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

)

)

)

IN THE MATTER OF THE APPLICATION OF NOBLE ENERGY, INC. FOR AN ORDER POOLING ALL NONCONSENTING INTERESTS IN THE CODELL AND NIOBRARA FORMATIONS IN A DESIGNATED 160-ACRE WELLBORE SPACING UNIT LOCATED IN THE WATTENBERG FIELD, WELD COUNTY, COLORADO.

Cause No. 407

Docket No._____

APPLICATION

COMES NOW Noble Energy, Inc. (referred to herein as "Applicant"), by and through its undersigned attorneys, and makes application to the Colorado Oil and Gas Conservation Commission ("Commission"), for an order to pool all interests within a designated 160-acre wellbore spacing unit for the drilling of a well to produce from the Codell and Niobrara Formations located in Section 18, Township 5 North, Range 64 West, 6th P.M., Weld County, Colorado. 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, and is a registered operator in good-standing with the Commission.

2. Applicant owns certain leasehold interests in the following lands:

Township 5 North, Range 64 West, 6th P.M. Section 18: NE¹/₄NE¹/₄

Weld County, Colorado (hereafter "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.

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. On December 5, 2005, Rule 318A was amended to allow interior infill and boundary wells to be drilled and wellbore spacing units to be established. The lands encompassing the Wellbore Spacing Unit in this Application are subject to Rule 318A, specifically Rule 318A.a.(4)(C) and 318A.e., for the Codell and Niobrara Formations.

5. Applicant designated a 160-acre Wellbore Spacing Unit, as described below, for the production of oil, gas, and associated hydrocarbons from the Codell and Niobrara Formations

on the Application Lands pursuant to Rule 318A. and notified the appropriate parties under Rule 318A.

6. Applicant, pursuant to Commission Rule 530 and pursuant to the provisions of C.R.S. §34-60-116 (6) and (7), seeks an order to involuntarily pool all interests not voluntarily pooled (including working interests) in the Codell and Niobrara Formations underlying the following designated 160-acre wellbore spacing unit:

Township 5 North, Range 64 West, 6th P.M. Section 18: NE¹/₄

(referred to herein as the "Wellbore Spacing Unit").

7. Applicant proposes to vertically drill the Puype B18-17 Well ("Well") within the designated Wellbore Spacing Unit with a surface location in the NE¼NE¼ of Section 18, Township 5 North, Range 64 West and a bottomhole location of 1,300' FSL and 1,300' FEL of Section 18, Township 5 North, Range 64 West. The Well was spud on February 14,2009. A Well Location Certificate showing the location of the Well is attached hereto. Applicant holds an approved Application for Permit to Drill for the Well.

8. Exhibit A attached hereto lists the interest owners for the Wellbore Spacing Unit together with their addresses. All working interest owners (not otherwise voluntarily pooled) have been offered the opportunity to voluntarily participate in the drilling of the Puype B18-17 Well. As applicable, to date, however, not all of such working interest owners have elected to participate by agreeing to bear their respective proportionate shares of the costs and risks of drilling, completing and operating the well. An Authority for Expenditure ("AFE") and offers to participate containing the information respecting this well required by Commission Rule 530.b. were sent to the working interest owners more than thirty (30) days prior to the date of the hearing on this application. Exhibit A also lists all unleased mineral owners, if any, within the Wellbore Spacing Units. As applicable, all unleased mineral owners (not otherwise voluntarily pooled) have been offered the opportunity to participate in the drilling of the Wellbore Spacing Unit well described above. To date, however, not all of such owners have elected to participate by agreeing to bear their proportionate shares of the costs and risks of drilling, completing and operating the well. In addition and as applicable, Applicant has made offers to lease each of these unleased mineral owners (not otherwise voluntarily pooled) as required by Commission Rule 530.c. and C.R.S. § 34-60-116(7)(d). To date, however, not all of such unleased mineral owners have accepted such offers. Such offers to participate in drilling or to lease were sent to these unleased mineral interest owners more than thirty (30) days prior to the date of the hearing on this Application.

9. Applicant requests that the effective date of the Commission's involuntary pooling order issued with respect to this Application, and all costs associated with the Well and this involuntary pooling, be retroactive to the earliest date costs are incurred for the Well, or the date of the Application, whichever is earlier.

10. Notice of this Application has been provided to those parties listed on <u>Exhibit A</u> attached hereto.

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 enter its order:

A. Pooling involuntarily all of the working interest owners listed on <u>Exhibit A</u> with whom Applicant has been unable to secure an agreement for the drilling of the Puype B18-17 Well, as described in Paragraph 7, and that such working interest owners be treated as non-consenting owners under C.R.S. §34-60-116 and made subject to the terms and penalties provided for therein.

B. Pooling involuntarily all of the unleased mineral interest owners (not otherwise involuntarily pooled) listed on <u>Exhibit A</u> with whom Applicant has been unable to secure a lease or an agreement for the drilling of the Puype B18-17 Well and that such owners be treated as non-consenting owners under C.R.S. § 34-60-116 and made subject to all of the terms, costs, and penalties provided for therein.

C. That all interest owners in the Wellbore Spacing Unit which are not voluntarily pooled in the Wellbore Spacing Unit be involuntarily pooled.

D. That the effective date of the Commission's involuntary pooling order issued with respect to this Application, and all costs associated with the Puype B18-17 Well and this involuntary pooling, be retroactive to the earliest date costs are incurred for the Well, or the date of the Application, whichever is earlier.

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

DATED this _____ day of June, 2011.

Respectfully submitted,

NOBLE ENERGY, INC.

By:_____

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

<u>Applicant's Address</u>: 1625 Broadway, Suite 2200 Denver, CO 80202

VERIFICATION

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

Joseph H. Lorenzo, of lawful age, being first duly sworn upon oath, deposes and says that he is Senior Land Manager and Attorney-in-Fact for Noble Energy, 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.

Title: Senior Land Manager

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

Witness my hand and official seal.

[SEAL]

My commission expires: _____

Notary Public

EXHIBIT A Interested Parties

Working Interest Owner(s):

Steven J. Buchanan 400 S. Snowmass Circle Superior, CO 80027-6118

Unleased Mineral Owner(s):

Bessie Jones Fox, deceased, heirs unknown Last known address: Unknown address Ridgecrest, CA 93555

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

IN THE MATTER OF THE APPLICATION OF NOBLE ENERGY, INC. FOR AN ORDER POOLING ALL NONCONSENTING INTERESTS IN THE CODELL AND NIOBRARA FORMATIONS IN A DESIGNATED 160-ACRE WELLBORE SPACING UNIT LOCATED IN THE WATTENBERG FIELD, WELD COUNTY, COLORADO.

Cause	No.	407	
-------	-----	-----	--

Docket No)
-----------	---

AFFIDAVIT OF MAILING

STATE OF COLORADO

))ss.)

CITY AND COUNTY OF DENVER

Jamie L. Jost of lawful age, and being first duly sworn upon her oath, states and declares:

That she is the attorney for Noble Energy, Inc., that on or before June ____, 2011, 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.

Jamie L. Jost

Subscribed and sworn to before me on June ___, 2011.

Witness my hand and official seal.

My commission expires: ______.

Notary Public