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

IN THE MATTER OF THE APPLICATION OF)	
NOBLE ENERGY INC. FOR AN ORDER)	Cause No. 407
ESTABLISHING ONE (1) 320-ACRE)	
WELLBORE SPACING UNIT FOR ONE (1))	Docket No
HORIZONTAL WELL IN THE NIOBRARA)	
FORMATION IN THE S½N½, N½S½ OF)	
SECTION 14, TOWNSHIP 6 NORTH, RANGE)	
65 WEST, 6TH P.M., IN THE WATTENBERG)	
FIELD, WELD COUNTY, COLORADO.)	

<u>APPLICATION</u>

COMES NOW Noble Energy, Inc. (referred to herein as "Applicant"), by and through its undersigned attorneys, and makes application to the Oil and Gas Conservation Commission of the State of Colorado ("Commission"), for an order establishing one (1) 320-acre wellbore spacing unit for the drilling of one (1) horizontal well for production of oil, gas, and associated hydrocarbons from the Niobrara Formation underlying the following lands:

Township 6 North, Range 65 West, 6th P.M. Section 14: S½N½, N½S½

Weld County, Colorado ("Application Lands").

In support thereof, the Applicant states and alleges as follows:

- 1. Applicant is a corporation duly authorized to conduct business in the State of Colorado.
- 2. Applicant owns substantial portion of the leasehold interests on the Application Lands.
- 3. On February 19, 1992, the Commission issued Order No. 407-87 (amended August 20, 1993), which among other things, established 80-acre drilling and spacing units for the production of oil and/or gas from the Codell and Niobrara Formations underlying certain lands, including the Application Lands, with the permitted well locations in accordance with the provisions of Order No. 407-1. Order No. 407-1 (amended on March 29, 2000 in accordance with Order No. 407-17, entered November 18, 1985), among other things, established 80-acre drilling and spacing units for the production of oil and/or gas and associated hydrocarbons from the Codell Formation underlying certain lands, including the Application Lands, with the drilling and spacing unit to be designated by the operator drilling the first well in the quarter section, (or the Director, if the operator fails to designate). The permitted well shall be located in the center of either 40-acre tract within the drilling and spacing unit with a tolerance of 200 feet in any direction and the operator shall have the option to drill an additional well on the undrilled 40-acre tract in each 80-acre drilling and spacing unit.
- 4. On April 27, 1998, the Commission adopted Rule 318A, which, among other things, established drilling windows and 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 Formation from the base of the Dakota Formation to the surface. The Application Lands are subject to the

foregoing Orders and Rule 318A. Pursuant to Rule 318A.j., Rule 318A supersedes all prior Commission drilling and spacing orders affecting well location and density requirements of GWA wells.

- 5. Applicant plans to drill one (1) horizontal well on the Application Lands. The Dinner PC E14-65HN Well ("Well") has a proposed surface location of 2,350' FSL and 249' FWL of Section 14, Township 6 North, Range 65 West and a proposed bottomhole location of 2,565' FNL and 535' FEL of Section 14, Township 6 North, Range 65 West.
- 6. Applicant requests that the Commission establish a 320-acre wellbore spacing unit for the Well on the Application Lands. The proposed 320-acre wellbore spacing unit shall consist of the following lands:

Township 6 North, Range 65 West, 6th P.M. Section 14: S½N½, N½S½

Weld County, Colorado ("Wellbore Spacing Unit").

A Well Location Certificate is attached hereto.

- 7. Applicant confirms that it is not changing the established 80-acre drilling and spacing units for any existing vertical Niobrara Formation wells. Applicant further confirms that it is not changing the established distribution of proceeds for any existing vertical Niobrara Formation wells subject to Order No. 407-87. Applicant will allocate and distribute proceeds from the Well on a 320-acre basis.
- 8. Applicant asserts that a 320-acre Wellbore Spacing Unit for the Well 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 gas and associated hydrocarbon substances from the reservoirs. A 320-acre Wellbore Spacing Unit is not smaller than the maximum area that can be economically and efficiently drained by one (1) horizontal well in such unit.
- 9. The surface location of the Well is not within a designated drilling window, however, Applicant has obtained a signed consent letter from the applicable surface owner(s) allowing Applicant to drill from outside a designated window as defined in Commission Rule 318A.a. and further than 50 feet from an existing surface well location as provided in Commission Rule 318A.c.(2). The Well will be located on a new well pad.
- 10. The treated interval of the wellbore for the Well shall be no closer than 460' from the boundaries of the 320-acre Wellbore Spacing Unit. The Applicant maintains that the one (1) horizontal well will have no adverse effect on correlative rights of adjacent owners.

WHEREFORE, Applicant respectfully requests that this matter be set for hearing, that notice thereof be given as required by law and that upon such hearing this Commission shall enter its order:

- A. Establishing the 320-acre Wellbore Spacing Unit for the Dinner PC E14-65HN Well:
- B. Establishing that the treated interval of the wellbore for the Dinner PC E14-65HN Well shall be no closer than 460' from the boundaries of the 320-acre Wellbore Spacing Unit;

	C.	F	inding	that	the	320-acre	e We	ellbore Spa	icing Unit w	ill pre	event	waste,	protect co	rrela	ative
rights,	and	will	maxir	mize	the	efficient	and	economic	production	of th	ne N	iobrara	Formation	on	the
Applica	ation	Lan	ds; an	d											

D.	Granting any	other relie	of necessary	to prevent	waste and	protect	correlative	rights of
the adjacent	owners.							

Dated this ____ day of June, 2011.

Respectfully submitted,

Noble Energy, Inc.

By:_

Jamie L. Jost Michael J. Wozniak Elizabeth Y. Gallaway Beatty & Wozniak, P.C. Attorneys for Applicant 216 16th Street, Suite 1100 Denver, Colorado 80202 (303) 407-4499

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

VERIFICATION

STATE OF COLORADO)
CITY AND COUNTY OF DENVER) SS. ?)
that he is Senior Land Manager ar	of lawful age, being first duly sworn upon oath, deposes and says and Attorney-in-Fact for Noble Energy, Inc. and that he has read the matters therein contained are true to the best of his knowledge,
	Title: Senior Land Manager
Subscribed and sworn to before th	is day of June, 2011.
Witness my hand and official seal.	
[SEAL]	
My commission expires:	
	Notary Public

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

IN THE MATTER OF THE APPLICATION OF NOBLE ENERGY INC. FOR AN ORDER ESTABLISHING ONE (1) 320-ACREWELLBORE SPACING UNIT FOR ONE (1 HORIZONTAL WELL IN THE NIOBRARA FORMATION IN THE S½N½, N½S½ OF SECTION 14, TOWNSHIP 6 NORTH, RANGE 65 WEST, 6TH P.M., IN THE WATTENBERGE FIELD, WELD COUNTY, COLORADO.	R) Cause No. 407 Docket No N)
<u>AFFIDAV</u>	IT OF MAILING
STATE OF COLORADO)	
)ss. CITY AND COUNTY OF DENVER)	
Jamie L. Jost of lawful age, and being fi	rst duly sworn upon her oath, states and declares:
	nergy, Inc., that on or before June, 2011, she oplication to be deposited in the United States Mail, d on Exhibit A to the Application.
	Jamie L. Jost
Subscribed and sworn to before me on	June, 2011.
Witness my hand and official seal.	
My commission expires:	<u> </u>
	Notary Public

EXHIBIT A Interested Parties

Noble Energy WyCo, LLC Attention: P. David Padgett 1625 Broadway, Suite 2200 Denver, CO 80202 Kent Kuster Colorado Department of Public Health & Environment 4300 Cherry Creek Drive South Denver, CO 80246-1530

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

David Bauer Weld County 1111 H Street Greeley, CO 80632