> P.M.

Section 17: All  
(640.00 acres)

Township 6 North, Range 80 West, 6<sup>th</sup> P.M.

Section 18: Lots 1-5, E/2NW/4, SE/4SW/4, E/2  
(595.90 acres)

Township 6 North, Range 81 West, 6<sup>th</sup> P.M.

Section 1: Lots 1-4, S/2N/2, S/2  
(637.44 acres)

Township 6 North, Range 81 West, 6<sup>th</sup> P.M.

Section 12: All  
(640.00 acres)

Township 6 North, Range 81 West, 6<sup>th</sup> P.M.

Section 13: Lot 1, N/2, SE/4, N/2SW/4, SW/4SW/4  
(650.76 acres)

Township 7 North, Range 80 West, 6<sup>th</sup> P.M.

Section 4: Lots 1-4, S/2N/2, S/2  
(641.34 acres)

Township 7 North, Range 80 West, 6<sup>th</sup> P.M.

Section 5: Lots 1-4, S/2N/2, S/2  
(626.51 acres)

Township 7 North, Range 80 West, 6<sup>th</sup> P.M.

Section 6: Lots 1-7, SE/4NW/4, E/2SW/4, S/2NE/4, SE/4  
(626.24 acres)

Township 7 North, Range 80 West, 6<sup>th</sup> P.M.

Section 7: Lots 1-4, E/2W/2, E/2  
(628.00 acres)

Township 7 North, Range 80 West, 6<sup>th</sup> P.M.

Section 8: All  
(640 acres)

Township 7 North, Range 80 West, 6<sup>th</sup> P.M.  
Section 9: All  
(640 acres)

Township 7 North, Range 80 West, 6<sup>th</sup> P.M.  
Section 16: All  
(640 acres)

Township 7 North, Range 80 West, 6<sup>th</sup> P.M.  
Section 17: All  
(640 acres)

Township 7 North, Range 80 West, 6<sup>th</sup> P.M.  
Section 18: Lots 1-4, E/2W/2, E/2  
(617.38 acres)

Township 7 North, Range 80 West, 6<sup>th</sup> P.M.  
Section 19: Lots 3-8, E/2SW/4, E/2  
(629.16 acres)

Township 7 North, Range 80 West, 6<sup>th</sup> P.M.  
Section 20: All  
(640 acres)

Township 7 North, Range 80 West, 6<sup>th</sup> P.M.  
Section 21: All  
(640 acres)

Township 7 North, Range 81 West, 6<sup>th</sup> P.M.  
Section 1: Lots 1-4, S/2N/2, S/2  
(640 acres)

Township 7 North, Range 81 West, 6<sup>th</sup> P.M.  
Section 12: All  
(640 acres)

Township 7 North, Range 81 West, 6<sup>th</sup> P.M.  
Section 13: All  
(640 acres)

Township 7 North, Range 81 West, 6<sup>th</sup> P.M.  
Section 24: All  
(640 acres)

Township 7 North, Range 81 West, 6<sup>th</sup> P.M.  
Section 25: All  
(640 acres)

Township 7 North, Range 81 West, 6<sup>th</sup> P.M.  
Section 36: All  
(640 acres)