

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 to establish an approximate 640-acre drilling and spacing unit for the horizontal well development of Section 11, Township 5 North, Range 62 West, 6th P.M., for the production of oil, gas and associated hydrocarbons from the Niobrara Formation. 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, and has registered as an operator with the Commission.
2. Applicant owns substantial leasehold interests in the below-listed lands:

Township 5 North, Range 62 West, 6th P.M.
Section 11: All

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

3. The Application Lands are unspaced with respect to the Niobrara Formation, which is a common source of supply underlying said lands and, as such, Rule 318.a. applies to said lands and under said rule, wells greater than 2,500 feet in depth shall be located not less than 600 feet from any lease line, and shall not be located less than 1,200 feet from any other producible or drilling well when drilling to the same common source of supply, unless authorized by order of the Commission upon hearing.

4. On April 27, 1998, the Commission adopted Rule 318A., which, among other things, allowed certain drilling locations to be utilized to drill or twin a well, deepen a well, or recomplete a well and to commingle any or all of the Cretaceous Age Formations from the base of the Dakota Formation to the surface. Section 11, Township 5 North, Range 62 West, 6th P.M. was included in this rule.

5. Applicant requests the authority to drill one (1) horizontal well (wherein EOG has plans to drill the Anschutz Windmill #2-11H Well) within the proposed approximate 640-acre drilling and spacing to be established under this Application for the Application Lands, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation, with the treated interval of the wellbore to be no closer than 600 feet from the proposed unit boundaries.

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 {00140460.1}

Commission should establish the approximate 640-acre drilling and spacing unit requested herein for the drilling and completion of one (1) horizontal well within the unit. The requested drilling and spacing unit for the Application Lands is not smaller than the maximum area that can be economically and efficiently drained by one well.

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 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 an approximate 640-acre drilling and spacing unit for the Application Lands, and approve of one (1) horizontal well within the unit, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation, with the treated interval of the wellbore to be no closer than 600 feet from the unit boundaries.

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 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.

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

Anschutz Exploration Corp.
555 17th St., Suite 2400
Denver, CO 80202

Gene F. Lang & Co.
19751 E. Mainstreet, Suite 334
Parker, CO 80138

Bold Resources, LLC
6615 Rowland Avenue
Littleton, CO 80128

Diamond Resources, Inc.
P.O. Box 1938
Williston, ND 58802

Bonanza Creek Energy Operating Co., LLC
4900 California Avenue, Suite 350
Bakersfield, CA 93309

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
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Denver, CO 80290

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AFFIDAVIT OF MAILING

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

Emily M. Nelson, 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.

Emily M. Nelson

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

Witness my hand and official seal.

My commission expires: _____.

Notary Public