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

IN THE MATTER OF THE APPLICATION FOR AN ORDER CAUSE NO. POOLING ALL INTERESTS IN THE NIOBRARA FORMATION IN A 1,280-ACRE DRILLING AND SPACING DOCKET NO. UNIT IN WELD COUNTY, COLORADO

# **APPLICATION**

COMES NOW Continental Resources, Inc. ("Applicant"), by its attorneys, Beatty & Wozniak, P.C., and makes application to the Oil and Gas Conservation Commission of the State of Colorado ("Commission") for an order pooling all interests for the development of the Niobrara Formation on the following described lands:

<u>Township 8 North, Range 62 West, 6<sup>th</sup> P.M.</u> Section 13: All Section 24: All

Weld County, Colorado

(hereinafter "Application Lands").

In support of its application, 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 leasehold interests in a substantial portion of the Application Lands.

3. On August 8, 2011 the Commission entered Order No. 535-51, which among other things, vacated the approximate 640-acre drilling and spacing unit established for Section 24, Township 8 North, Range 62 West, and established 1,280-acre drilling and spacing units for certain lands, including the Application Lands, and authorized one horizontal well in each unit for the production of oil, gas and associated hydrocarbons from the Niobrara Formation.

4. On March 8, 2011, the Commission entered Order No. 535-3, which among other things, established 640-acre drilling and spacing units for certain lands, including the Application Lands, and authorized up to two horizontal wells in each unit for the production of oil, gas and associated hydrocarbons from the Niobrara Formation.

5. Applicant, pursuant to the provisions of C.R.S. § 34-60-116 (6) & (7) and Commission Rule 530, seeks an order pooling all interests in the Application Lands for the development of the Niobrara Formation, including any nonconsenting interests therein.

6. Applicant requests that the Commission's pooling order be made effective as of the earlier of the date of this Application, or the date that any of the costs specified in C.R.S. § 34-60-116(7)(b)(II) were first incurred for the drilling of the Dunn 1-13H Well to the Niobrara Formation on the Application Lands.

7. Applicant certifies that copies of this Application will be served on all persons owning an interest in the mineral estate of the tracts to be pooled within seven (7) days of the date hereof, as

required by Rule 507.b(2), and that at least thirty (30) days prior to the hearing on this matter, each such interest owner not otherwise leased or voluntarily pooled will be offered the opportunity to lease, or to participate in the drilling of the well, and will be provided with the information required by Rule 530. The list of such interested parties is attached hereto as <u>Exhibit A.</u>

8. That in order to prevent waste and to protect correlative rights, all interests in the Application Lands should be pooled for the orderly development of the Niobrara Formation, including any nonconsenting interests therein.

WHEREFORE, Applicant requests that this matter be set for hearing at the next available opportunity, that notice be given as required by law, and that upon such hearing, the Commission enter its order:

A. Pooling all interests in the Application Lands for the development of the Niobrara Formation, including any future wells drilled to said formation.

B. Providing that the Commission's pooling order is made effective as of the earlier of the date of this Application, or the date that any of the costs specified in C.R.S. § 34-60-116(7)(b)(II) were first incurred for the drilling of the Dunn 1-13H Well to the Niobrara Formation on the Application Lands.

C. Providing that the interests of any owners with whom the Applicant has been unable to secure a lease or other agreement to participate in the drilling of the authorized well are pooled by operation of statute, pursuant to C.R.S. § 34-60-116(7), and made subject to the cost recovery provisions thereof.

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

WHEREFORE, Applicant respectfully requests that this matter be set for hearing in January, 2012, that notice be given as required by law, and that upon such hearing, the Commission enter its order consistent with Applicant's request as set forth above.

Dated: November \_\_\_\_, 2011

Respectfully submitted:

Continental Resources, Inc.

By:

William A. Keefe Kenneth A. Wonstolen Elizabeth Y. Gallaway **Beatty & Wozniak, P.C.** 216 Sixteenth St. –Suite 1100 Denver, Colorado 80202

Applicant's Address:

Continental Resources, Inc. ATTN: Michael Schooley 302 N. Independence Enid, OK 73702 212282

#### VERIFICATION

SS.

STATE OF OKLAHOMA ) ) COUNTY OF GARFIELD )

Michael D. Schooley, of lawful age, being first duly sworn upon oath, deposes and says that he is Emerging Plays 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 November, 2011.

Witness my hand and official seal.

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

Notary Public

### EXHIBIT A

A.D. Lamm 3617 Oak Lawn Avenue Dallas, TX 75240

Anadarko E&P Co. LP 1099 18th St., Suite 1800 Denver, CO 80202

Anchor Drilling Company 3105 East Skelly, Suite 320 Tulsa, OK 74103

Boulder Oil Company, LLC PO Box 17397 Boulder, CO 80308

C.F. Hedges 1160 Dorchester Drive Dallas, TX 75240

Calf Creek Royalty, Ltd. PO Box 3240 Midland, TX 79702

Callisto Energy, LLC 4057 Field Drive Wheat Ridge, CO 80033

Carlos Erwin Kepke, Trustee of the Carlos Erwin Kepke Trust 3732 Inwood Drive Houston, TX 77019

Diamond Operating, Inc. 6680 Gunpark Circle, Suite 100 Boulder, CO 80303

E.O. Nay, Jr. 2190 Homet Rd San Marino, CA 91108

EOG Resources, Inc. 600 17th St., Suite 1000N Denver, CO 80202

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

Gem Oil Company c/o Ruth McNown & Dewey D. McNown 1625 Yosemite Parkway Merced, CA 95340

Hart Energy, LLC PO Box 50190 Casper, WY 82605 Jacques Censor c/o Monique Censor Katz 300 East Linden Avenue Englewod, NJ 07631

James C. Karo and Associates 1750 Lafayette Street Denver, CO 80218

James Jackson & Linda Simmons 1350 17th St., Suite 200 Denver, CO 80202

Jeffrey R. Barkley 14767 435th Ave Webster, SD 57274

Jess Geisman 6 Corporate Park Dr. White Plains, NY 10604

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

John S. Hilson c/o Wortheim & Company 1 Chase Manhattan Plaza New York City, NY 10004

Lonetree Oil & Gas Company 5228 Lonetree Drive Loveland, CO 80537

Maddox Oil Properties, Inc. PO Box 2986 Midland, TX 79702

Marshall L. Frasier Marital Trust 60 Reid Road Ft. Morgan, CO 80701

Monique Censor Katz 300 East Linden Ave. Englewood, NJ 07631

Noble Energy, Inc. 1625 Broadway, Suite 2200 Denver, CO 80202

P & O Energy, Ltd 1775 Sherman St., Suite 1400 Denver, CO 80203

Pauline Y. Rowan 4525 Holland Dallas, TX 75240 R&S Energy, LLC 6053 S. Fairfax Court Centennial, CO 80121

Red River Resources, Inc. 518 17th St., Suite 1015 Denver, CO 80202

Robert D. Poulson & Co. PO Box 280453 Lakewood, CO 80228

Robert Joe Kepke, Trustee of the Robert Joe Kepke Trust 10354 Briar Forest Houston, TX 77042

Ronnie E. Settles 3204 Copper Sunset Avenue North Merced, CA 95340

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Roy O. Carpenter 1535 S. Ceddar St. Casper, WY 82601

Ruth McNown & Dewey D. McNown 1625 Yosemite Parkway Merced, CA 95340

Sara Ann Salmon & Robert Salmon 3328 Seneca Drive Las Vegas, NV 89109

Spalding & CO. 1230 S. Illinois Casper, WY 77340 Sunbeam Oil Company c/o Leona Settles 944 Paquita St. El Cajon, CA 92019

The Connors Company 1750 Lafayette St. Denver, CO 80218

Tracker Resources Development, Inc. Independence Plaza 1050 17th Street, Suite 2200 Denver, CO 80265

V.H. Simmons c/o William Patrick Simmons 5252 N. Broadway Wichita, KS 67219

V.H. Simmons, Jr. 520 Petroleum Godg. Denver, CO 80202

Vis-Op Oil Company PO Box 95 Sterling, CO 80751

W.R. Peary Rt. 1, Box 294 A Palisade, CO 81526

William Patrick Simmons 5252 N. Broadway Wichita, KS 67219

Willie Marie Rieger 3405 East Eastman Denver, CO 80202

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# AFFIDAVIT OF MAILING

STATE OF COLORADO

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CITY AND COUNTY OF DENVER

Elizabeth Y. Gallaway, of lawful age, and being first duly sworn upon her oath, states and declares:

That she is the attorney for Continental Resources, Inc., and that on or before November \_\_\_\_, 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.

Elizabeth Y. Gallaway

Subscribed and sworn to before me November \_\_\_\_, 2011.

Witness my hand and official seal.

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

Notary Public