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

IN THE MATTER OF THE APPLICATION OF UNIOIL CAUSE NO. FOR AN ORDER POOLING ALL INTERESTS IN THE CODELL AND NIOBRARA FORMATIONS IN DESIGNATED DRILLING AND SPACING UNITS IN WELD COUNTY, COLORADO

APPLICATION

COMES NOW Petroleum Development Corporation ("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 Codell and Niobrara Formations on the following described drilling and spacing units:

Township 5 North, Range 67 West, 6th P.M.

- 1. Section 10: NW/4 (Highpointe 10A)
- 2. Section 10: SW/4 (Highpointe 10B)
- 3. Section 10: E/2 (Highpointe 10C)
- 4. Section 10: SE/4 (Highpointe 10D)
- 5. Section 10: S/2SW/2 (Highpointe 10KD) Section 15: N/2NW/4
- 6. Section 10: SE/4SW/4 (Highpointe 10LD)
- 7. Section 10: NW/4NE/4 (Highpointe 10ND)
- 8. Section 10: SE/4NW/4 (Highpointe 10OD)
- 9. Section 10: SE/4SW/4 (Highpointe 10PD)
- 10. Section 10: SW/4NE/4 (Hightpointe 10SD)

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 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 production of oil and/or gas form the Codell and Niobrara Formations underlying certain lands, with the permitted well locations in accordance with the provisions of Order No. 407-1. Sections 10 and 15, Township 5 North, Range 67 West, 6th P.M. are subject to this order.

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 Application Lands are subject to this Rule, specifically Rule 318A.a.(4)C. and 318A.e.(1), for the Codell and Niobrara Formations.

5. Applicant drilled the <u>Highpointe 10A Well</u> (spud date June 5, 2009) within its designated wellbore spacing unit with a surface location 1,512 feet FNL and 980 feet FWL and a bottom hole at the same location (vertical well) of its wellbore spacing unit.

Applicant drilled the <u>Highpointe 10B Well</u> (spud date May 21, 2009) within its designated wellbore spacing unit with a surface location 1,113 feet FSL and 1,525 feet FWL and a bottom hole at the same location (vertical well) of its wellbore spacing unit.

Applicant drilled the <u>Highpointe 10C Well</u> (spud date June 20, 2009) within its designated wellbore spacing unit with a surface location 1,296 feet FNL and 1,465 feet FEL and a bottom hole at the same location (vertical well) of its wellbore spacing unit.

Applicant drilled the <u>Highpointe 10D Well</u> (spud date June 25, 2009) within its designated wellbore spacing unit with a surface location 1,219 feet FSL and 1,247 feet FEL and a bottom hole at the same location (vertical well) of its wellbore spacing unit.

Applicant drilled the <u>Highpointe 10KD Well</u> (spud date May 31, 2009) within its designated wellbore spacing unit with a surface location 1,157 feet FSL and 1,525 feet FWL and a bottom hole location 2,440 feet FSL and 1,450 feet FWL of its wellbore spacing unit.

Applicant drilled the <u>Highpointe 10LD Well</u> (spud date May 16, 2009) within the designated wellbore spacing unit with a surface location 1,091 feet FSL and 1,525 feet FWL and a bottom hole location 140 feet FSL and 1,320 feet FWL of its wellbore spacing unit.

Applicant drilled the <u>Highpointe 10ND Well</u> (spud date June 15, 2009) within the designated wellbore spacing unit with a surface location 1,318 feet FNL and 1,461 feet FEL and a bottom hole location 1,320 feet FNL and 2,500 feet FEL of its wellbore spacing unit.

Applicant drilled the <u>Highpointe 10OD Well</u> (spud date June 30, 2009) within the designated wellbore spacing unit with a surface location 1,965 feet FSL and 2,073 feet FEL and a bottom hole location 2,568 feet FSL and 2,543 feet FEL of its wellbore spacing unit.

Applicant drilled the <u>Highpointe 10PD Well</u> (spud date May 26, 2009) within the designated wellbore spacing unit with a surface location 1,135 feet FSL and 1,525 feet FWL and a bottom hole location 1,150 feet FSL and 2,589 feet FEL of its wellbore spacing unit.

Applicant drilled the <u>Highpointe 10SD Well</u> (spud date June 10, 2009) within the designated wellbore spacing unit with a surface location 1,340 feet FNL and 1,458 feet FEL and a bottom hole location 2,500 feet FNL and 1,320 feet FEL of its wellbore spacing unit.

6. 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 Codell and Niobrara Formations, including any nonconsenting interests therein.

7. Applicant requests that the Commission's pooling order be made effective as of the spud date of each of the wells included in this Application: the Highpointe 10A Well (June 5, 2009); Highpointe 10B Well (May 21, 2009); Highpointe 10C Well (June 20, 2009); Highpointe 10D Well (June 25, 2009); Highpointe 10KD Well (May 31, 2009); Highpointe 10LD Well (May 16, 2009); ; Highpointe 10ND (June 15, 2009); Highpointe 10OD (June 30, 2009); Highpointe 10PD (May 26, 2009); and Highpointe 10SD Well (June 10, 2009).

8. 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 each such interest owner not already leased or voluntarily pooled has been offered the opportunity to lease, or to participate in the drilling of the wells. As indicated on Exhibit A, Applicant was unable to determine addresses for certain interest owners. As of the date of this Application, those offers to participate were returned to Applicant as undeliverable with no forwarding address, and Applicant has been unable to locate those interest owners or a successor in interest, despite diligent efforts.

9. 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 Codell and Niobrara Formations, 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 Codell and Niobrara Formations.

B. Providing that the Commission's pooling order is made effective as of the spud date of each of the wells included in this Application: the Highpointe 10A Well (June 5, 2009); Highpointe 10B Well (May 21, 2009); Highpointe 10C Well (June 20, 2009); Highpointe 10D Well (June 25, 2009); Highpointe 10KD Well (May 31, 2009); Highpointe 10LD Well (May 16, 2009); ; Highpointe 10ND (June 15, 2009); Highpointe 10OD (June 30, 2009); Highpointe 10PD (May 26, 2009); and Highpointe 10SD Well (June 10, 2009).

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 6, 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

By:_____ Kenneth A. Wonstolen William E. Sparks Beatty & Wozniak, P.C. 216 Sixteenth Street-Suite 1100 Denver, CO 80202-5115

Address of Applicant 1775 Sherman Street, Suite 3000 Denver, CO 80203-4341

VERIFICATION

SS.

STATE OF COLORADO

CITY AND COUNTY OF DENVER

John Krattenmaker, of lawful age, being first duly sworn upon oath, deposes and says that he is the Landman for Petroleum Development Corporation d/b/a PDC Energy 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.

John Krattenmaker

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

Witness my hand and official seal.

My commission expires:_____

Notary Public

EXHIBIT A

Ampetro 1984-1 352 Banuelo Henderson, NV 89014

Martin J. Harrington, Jr. & Julue Stagg Harrington 236 S. Jackson Street, #1220 Denver, CO 80210

Estate of Harry D. Allis 1035 Northlawn East Lansing MI 48906

Ken T. Bowden 508 West Grand River Lansing, MI 48906

Clarence W. Weber, Jr. & Dorothy R. Weber 8558 Imperial Circle Palmetto, FL 34221

Midwest Capital Financial Services 1301 Meadow Sweet Road Golden, CO 80401

William S. Spielman 935 Rosewood Avenue East Lansing, MI 48823

Frank Bocchichio 11 Shirley Court Commack, NY 11725

Phillip Liotta 39 Kirkland Asheville, NC 11553

Richard K. Gilstrap 23 Club Road Jacksonville, AK 72076 Chester W. L'Ecluse & Carlotta L'Ecluse Revocable Trust dated June 21, 1988 2833 Leonis Blvd. Los Angeles, CA 90058

Steven Koltroupas 25701 Lakeland Blvd. Euclid, OH 44132

Hyman Thompson 1121 Orlando Avenue Los Angeles, CA 90035

Ken Kristian Omley 150 Wilson Lane Grants Pass. OR 97526

Nabil El Sanadi 12348 Lake Road Avon Lake, OH 44012

Ronald W. Batchelder 24215 Baxter Drive Malibu, CA 90265

Jack D. Smith No known address

Stanley R. Burnett 2918 Hemlock Place Lansing, MI 48910

Earl Thompson 6970 Los Tilos Road Los Angeles, CA 90068

William Wells No known address 1983 Wolverine Income & Development Program, LP c/o Jack Davis 124 West Allegan Street, #700 Lansing, MI 48933

Christine G. Mowrer & James Mowrer 400 Concho Drive Farmington, NM 87401

James O. Coffer & Velma J. Coffer c/o Wayne Riggins, POA 40445 Via Francisco Murrieta, CA 92562

William McGimsey & Xuan McGimsey 2070 S. Westwing Road Las Vegas, NV 89146

James P. Canfield 52 2nd Street Troy, NY 12180

BBC Ventures LLC & Farmers Bank 142 North Timberline Road Fort Collins, CO 80524

Fays Trust Adrienne Eaton, Trustee P.O. Box 27361 Houston, TX 77227

Carl F. Pomranka 5358 Bluestem Drive Colorado Springs, CO 80917

Office of Natural Resources P.O. Box 25627 Denver, CO 80225

Top Brass Oil Properties, Inc. Attn: Paula Kartman P.O. Box 2767 Long Beach, CA 90801 Anadarko E & P Company LLP P.O. Box 730875 Dallas, TX 75373

Ronald L. Phillips 260 1st Avenue Greeley, CO 80631

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

IN THE MATTER OF THE APPLICATION OF UNIOIL FOR AN ORDER POOLING ALL INTERESTS IN THE CODELL AND NIOBRARA FORMATIONS IN DESIGNATED DRILLING AND SPACING UNIT IN WELD COUNTY, COLORADO

AFFIDAVIT OF MAILING

STATE OF COLORADO

))ss.)

CITY AND COUNTY OF DENVER

William E. Sparks, of lawful age, and being first duly sworn upon his oath, states and declares:

That he is the attorney for Petroleum Development Corporation d/b/a PDC Energy and that on or before November ___, 2011 he 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.

William E. Sparks

Subscribed and sworn to before me November ____, 2011.

Witness my hand and official seal.

My commission expires: October 22, 2015.

Notary Public

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