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	
TOWNSHIP 4 SOUTH, RANGES	Docket No. 1204-SP
63 AND 64 WEST, ARAPAHOE COUNTY,	
COLORADO	

VERIFIED APPLICATION

ConocoPhillips Company ("ConocoPhillips") by and through its attorneys, Lohf Shaiman Jacobs Hyman & Feiger PC, respectfully submits this Verified Application to the Oil and Gas Conservation Commission of the State of Colorado (the "Commission") for an order establishing five (5) approximately 640-acre drilling and spacing units for production of oil, gas and associated hydrocarbons from the Niobrara Formation and establishing well location rules applicable to the drilling and producing of horizontal wells therein, 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 oil and gas leasehold interests in the following lands in, Arapahoe County, Colorado (the "Application Lands"):

Township 4 South, Range 63 West of the 6th P.M. Section 31

Township 4 South, Range 64 West of the 6th P.M. Sections 17, 25 & 36

Township 5 South, Range 64 West of the 6th P.M. Section 35

- 3. The Application Lands are unspaced with respect to the Niobrara Formation and are subject to Rule 318.a, which provides that a well drilled in excess of 2,500 feet in depth shall be located not less than 600 feet from any lease line, and not less than 1,200 feet from any other producible or drilling oil and gas well when drilling to the same common source of supply, unless authorized by order of the Commission upon hearing.
- 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 oil, gas and associated hydrocarbons from horizontal wells to the Niobrara Formation.
- 5. ConocoPhillips requests an order allowing it to drill and complete one horizontal well to the Niobrara Formation 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 318.a.
- 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 <u>Exhibit A</u>. 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 16th day of February, 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

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

EXHIBIT "A"

TO APPLICATION OF CONOCOPHILLIPS COMPANY

Transcontinent Oil Company 621 17th Street, Suite 2501 Denver, Colorado 80293

Jeffery P. Szalkowski 760 Salem Street Aurora, Colorado 80117

Chesapeake Exploration, LLC P.O. Box 18496 Oklahoma City, Oklahoma 73154

Arapahoe 320 LLC 6624 Willow Broom Trail Littleton, Colorado 80125

Anadarko E&P Company LP Attn: Ashley Cocciolone P.O. Box 173779 Denver, Colorado 80202

Daniel Kissler 22956 Mineral Place Aurora, Colorado 80016

The Estate of Phebe E. Green 2150 Gaylord Street Denver, Colorado 80205-5624

The Henry Woodstone Trust c/o Wilmington Trust of Pennsylvania 795 Lancaster Avenue Villanova, Pennsylvania 19085

Michael J. Jenkins 6840 Warren Drive Denver, Colorado 80221-2584

Ski James Broman 2560 Business Parkway, Suite A Minden, Nevada 89423

Jay Bloomfield and Nutchaya Bloomfield 15979 Brooklime Court Parker, Colorado 80134-3629 J.B. Carrway 3000 Cole St. Golden, Colorado 80401-1528

Randy L. Downey 1035 South Almstead Road Watkins, Colorado 80137

J.P. Kaufmann Company, Inc. 1675 Broadway, Suite 2800 Denver, Colorado 80202

Furniture Row USA, LLC 5641 N. Broadway Denver, Colorado 80216

Iussig Living Trust Riccardo J. Iussig, Trustee 8541 Gwynedd Way Springfield, Virginia 22153

Arapahoe County 5334 South Prince Street Littleton, Colorado 80166-0001

Renegade Oil & Gas Company, LLC P.O. Box 460413 Aurora, Colorado 80046-0413

The George L. Caldwell and Ivalee M. Caldwell Trust 6001 S. Franklin Street Littleton, Colorado 801

Billi M. Cerrone 6840 Warren Dr. Denver, Colorado 80221-2584

John Ellis Chambers Jr. 4938 East Kentucky Circle Denver, Colorado 80222

Jose Diaz and Mario V. Alvarado 6885 Jay Street Arvada, Colorado 80003-4146 Kenneth Lamar Etter 2308 Clipper Way Fort Collins, Colorado 80524

Helen Swain c/o Sister Ethel Swain Immaculate Heart Convent 4544 El Cerrito Drive San Diego, California 92115

Thomas T. Jefferson and Mary E. Jefferson P.O. Box 22 Philomath, Oregon 97324

Colorado Land Services, LLC 1051-D W. Hwy 34 Loveland, Colorado 80537

George E. Urch and Genevieve A. Urch 330 Meade Street Denver, Colorado 80219

Estate of Jackie Williamson, Deceased 4264 South Pearl Englewood, Colorado 80110

William F. Willis and France M. Willis 814 Sunset Russell, Kansas 67665

John F. Miller 7202 N. Pennsylvania Street Indianapolis, Indiana 46240

Phillip E. Roper and Emily R. Roper 5601 W. US Hwy 6 Union Mills, Indiana 46382

Martha Dobson Johnson 4493 Olentangy Blvd Columbus, Ohio 43214 Frank A. Swain 221 W. Morris Modesto, California 95354

Fannie Mae A/KJA Federal National Mortgage Association 13455 Noel Road, Suite 600 Dallas, Texas 75240

Fremont O. Pearce and Lource M. Pearce 4889 South Sherman Street Englewood, Colorado 80110

Hilcorp Energy Company P.O. Box 61229 Houston, Texas 77208

Charles W. Williamson and Joyce M. Williamson 3239 W. Tufts Avenue Englewood, Colorado 80110

Thelma Williamson 13181 NW Highland Circle Littleton, Colorado 80125

Eugene C. Miller Jr. and Florence J. Miller 1313 Merchants Bank Building Indianapolis, Indiana 46204

Elizabeth Ann Dobson 126 West Jeffrey Place Columbus, Ohio 43214

James N. Roper and Loretta Roper P.O. Box 502 Kingsland, Texas 78639

David Newell Dobson 1512 N. Bay Elkhart, Indiana 46514

VERIFICATION

STAT	E OF TEXAS)		
COUN) ss. NTY OF HARRIS)		
that:	The undersigned, of lawful age, having b	peen first sworn upon her oath, deposes and states	
mainta	1. She is the Landman of the A ains her office at NEW uston, TX 772	pplicant, ConocoPhillips Company, and that she 52.	
states	2. She has read the within application that said facts are true and correct to the	on, is familiar with the facts set forth therein, and best of her knowledge and belief.	
	Further Affiant sayeth not.		
		Tami N. Hughes	
	Subscribed and sworn to before me this	day of February, 2012.	
	Witness my hand and official seal. My commission expires:		
		Notary Public	

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 LOCATION RULES FOR THE NIOBRARA FORMATION IN CERTAIN LANDS IN TOWNSHIP 4 SOUTH, RANGES 63 AND 64 WEST, ARAPAHOE COUNTY, COLORADO))) Cause No. 535)) Docket No. 1204-UP)	
<u>AFFIDAVI</u>	T OF MAILING	
STATE OF COLORADO)		
) ss. CITY & COUNTY OF DENVER)		
J. Michael Morgan, of lawful age and bei declares:	ng first duly sworn upon his oath, states and	
That he is the attorney for ConocoPhillips caused a copy of the attached Application to be prepaid, addressed to the parties listed on Exhi	· · · · · · · · · · · · · · · · · · ·	
	J. Michael Morgan	
Subscribed and sworn to before me this 16 th day of February, 2012.		
Witness my hand and official seal. My commission expires: 09-13-2013		
	Tonja L. Hoisington, Notary Public	