

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

IN THE MATTER OF THE APPLICATION OF)
NOBLE ENERGY, INC. FOR AN ORDER)
ESTABLISHING AN APPROXIMATE 640) Cause No.
ACRE DRILLING AND SPACING UNIT FOR)
THE DRILLING OF UP TO TWO) Docket No.
HORIZONTAL WELLS AND ADDITIONAL)
OPTIONAL VERTICAL WELLS FOR THE)
PRODUCTION OF OIL AND GAS AND)
ASSOCIATED HYDROCARBONS FROM THE)
NIOBRARA FORMATION, SUCH DRILLING)
AND SPACING UNITS BEING DESCRIBED)
AS SECTION 5, TOWNSHIP 8 NORTH,)
RANGE 59 WEST, 6TH P.M., WELD COUNTY,)
COLORADO)

APPLICATION

Noble Energy, 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 an approximate 640-acre drilling and spacing unit for the production of oil, gas, and associated hydrocarbons from the Niobrara Formation, such proposed drilling and spacing unit described as follows:

Township 8 North, Range 59 West, 6th P.M.
Section 5: All

Weld County, Colorado (“Application Lands”)

In support thereof, Applicant states and alleges as follows:

1. Applicant is a corporation duly authorized to conduct business in the State of Colorado.
2. Applicant holds substantial leasehold interests in the Application Lands. A reference map of the Application Lands is attached hereto.
3. The Application Lands are subject to Commission Rule 318.a. which provides that 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 specific Commission Orders applicable to the Niobrara Formation underlying the Application Lands.

4. The Niobrara Formation in this area is defined as the stratigraphic equivalent of the interval between 5977' and 6277' as found in the Peterson PC LG 19-06 Well located in the SENW of Section 19, Township 8 North, Range 59 West. The Niobrara Formation is a common source of supply underlying the Application Lands.

5. Applicant requests that the Commission establish the Application Lands as an approximate 640 acre drilling and spacing unit for the Niobrara Formation pursuant to Rule 503.b.(1) and Colorado Revised Statute Section 34-60-116(1).

6. Applicant requests that it be authorized to drill and complete up to two (2) horizontal wells in the 640-acre drilling and spacing unit comprised of the Application Lands.

7. Applicant requests the surface location for the proposed horizontal wells may be located anywhere within the designated drilling and spacing unit or on adjoining lands, but that the treated interval of any horizontal well may be no closer than 600' from the boundaries of the drilling and spacing unit.

8. Applicant requests that in addition to two (2) horizontal wells, that it be authorized to drill and complete one or more vertical wells in the approximate 640-acre drilling and spacing unit comprised of the Application Lands. The Applicant states that any vertical well proposed to be drilled and completed shall be located anywhere on the surface within the drilling and spacing unit, with a bottomhole location not less than 150' from any existing or permitted oil or gas wellbore, and no closer than 600' from the boundaries of the drilling and spacing unit, unless an exception is authorized by the Director.

9. Applicant asserts that establishing an approximate 640 acre drilling and spacing unit for the Application Lands for the Niobrara Formation will allow for economic and efficient drainage of the Niobrara Formation; will prevent waste; will not adversely affect correlative rights and will assure the greatest ultimate recovery of oil and associated hydrocarbon substances from said formation. A 640 acre drilling and spacing unit is not smaller than the maximum area that can be economically and efficiently drained by the proposed wells in the Niobrara Formation within such unit.

10. 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 the Application Lands as an approximate 640 acre drilling and spacing unit for the Niobrara Formation. Two horizontal wells shall be authorized to be drilled upon each such unit, with optional additional verticals wells also being authorized;

B. The surface location for each well drilled within the drilling and spacing unit may be located anywhere within the unit or on adjoining lands; the treated interval within the Niobrara Formation of any well may not be located any closer than 600 feet to the unit boundary line. The distance between the treated interval of horizontal wells within the drilling and spacing unit shall not

be less than 1200 feet; vertical wells within the unit shall have a bottomhole location not less than 150' from any existing or permitted oil or gas wellbore.

C. Finding that approximate 640 acre drilling and spacing units for the Niobrara Formation will prevent waste, protect correlative rights, and will maximize the efficient and economic production of the Niobrara Formation on the Application Lands; and

D. Granting any other relief as may be appropriate.

Dated this 1st day of September, 2011.

Respectfully submitted,

NOBLE ENERGY, INC.

By: _____

Matthew J. Lepore
Elizabeth Y. Gallaway
Michael J. Wozniak
Beatty & Wozniak, P.C.
Attorneys for Applicant
216 16th Street, Suite 1100
Denver, Colorado 80202

Applicant's Address:
1625 Broadway, Suite 2200
Denver, CO 80202

VERIFICATION

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

Joseph H. Lorenzo, of lawful age, being first duly sworn upon oath, deposes and says that he is Senior Land Manager and Attorney-In-Fact for Noble Energy, Inc. and that he has read the foregoing Application and that the matters therein contained are true to the best of his knowledge, information and belief.

Joseph H. Lorenzo, Attorney-In-Fact

Subscribed and sworn to before this ____ day of September, 2011.

Witness my hand and official seal.

[SEAL]

My commission expires: _____

Notary Public

EXHIBIT A

EOG Resources, Inc.
600 17th Street, Suite 1000N
Denver, CO 80202

BLM Colorado State Office
2850 Youngfield Street
Lakewood, CO 80215-7076

Walsh Production Company
P.O. Box 30
Sterling, Colorado 80751

Noble Energy, Inc.
1625 Broadway, Suite 2200
Denver, CO 80202

Celia Greenman
Colorado Division of Wildlife
6060 Broadway
Denver, CO 80216

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

David Bauer
Weld County Government
1111 H Street
Greeley, CO 80632

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COLORADO)	

AFFIDAVIT OF MAILING

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

Matthew J. Lepore, of lawful age, and being first duly sworn upon his oath, states and declares:

That he is the attorney for Noble Energy, Inc., that on or before September 8, 2011, he attempted to cause 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.

Matthew J. Lepore

Subscribed and sworn to before me on September ____, 2011.

Witness my hand and official seal.

My commission expires: _____.

Notary Public