

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

IN THE MATTER OF THE APPLICATION OF )  
GREAT WESTERN OIL AND GAS COMPANY )  
LLC FOR AN ORDER ESTABLISHING A )  
SPACING UNIT FOR PRODUCTION OF OIL, )  
GAS AND ASSOCIATED HYDROCARBONS )  
FROM THE J SAND, CODELL AND )  
NIOBRARA FORMATIONS UNDERLYING )  
CERTAIN LANDS IN WELD COUNTY, CO )

CAUSE NOS. 407 and 232

DOCKET NO. 1112-SP-\_\_\_\_\_

**APPLICATION**

The Applicant, Great Western Oil and Gas Company, LLC ("Great Western"), by and through its undersigned counsel, respectfully petitions the Oil and Gas Conservation Commission of the State of Colorado (the "Commission") for an order establishing a 160-acre wellbore spacing unit for production from the J Sand, Codell and Niobrara formations, and pooling all interests therein as follows:

**BACKGROUND**

1. Great Western is a limited liability company duly authorized to conduct business in the State of Colorado.
2. Great Western owns an oil and gas leasehold interest in the SW1/4 of Section 26 Township 7 North, Range 65 West, 6th P.M., Weld County, Colorado ("Section 26" hereinafter).
3. According to the records of the Commission, no wells have been drilled in the SW1/4 of Section 26 as of the date of this Application.
4. Commission Rule 318A(a)(4)(b) authorizes the drilling of a well to a bottom hole location within an 800' by 800' square in the center of each quarter section of Section 26, for production from the J Sand, Niobrara and Codell formations, and with respect to any such well the establishment of a voluntary drilling and spacing unit consisting of the governmental quarter section, or the filing of an application with the Commission to establish such a unit.
5. Great Western desires to drill the Andrews #26-53 well in the SW1/4 from a location authorized by Rule 318A(a)(4)(b).

**SPACING REQUEST**

6. On information and belief, the Commission has not entered an order establishing drilling and spacing units for production of oil and gas from the J Sand, Codell or Niobrara formations underlying the SW1/4 of Section 26.

7. Colorado Revised Statute Section 34-60-116(4) authorizes the Commission to establish drilling and spacing units in order to prevent or assist in preventing waste, avoid the drilling of unnecessary wells, and/or protect correlative rights.

8. Previous testimony before the Commission has established that a 160-acre drilling and spacing unit is not less than the maximum area than can be efficiently, economically and effectively drained by a well producing oil, gas and associated hydrocarbons from the J Sand, Codell and/or Niobrara formations underlying said SW1/4 of Section 26.

9. Great Western requests that the Commission establish a 160-acre drilling and spacing wellbore unit consisting of the SW1/4 of Section 26, for production of oil, gas and associated hydrocarbons from the J Sand, Codell and Niobrara formations, from the Andrews #26-53 well, to be drilled at a location authorized by Commission Rule 318A(a)(4).

10. The establishment of such a unit will prevent or assist in preventing waste by assuring that such a well in the SW1/4 may be completed and produced without prejudice to the rights of other leasehold or mineral owners, and ensuring that the pool as a whole may be efficiently and economically developed.

11. The establishment of such a unit will protect the correlative rights of both leasehold owners and mineral owners in the SW1/4 of Section 26.

#### **REQUEST FOR HEARING AND ORDER**

WHEREFORE, Great Western prays that this matter be set for hearing on December 12 or 13, 2011, notice of said hearing be given as required by law, if no protests are timely received the matter be considered pursuant to Rule 511(b), and the Commission enter an Order establishing a 160-acre wellbore drilling and spacing unit consisting of the SW1/4 of Section 26 for production of oil, gas and associated hydrocarbons from the J Sand, Codell and/or Niobrara formations from the proposed Anderson #26-53 well.

RESPECTFULLY SUBMITTED this 12<sup>th</sup> day of October, 2011.

**LOHF SHAIMAN JACOBS HYMAN & FEIGER PC**

By: \_\_\_\_\_  
J. Michael Morgan

#### **Great Western=s Address:**

1700 Broadway, Suite 650  
Denver, CO 80290

**EXHIBIT "A"**  
**TO**  
**APPLICATION OF GREAT WESTERN OIL AND GAS COMPANY LLC**

**Interested Parties in the S W¼ of Section 26, Township 7 North, Range 65 West**

**Applicant:** Great Western Oil and Gas Company, LLC  
1700 Broadway, Suite 650  
Denver, CO 80290

**Applicant's Attorney:** J. Michael Morgan, Esq.  
Lohf Shaiman Jacobs Hyman & Feiger PC  
950 South Cherry Street, Suite 900  
Denver, CO 80246

**Local Government Designee:** Bruce T. Barker, Esq.  
Weld County Commissioner Office  
P.O. Box 758  
Greeley, CO 80634

**Leasehold Owners:** Great Western Oil and Gas Company, LLC  
1700 Broadway, Suite 650  
Denver, CO 80290

Great Western Leasing, LLC  
1700 Broadway, Suite 650  
Denver, CO 80290

Bayswater Exploration and Production, LLC  
730 17<sup>th</sup> Street, Suite 610  
Denver, CO 80202

**VERIFICATION**

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

The undersigned, of lawful age, having been first sworn upon his oath, deposes and states that:

1.     He is a Petroleum Landman employed as the Land Manager for Great Western Oil and Gas Company, LLC whose address is 1700 Broadway, Suite 650, Denver, CO 80290.
2.     He has read the within application, is familiar with the facts set forth therein, and states that said facts are true and correct to the best of his knowledge and belief.

Further Affiant sayeth not.

\_\_\_\_\_  
Royce H. Allen

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

Witness my hand and official seal.

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

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

## **CERTIFICATE OF MAILING**

I hereby certify that on the 12<sup>th</sup> day of October, 2011, a true and correct copy of the foregoing was mailed via U.S. First-Class Mail, postage prepaid, to the following:

Great Western Oil and Gas Company, LLC  
1700 Broadway, Suite 650  
Denver, CO 80290

Bruce T. Barker, Esq.  
Weld County Commissioner's Office  
P.O. Box 758  
Greeley, CO 80634

Great Western Leasing, LLC  
1700 Broadway, Suite 650  
Denver, CO 80290

Bayswater Exploration and Production, LLC  
730 17<sup>th</sup> Street, Suite 610  
Denver, CO 80202

Colorado Division of Wildlife  
6060 Broadway  
Denver, Colorado 80216

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

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Tonja L. Hoisington, Paralegal