

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

IN THE MATTER OF THE APPLICATION OF )	
CONOCOPHILLIPS COMPANY FOR AN )	
ORDER ESTABLISHING DRILLING AND )	
SPACING UNITS AND ESTABLISHING WELL )	Cause No. 535
LOCATION RULES FOR THE NIOBRARA )	
FORMATION IN CERTAIN LANDS IN )	
TOWNSHIPS 4 AND 5 SOUTH, RANGES )	Docket No. 1203-SP_____
63 AND 64 WEST, ARAPAHOE COUNTY, )	
COLORADO )	

**APPLICATION**

ConocoPhillips Company ("ConocoPhillips") by and through its attorneys, Lohf Shaiman Jacobs Hyman & Feiger PC, respectfully submits this Application to the Oil and Gas Conservation Commission of the State of Colorado (the "Commission") for an order establishing seventeen (17) approximately 640-acre drilling and spacing units and establishing well location rules applicable to the drilling and producing of wells to the Niobrara Formation covering certain lands in Arapahoe County, Colorado. In support of its Application, ConocoPhillips states as follows:

1. ConocoPhillips is a Delaware Corporation duly organized and authorized to conduct business in the State of Colorado.

2. ConocoPhillips owns 100% of the oil and gas leasehold interests in the following lands in, Arapahoe County, Colorado (the "Application Lands").

Township 4 South, Range 64 West of the 6th P.M.  
Sections 29, 34, 35, & 36

Township 5 South, Range 64 West of the 6th P.M.  
Sections 1 through 5, 14, 23, 24, 25 & 36

Township 5 South, Range 63 West of the 6th P.M.  
Sections 18, 19, & 30

3. The Application Lands are unspaced with respect to the Niobrara Formation and are subject to Rule 318A, which among other things establishes drilling windows to be utilized to drill, deepen 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.

4. To promote efficient drainage of the Niobrara Formation in the Application Lands, to protect correlative rights and avoid waste, the Commission should establish alternative drilling and spacing units of approximately 640 acres, consisting of each section within the Application Lands, applicable to the drilling and producing of horizontal wells to the Niobrara Formation.

5. ConocoPhillips requests an order allowing it to drill and complete one horizontal well in each of the established 640-acre drilling and spacing units in the Application Lands, with the option to drill a second horizontal well in each such unit. Each proposed horizontal well shall be drilled in the designated drilling and spacing unit, regardless of lease lines within the unit, with the completed interval of such well in the Niobrara Formation no closer than 460 feet from the

boundaries of the drilling and spacing unit, and no closer than 920 feet from the completed interval in another well producing from the same common source of supply.

6. The proposed drilling and spacing units, and well location rules established in the requested order would be applicable to the drilling of horizontal wells only, with vertical and directional wells in the Niobrara formation remaining subject to Commission Rule 318A.

7. The above-proposed drilling and spacing units will allow efficient drainage of the Niobrara Formation, prevent waste, not adversely affect correlative rights of any owner, and assure the greatest ultimate recovery of oil, gas and associated hydrocarbon substances from the reservoirs.

8. Drilling and spacing units of the size and shape specified above are not smaller than the maximum area that can be economically and efficiently drained by a single horizontal well to the Niobrara Formation in each proposed drilling and spacing unit.

9. The proposed wells can be developed in a manner consistent with protection of the environment, public health, safety and welfare.

10. The names and addresses of the interested parties according to the information and belief of ConocoPhillips are set forth in the annexed Exhibit A. The undersigned certifies that copies of this Application shall be served on each interested party within the next seven days as required by Rule 503.e.

WHEREFORE, ConocoPhillips respectfully requests that this matter be set for hearing, that notice be given as required by law, and upon such hearing this Commission enter its order consistent with ConocoPhillips' requests set forth above.

RESPECTFULLY SUBMITTED this 5th day of January, 2012.

LOHF SHAIMAN JACOBS HYMAN & FEIGER PC

By: \_\_\_\_\_

J. Michael Morgan #7279  
950 South Cherry Street, Suite 900  
Denver, Colorado 80246  
(303) 753-9000  
(303) 75-9997 (fax)  
[mmorgan@lohfshaiman.com](mailto:mmorgan@lohfshaiman.com)

Address of Applicant:  
ConocoPhillips Company  
500 Westlake Park Blvd.  
P.O. Box 2197  
Houston, TX 77252

**EXHIBIT "A"**  
**TO APPLICATION OF CONOCOPHILLIPS COMPANY**

Stephen D. Tebo  
P.O. Box T  
1690 Broadway  
Boulder, Colorado 80302

Richard C.S. Lee  
Individually and as Trustee of the Richard C.S. Lee Trust  
P.O Box T  
1690 Broadway  
Boulder, Colorado 80302

Ron Hovland  
Arapahoe County  
Public Works and Development  
10730 E. Briarwood Ave., Suite 100  
Centennial, Colorado 80112-3853

Celia Greenman  
Colorado Division of Wildlife  
6060 Broadway  
Denver, Colorado 80214

Kent Kuster  
Colorado Department of State  
Health and Environment  
4300 Cherry Creek Drive South  
Denver, Colorado 80246-1530

**VERIFICATION**

STATE OF TEXAS                    )  
  )  
COUNTY OF HARRIS            )     **ss.**

The undersigned, of lawful age, having been first sworn upon her oath, deposes and states that:

1.     She is the Landman of the Applicant, ConocoPhillips Company, and that she maintains her office at 500 Westlake Park Blvd., P.O. Box 2197, Houston, TX 77252.
2.     She has read the within application, is familiar with the facts set forth therein, and states that said facts are true and correct to the best of her knowledge and belief.

Further Affiant sayeth not.

\_\_\_\_\_  
Tami H. Hughes

Subscribed and sworn to before me this \_\_\_\_\_ day of January, 2012.

Witness my hand and official seal.

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

\_\_\_\_\_  
Notary Public

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**AFFIDAVIT OF MAILING**

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

J. Michael Morgan, of lawful age and being first duly sworn upon his oath, states and declares:

That he is the attorney for ConocoPhillips Company, that on January 5, 2012, and he 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.

\_\_\_\_\_  
J. Michael Morgan

Subscribed and sworn to before me this 5<sup>th</sup> day of January, 2012.

Witness my hand and official seal.  
My commission expires: 09-13-2013

\_\_\_\_\_  
Tonja L. Hoisington, Notary Public