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

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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 wellbore spacing unit for the drilling of a well to produce from the Codell and Niobrara Formations located in Section 7, Township 3 North, Range 64 West, 6<sup>th</sup> 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 3 North, Range 64 West, 6<sup>th</sup> P.M. Section 7: NE<sup>1</sup>/<sub>4</sub>

Weld County, Colorado (hereinafter "Application Lands").

3. 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 Formation 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 Application Lands are subject to Rule 318A, specifically Rule 318A.a.(4)(C) and 318A.e., for the Codell and Niobrara Formations.

4. 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 pursuant to Rule 318A. and notified the appropriate parties under Rule 318A.

5. 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 3 North, Range 64 West, 6<sup>th</sup> P.M. Section 7: NE<sup>1</sup>/<sub>4</sub>

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

6. Applicant proposes to vertically drill the Dechant 7-15 Well ("Well") within the designated Wellbore Spacing Unit with a surface location in the NE¼ of Section 7, Township 3 North, Range 64 West and a bottomhole location of 1,321' FNL and 1,357' FEL of Section 7, Township 3 North, Range 64 West. A well location certificate showing the location of the Well is attached hereto. Applicant holds an approved Application for Permit to Drill the Well.

7. <u>Exhibit A</u> 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 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.

8. Applicant requests that the Commission's involuntary pooling order, and all costs associated with the Well and this involuntary pooling, issued with respect to this Application be retroactive to the earliest date costs are incurred for the Well as allowed by C.R.S. § 34-60-116(7), or the date of this Application, whichever is earlier.

9. 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 Dechant 7-15 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. That all interest owners in the Wellbore Spacing Unit which are not voluntarily pooled in the Wellbore Spacing Unit be involuntarily pooled.

C. That that the Commission's involuntary pooling order, and all costs associated with the Dechant 7-15 Well and this involuntary pooling, issued with respect to this Application be retroactive to the earliest date costs are incurred for the Well as allowed by C.R.S. § 34-60-116(7), or the date of this 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 April, 2011.

Respectfully submitted,

# NOBLE ENERGY, INC.

Ву:\_\_\_\_

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

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

### **VERIFICATION**

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

P. David Padgett, of lawful age, being first duly sworn upon oath, deposes and says that he is 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.

P. David Padgett

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

Witness my hand and official seal.

[SEAL]

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

Notary Public

#### EXHIBIT A Interested Parties

Merit Energy Partners III, L.P. (non-consenting) ATTN: Erin W. Gerner 13727 Noel Road, Suite 500 Dallas, Texas 75240

Merit Management Partners I, L.P. (non-consenting) ATTN: Erin W. Gerner 13727 Noel Road, Suite 500 Dallas, Texas 75240

Merit Energy Partners D-III, L.P. (non-consenting) ATTN: Erin W. Gerner 13727 Noel Road, Suite 500 Dallas, Texas 75240

Nobel Energy WyCo, LLC 1625 Broadway, Suite 2200 Denver, CO 80202

James P. Armatas P.O. Box 551 Genoa, NV 80411

Colorado Energy Minerals, Inc. P. O. Box 899 Denver, CO 80201

Charles J. Hoffman, Trustee of the Charles J. Hoffman Trust under Trust Agreement dates April 9, 1991 1140 Adams Street Kansas City, KS 66103

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# AFFIDAVIT OF MAILING

STATE OF COLORADO

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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 April \_\_\_\_\_, 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 <u>Exhibit A</u> to the Application.

Jamie L. Jost

Subscribed and sworn to before me on April \_\_\_, 2011.

Witness my hand and official seal.

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

Notary Public