

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

IN THE MATTER OF THE APPLICATION OF
CONTINENTAL RESOURCES, INC. FOR AN
ORDER ESTABLISHING AN APPROXIMATE
1,280 ACRE DRILLING AND SPACING UNIT
FOR THE NIOBRARA FORMATION
UNDERLYING CERTAIN DESCRIBED LANDS IN
WELD COUNTY, COLORADO

CAUSE NO.

DOCKET NO.

APPLICATION

COMES NOW Continental Resources, Inc. ("Applicant"), a Delaware corporation, by its attorneys, Beatty & Wozniak, P.C., and makes application to the Oil and Gas Conservation Commission of the State of Colorado for an order establishing an approximate one thousand, two hundred eighty (1,280) acre drilling and spacing unit for the drilling of a horizontal well in the Niobrara Formation underlying the following described lands in Weld County, Colorado:

Township 8 North, Range 62 West, 6th P.M.
Sections 26 and 35

(hereinafter "Application Lands")

In support of its Application, Applicant avers and states as follows:

1. That Applicant is a corporation duly authorized to conduct business in the State of Colorado.
2. That Applicant owns a leasehold interest in the Niobrara Formation underlying the Application Lands.
3. That the Application Lands currently are not spaced as to the Niobrara Formation and are subject to the Commission's Rule 318 which provides that wells 2,500 feet or deeper shall be located not less than six hundred (600) feet from any lease line and 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 common source of supply, unless authorized by order of the Commission upon hearing.
4. That Applicant is experienced in drilling horizontal wells with laterals in excess of 9000 feet.
5. That the Niobrara Formation underlying the Application Lands is ideal for the drilling of a horizontal well with a lengthy lateral.
6. That based upon geological studies and horizontal drilling of the Niobrara Formation in the same general area of the Application Lands, Applicant asserts that the Niobrara Formation may produce economic volumes of oil when drilled and completed within horizontal wells having longer laterals.

7. That appropriate setbacks for the drilling of a horizontal well within the Niobrara Formation of the Application Lands should be as follows:

(a) That the surface location may be located anywhere on the Application Lands.

(b) That the lateral within the Niobrara Formation shall be located no closer than 600 feet from the section line of the Application Lands.

(c). That the lateral within the Niobrara Formation shall be located no closer than 300 feet from any other wellbore on the Application Lands which has penetrated the Niobrara Formation.

8. That the proposed drilling and spacing unit will allow more efficient development of the oil and gas resources within the Niobrara Formation, will not promote waste and will not violate correlative rights.

9. 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.

WHEREFORE, Applicant respectfully requests that this matter be set for hearing in October 2010; that notice be given as required by law and that upon such hearing this Commission enter its order consistent with Applicant's proposals as set forth above.

Dated this _____ day of February, 2011

BEATTY & WOZNIAK, P.C.

By: _____
William A. Keefe
216 Sixteenth Street, Suite 1100
Denver, Colorado 80202-5155
303-407-4475

VERIFICATION

[illegible]

Michael D. Schooley, of lawful age, being first duly sworn upon oath, deposes and says that he is a Landman for Continental Resources, 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.

Michael D. Schooley

Subscribed and sworn to before me this _____ day of February, 2011.

Witness my hand and official seal.

My commission expires:_____

Notary Public

EXHIBIT A

Marguerite Freeman Revocable Trust
46001 WCR 83
Briggsdale, CO 80611

Grindstone Resources, LLC
5228 Lonetree Drive
Loveland, CO 80537

Flatiron Energy Company
6666 Gunpark Dr., Suite 200
Boulder, CO 80301

John S. Gibson Production LLC
PO BOX 842
Ft. Morgan, CO 80701

Hart Energy, LLC
PO BOX 50190
Casper, WY 82605

EOG Resources, Inc
PO BOX 4362
Houston, TX 77210-4362

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AFFIDAVIT OF MAILING

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

William A. Keefe of lawful age, and being first duly sworn upon his oath, states and declares:

That he is the attorney for Continental Resources, Inc., that on or before February _____, 2011, he 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.

William A. Keefe

Subscribed and sworn to before me February _____, 2011.

Witness my hand and official seal.

My commission expires: _____.

Notary Public