

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

IN THE MATTER OF THE PROMULGATION AND	)	CAUSE NOS. 407 & 535
ESTABLISHMENT OF FIELD RULES TO	)	
GOVERN OPERATIONS IN THE WATTENBERG	)	DOCKET NO. <i>To be assigned</i>
FIELD AND AN UNNAMED FIELD, WELD	)	
COUNTY, COLORADO	)	

APPLICATION

EOG Resources, Inc. (“EOG” or “Applicant”), by and through its attorneys, Burleson LLP, respectfully submits this Application to the Oil and Gas Conservation Commission of the State of Colorado (the “Commission”) for an order authorizing an exception surface location for a horizontal well to be drilled and completed in the SE¼ SW¼ of Section 12, Township 4 North, Range 61 West, 6<sup>th</sup> P.M., for the production of oil, gas and associated hydrocarbons from the Niobrara Formation. In support of the Application, Applicant states and alleges as follows:

1. Applicant is a corporation duly authorized to conduct business in the State of Colorado, and has registered as an operator with the Commission.
2. Applicant owns substantial leasehold interests in the below-listed lands:

Township 4 North, Range 61 West, 6<sup>th</sup> P.M.  
Section 12: All

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

3. On April 27, 1998, the Commission adopted Rule 318A.a., which, among other things, designated the following surface drilling locations (Greater Wattenberg Area “GWA” windows) for wells drilled in the GWA, including Section 12, Township 4 North, Range 61 West, 6<sup>th</sup> P.M.:

- (1) A square with sides four hundred (400) feet in length, the center of which is the center of any governmental quarter-quarter section (“400’ window”); and
- (2) A square with sides eight hundred (800) feet in length, the center of which is the center of any governmental quarter section (“800’ window”).
- (3) Absent a showing of good cause, which shall include the existence of a surface use or other agreement with the surface owner authorizing a surface well location outside of the GWA window, all surface wellsites shall be located within a GWA window.

4. On November 29, 2010, the Commission issued Order No. 535-4, which, among other things, established an approximate 640-acre drilling and spacing unit for the Application Lands, and approved one horizontal well within the unit, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation, with the initial perforation and the ultimate bottomhole location being no closer than 600 feet from the boundaries of the unit without exception being granted by the Director.

{00142674.1}

5. Applicant proposes to drill the East Platte #09-12H Well (the "Well") from a surface location outside of the GWA window, specifically, 501 feet FSL and 2,370 feet FWL in the SE $\frac{1}{4}$  SW $\frac{1}{4}$  of Section 12, Township 4 North, Range 61 West, 6<sup>th</sup> P.M., and alleges that the surface location will allow the optimum wellbore positioning for the horizontal development of the Niobrara Formation within the established drilling and spacing unit while maintaining the setback from the boundaries of the unit. Applicant has attempted, but has been unable, to negotiate an agreement with the surface owner on terms consistent with other surface owners with whom the Applicant has successfully resolved similar issues in the area. A plat reflecting the location is attached as Exhibit A.

6. That in order to promote efficient drainage of the Niobrara Formation underlying the Application Lands, to prevent waste, and to protect correlative rights, the Commission should authorize a surface well location outside of the GWA window for the Well as is proposed above.

7. The granting of this application is in accord with the Oil and Gas Conservation Act, found at §34-60-101, *et seq.*, C.R.S., and the Commission rules.

8. That the names and addresses of the interested parties according to the information and belief of the Applicant are set forth in Exhibit B 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. Authorizing the East Platte #09-12H Well to be drilled from a surface location of 501 feet FSL and 2,370 feet FWL in the SE $\frac{1}{4}$  SW $\frac{1}{4}$  of Section 12, Township 4 North, Range 61 West, 6<sup>th</sup> P.M., for the production of oil, gas and associated hydrocarbons from the Niobrara Formation.

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

Dated this \_\_\_\_\_ day of October, 2011.

Respectfully submitted,

EOG RESOURCES, INC.

By: \_\_\_\_\_  
Robert A. Willis (Colorado Bar No. 26308)  
Katharine E. Fisher (Colorado Bar No. 39230)  
Burleson LLP  
Wells Fargo Center  
1700 Lincoln Street, Suite 3950  
Denver, CO 80290  
(303) 801-3200

Applicant's Address:  
600 17th Street, Suite 1100N  
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 October, 2011, by Jason McLaren, Landman for EOG Resources, Inc.

Witness my hand and official seal.

My commission expires: \_\_\_\_\_

\_\_\_\_\_  
Notary Public

## EXHIBIT B

### 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 B.

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

Kent Kuster  
CDPHE – Oil & Gas Consultant Coordinator  
4300 Cherry Creek Drive South  
Denver, CO 80246-1500

Kim Kaal  
DOW – Energy Liaison  
6060 Broadway  
Denver, CO 80216

Robert A. Willis  
Burleson LLP  
1700 Lincoln St. Suite 3950  
Denver, CO 80290

EOG Resources, Inc.  
600 17<sup>th</sup> St., Suite 1000N  
Denver, CO 80202

70 Ranch Venture, LLC  
c/o Don Jones  
McFeeders Realty Mgmt. & Appraisal  
325 W. Platte Avenue  
Ft. Morgan, CO 80701

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

IN THE MATTER OF THE PROMULGATION	)	CAUSE NOS. 407 & 535
AND ESTABLISHMENT OF FIELD RULES TO	)	
GOVERN OPERATIONS IN THE	)	DOCKET NO. <i>To be assigned</i>
WATTENBERG FIELD AND AN UNNAMED	)	
FIELD, WELD COUNTY, COLORADO	)	

AFFIDAVIT OF MAILING

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

Bailey Blumenreich, of lawful age, and being first duly sworn upon her oath, states and declares that 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 on October 13, 2011.

\_\_\_\_\_  
Bailey Blumenreich

Subscribed and sworn to before me on the \_\_\_\_ day of October, 2011.

Witness my hand and official seal.

My commission expires: \_\_\_\_\_.

\_\_\_\_\_  
Notary Public