

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)
ALLOWING AN ADDITIONAL WELL IN A 640) Cause No. 421
DRILLING AND SPACING UNIT FOR THE)
NIOBRARA FORMATION IN SECTION 1,) Docket No. _____
TOWNSHIP 11 NORTH, RANGE 63 WEST IN)
WELD 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 to permit a one (1) additional well in a 640-acre drilling and spacing unit for the Niobrara Formation 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 Weld County, Colorado, located within the area requested for infill drilling set forth below:

Township 11 North, Range 62 West, 6th P.M.
Section 6: All

Township 11 North, Range 63 West, 6th P.M.
Section 1: All

These lands are hereinafter referred to as the “Infill Application Lands.”

3. The Infill Application Lands are subject to Cause No. 421, Docket No. 1002-SP-06, whereby the COGCC established fifty-eight (58) approximate 640-acre drilling and spacing units of certain lands in Weld County, Colorado, including the Infill Application lands, and allowed one (1) horizontal well per 640-acre drilling and spacing unit for the production of gas and associated hydrocarbons from the Niobrara Formation.

4. On July 13, 2009 and July 14, 2009, Applicant, all working interest owners and royalty owners with interests in the Infill Application Lands entered into respective voluntary unit agreements whereby they agreed to develop and produce the Infill Application Lands on a lease basis and established a voluntary 1280-acre drilling and spacing unit (without regard to the section line between Section 1, Township 11 North, Range 62 West and Section 6, Township 11 North, Range 63 West) (hereinafter referred to as “Voluntary Unit”). The respective voluntary unit agreements govern the development, production, operation, and distribution of proceeds within the Voluntary Unit.

5. Applicant has been operating the Jake 2-01H Well pursuant to the above-referenced voluntary unit agreements and will operate the requested infill well, the “Jake C3-01H Well,” pursuant to such agreements.

6. Applicant requests that one (1) additional horizontal infill well, the Jake C3-01H Well, be permitted to be drilled on Section 1, Township 11 North, Range 63 West of the Infill Application Lands within the boundaries of the Voluntary Unit for the Niobrara Formation, for a total of two (2) permitted horizontal infill wells within the Voluntary Unit on the Infill Application Lands. Applicant further requests that the Jake C3-01H Well be permitted to be drilled and completed as a horizontal well. Applicant states that the Jake C3-01H Well shall be drilled in the Voluntary Unit with initial perforation of the Niobrara Formation and the ultimate bottomhole location no closer than 660’ from the boundaries of the Voluntary Unit.

7. The surface hole location of the Jake C3-01H will be located at 1894’ FNL and 1963’ FWL on Section 1, Township 11 North, Range 63 West of the Infill Application Lands and the bottomhole location of the infill well will be located in Section 6, Township 11 North, Range 63 West of the Infill Application Lands. Production from the Jake C3-01H Well will be

from both Section 1, Township 11 North, Range 63 West and Section 6, Township 11 North, Range 62 West.

8. The requested infill well will cross one section line and several lease lines, however, as noted in Paragraph 4 above, all working interest owners and royalty owners within the Voluntary Unit have agreed to such crossings.

9. The surface location of the Jake C3-01H shall be located on a common pad with the Jake 2-01H Well such that a total of one (1) surface well pad shall be authorized in the Infill Application Lands.

10. Applicant asserts that one (1) well will not efficiently and economically drain the Voluntary Unit on the Infill Application Lands and that two (2) horizontal wells within the Voluntary Unit on the Infill Application Lands are necessary to prevent waste, protect correlative rights and to assure the greatest recovery of gas and associated hydrocarbons from the Niobrara formation all in accordance with the Colorado statutes and the Commission rules.

11. Applicant asserts the Jake C3-01H Well can be developed in a manner consistent with protection of public health, safety and welfare.

12. 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.e.

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:

A. Establishing that one additional (1) horizontal infill well (for a total of two authorized horizontal Niobrara wells) may be completed in the Voluntary Unit for gas and associated hydrocarbons from the Niobrara Formation underlying the Infill Application Lands.

B. Establishing that the infill well shall be drilled in the Voluntary Unit with initial perforation of the Niobrara Formation and the ultimate bottomhole location no closer than 660' from the outer boundaries of the Voluntary Unit.

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

Dated this 10th day of March, 2010.

Respectfully submitted,

EOG RESOURCES, INC.

By: _____
Michael J. Wozniak
Jamie L. Jost
Beatty & Wozniak, P.C.
Attorneys for Applicant
216 16th Street, Suite 1100
Denver, Colorado 80202
(303) 407-4499

Applicant's Address:
600 17th Street, Suite 1100
Denver, CO 80202

VERIFICATION

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

Jason McLaren, Landman with 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.

Jason McLaren, Landman

Subscribed and sworn to before me this ____ day of March, 2010, by Jason McLaren,
Landman for EOG Resources, Inc.

Witness my hand and official seal.

My commission expires:_____

Notary Public

EXHIBIT A

INTERESTED PARTIES

The names and addresses of the interested parties according to the information and belief of the Applicant are set forth in this Exhibit A.

Colorado Division of Wildlife
6060 Broadway
Denver, CO 80216

Colorado Department of
Public Health & Environment
4300 Cherry Creek Drive South
Denver, CO 80246-1530

Bruce T. Barker
Weld County
P.O. Box 758
Greeley, CO 80632

EOG Resources, Inc.
600 17th Street, Suite 1100
Denver, CO 80202

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)	
ALLOWING AN ADDITIONAL WELL IN A 640)	Cause No. 421
DRILLING AND SPACING UNIT FOR THE)	
NIOBRARA FORMATION IN SECTION 1,)	Docket No. _____
TOWNSHIP 11 NORTH, RANGE 63 WEST IN)	
WELD COUNTY, COLORADO)	

AFFIDAVIT OF MAILING

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

Jamie L. Jost, of lawful age, and being first duly sworn upon her oath, states and declares:

That she is the attorney for EOG Resources, Inc., that on or before March 17, 2010, she caused a copy of the attached Application to be deposited in the United States Mail, postage prepaid, addressed to the parties listed on Exhibit A to the Application.

Jamie L. Jost

Subscribed and sworn to before me March ____, 2010.

Witness my hand and official seal.

My commission expires: _____.

Notary Public