### 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 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.	

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 the following lands:

> Township 4 North, Range 64 West, 6<sup>th</sup> P.M Section 18: S<sup>1</sup>/<sub>2</sub>SE<sup>1</sup>/<sub>4</sub> Section 19: N<sup>1</sup>/<sub>2</sub>NE<sup>1</sup>/<sub>4</sub>

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, and is a registered operator in good-standing with the Commission.

2. Applicant owns certain leasehold interests in 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.

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 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 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 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 pool all interests in the Codell and Niobrara Formations underlying the following designated 160-acre wellbore spacing unit:

Township 4 North, Range 64 West, 6<sup>th</sup> P.M Section 18: S<sup>1</sup>/<sub>2</sub>SE<sup>1</sup>/<sub>4</sub> Section 19: N<sup>1</sup>/<sub>2</sub>NE<sup>1</sup>/<sub>4</sub>

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

7. Applicant proposes to directionally drilled the Oster C19-27D Well ("Well") within the designated Wellbore Spacing Unit with a surface location 2491' FSL, 2117' FWL of Section 18, Township 4 North, Range 64 West, and bottomhole location of 75' FSL and 1200' FEL of Section 18, Township 4 North, Range 64 West. A well location certificate showing the location of the Well is attached hereto.

Exhibit A attached hereto lists the interest owners for the Wellbore 8. 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. Exhibit A also lists all unleased mineral owners, if any, within the Wellbore Spacing Unit. 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 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 Well.

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

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 Wellbore Spacing Unit for the development of the Codell and Niobrara Formations, 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 Oster C19-27D Well.

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, 2011, 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 this \_\_\_\_ day of November, 2011.

Respectfully submitted:

# NOBLE ENERGY, INC.

By:

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

Applicant's Address: Noble Energy, Inc. ATTN: Carol Myers 1625 Broadway, Suite 2200 Denver, CO 80202

#### EXHIBIT A Interested Parties

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

Kerr-McGee Oil & Gas Onshore LP 1099 18th Street - 6th Floor Denver, CO 80202

Anadarko E & P Company LP 1099 18th Street - 6th Floor Denver, CO 80202

Merit Partners, LP 13727 Noel Road, Suite 500 Dallas, TX 75240

Merit Energy Partners III, LP 13727 Noel Road, Suite 500 Dallas, TX 75240

Merit Energy Partners D-III, LP 13727 Noel Road, Suite 500 Dallas, TX 75240

Richard J. Adamson P.O. Box 48 Granby, CO 80446

Dorothy I. Schneider 21271 Weld County Road 51 Kersey, CO 80644

Mary A. Brammer P.O. Box 298 Kersey, CO 80644

Colorado Land Services 1051-D West Highway 34 Loveland, CO 80537

Esther A. Furrow 27533 Highway 392 Gill, CO 80624 Harold Furrow Family Trust 27533 Highway 392 Gill, CO 80624

JSWH, LLC C/O Jennifer W. Hubback 289 Fremont Avenue Los Altos, CA 94024

MKL Gas & Oil, LLC C/O Margaret K. Logan 1005 Rilma Lane Los Altos, CA 94022

Ann Shannon Oil & Gas, LLC C/O Ann W. Shannon 5675 DTC Blvd., Suite 145 Greenwood Village, CO 80111

Meadow Oil & Gas, LLC C/O M. Patricia Schreiber 1480 Combine Rd Meadow Vista, CA 95722

Our Plum, LLC C/O Margaret S. Lundock P.O. Box 218 Lowell, FL 32663

SAE Oil & Gas Company, LLC C/O Elizabeth A. Shannon and Shannon Management Corp. 5675 DTC Blvd., Suite 145 Greenwood Village, CO 80111

SEK Oil & Gas Company, LLC C/O Kathryne E. Shannon 165 Glengary Place Castle Rock, CO 80108 Farmers Reservoir and Irrigation Company 80 South 27th Street Brighton, CO 80601

Alyson Warnick 2723 D Street Sacramento, CA 95816 Mary Kathryne Warnick P.O. Box 14 Grand Lake, CO 80447

Phillip Warnick 5600 Sunny Vista Drive Austin, TX 78749

Shannon Warnick 1000 Country Pl. #73 Houston, TX 77079

### **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 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.

Joseph H. Lorenzo, Attorney-In-Fact Noble Energy, Inc.

Subscribed and sworn to before this \_\_\_\_\_day of November, 2011.

Witness my hand and official seal.

[SEAL]

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

Notary Public

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

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# AFFIDAVIT OF MAILING

) )ss.

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STATE OF COLORADO

CITY AND COUNTY OF DENVER

Elizabeth Gallaway 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 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 Gallaway

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

Witness my hand and official seal.

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

Notary Public