

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

IN THE MATTER OF THE APPLICATION OF)
APOLLO OPERATING, LLC FOR AN ORDER)
POOLING ALL NONCONSENTING)
INTERESTS IN THE CODELL FORMATION)
and NIOBRARA FORMATION IN AN)
ESTABLISHED DRILLING AND SPACING)
UNIT LOCATED IN THE BRACEWELL FIELD,)
WELD COUNTY, COLORADO)
)
)
)

Cause No. 381

Docket No. _____

APPLICATION

COMES NOW, Apollo Operating, LLC (“Applicant”), by and through its undersigned counsel, and makes application to the Oil and Gas Conservation Commission of the State of Colorado (“COGCC”), for an order to pool all non-consenting interests for the drilling of wells in an approximately eighty (80) acre drilling and spacing unit in the Codell Formation and Niobrara Formation in the lands more particularly described in Paragraph No. 4 below, located in Township 6 North, Range 66 West, 6th P.M., Weld County, Colorado. In support thereof, the Applicant states and alleges as follows:

1. That the Applicant is a limited liability company duly authorized to conduct business in the State of Colorado.
2. That the Applicant owns leasehold interests in the drilling and spacing unit requested for pooling.
3. That pursuant to COGCC Orders in Cause No. 381, specifically Order No. 381-5, dated effective February 18, 1985, eighty (80) acre drilling and spacing units for the Codell Formation and Niobrara Formation were established for the production of oil and associated hydrocarbons on all lands in Section 18, Township 6 North, Range 66 West, 6th P.M.
4. Applicant has proposed the vertical Kochert 11-18 Well (NW/4 NW/4) and the vertical Kochert 12-18 Well (SW/4 NW/4) to the Codell Formation and Niobrara Formation within an approximate eighty (80) acre drilling and spacing unit more particularly described as:

Township 6 North, Range 66 West, 6th P.M.
Section 18: W/2 NW/4

5. Some of the parties listed on Exhibit A hereto own separate unleased mineral interests in the above-referenced drilling and spacing unit located in Section 18. As to such parties, (i) Applicant has made reasonable attempts pursuant to COGCC Rule 530(b) to enter into leases with such parties, but has as of yet been unsuccessful in such attempts and (ii) such parties have been offered the option to participate in the drilling of the wells in the drilling and spacing unit, but to date, one or more of such parties have refused to participate by bearing their proportionate shares of the costs and risks of drilling or operating the wells. A reasonable offer to lease and an AFE containing the information required by COGCC Rule 530(a) was sent respecting the wells more than thirty (30) days prior to the date of the hearing on this Application. A copy of an example of such offer to lease and AFE and letter is attached hereto as Exhibit B.

6. That in order to prevent waste, protect correlative rights and in the best interests of conservation, all interests owned by the non-consenting parties listed on Exhibit A should be pooled in the Codell Formation and Niobrara Formation in accordance with C.R.S. § 34-60-116 (2008) and COGCC Rule 530.

7. That the names and addresses of the interested parties with respect to this Application are as set forth in Exhibit A 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 COGCC Rule 503(d).

WHEREFORE, Applicant respectfully requests that this matter be set for hearing, that notice thereof be given as required by law, and that upon such hearing the COGCC enter its order:

A. That all leasehold interest owners with whom Applicant has been unable to secure an agreement for the drilling of the proposed wells and all unleased mineral interests owners who refuse to execute a lease as described in Paragraph No. 6 be pooled involuntarily with respect to the Codell Formation and Niobrara Formation for the wells described above in Paragraph No. 4, and that such owners be treated as non-consenting owners under C.R.S. § 34-60-116 and made subject to the terms and penalties provided for therein.

B. For such other findings and orders as the COGCC may deem proper or advisable in the premises.

DATED this _____ day of April 2008.

Respectfully submitted,

APOLLO OPERATING, LLC

By:

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Applicants' Address:

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VERIFICATION

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

Jesse L. White, of lawful age, being first duly sworn upon oath, deposes and states that I am the Manager of Apollo Operating, LLC, that I have read the foregoing Application, and that the matters therein contained are true to the best of my knowledge, information and belief.

Jesse L. White
Manager
Apollo Operating, LLC

Subscribed and sworn to before this ____ day of April 2008.

Witness my hand and official seal.

My commission expires:

Notary Public

[SEAL]

EXHIBIT A

Interested Parties

<u>Consenting</u>	<u>Non-Consenting</u>
<p>Apollo Operating, LLC 1557 Ogden Street Suite 300 Denver, Colorado 80218</p> <p>Tim B. Kochert and Rhonda S. Kochert 33990 CR 25 Greeley, CO 80631</p> <p>Petro-Canada Resources (USA) Inc. 1099 18th Street Suite 400 Denver, CO 80202</p> <p>Robert J. Walker Trust Robert Walker, Trustee 33530 CR 25 Greeley, CO 80631</p>	<p>Joyce J. Walker 3821 Newark Street NW Apt. B-440 Washington, D.C. 20016</p> <p>Louise Walker Shands 8190 Ships Curve Lane Springfield, Virginia 22153</p>