### 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	) Cause No
INTERESTS IN THE CODELL AND NIOBRARA	)
FORMATIONS IN A158.16-ACRE DRILLING AND	) Docket No
SPACING UNIT LOCATED IN THE WATTENBERG	)
FIELD, WELD COUNTY, COLORADO.	)

#### <u>APPLICATION</u>

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 158.16-acre drilling and spacing unit for the Codell-Niobrara Formation for the drilling of the Watkins C12-23D well to produce from the Codell-Niobrara Formation located in the following lands:

Township 4 North, Range 64 West, 6<sup>th</sup> P.M Section 12: SE<sup>1</sup>/<sub>4</sub>

Weld County, Colorado (the "Application Lands").

In support thereof, the Applicant states and alleges as follows:

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 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. Order No. 407-1 (amended on March 29, 2000 in accordance with Order No. 407-17, entered November 18, 1985), among other things, established 80-acre drilling and spacing units for the production of oil and/or gas and associated hydrocarbons from the Codell Formation underlying certain lands, including the Application Lands, with the drilling and spacing unit to be designated by the operator drilling the first well in the quarter section, (or the Director, if the operator fails to designate). The permitted well shall be located in the center of either 40-acre tract within the drilling and spacing unit with a tolerance of 200

feet in any direction. The operator shall have the option to drill an additional well on the undrilled 40-acre tract in each 80-acre drilling and spacing unit.

- 4. On April 27, 1998, the Commission adopted Rule 318A, which, among other things, established drilling windows and 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. The Application Lands are subject to Rule 318A. Pursuant to Rule 318A.k., Rule 318A supersedes all prior Commission drilling and spacing orders affecting well location and density requirements of GWA wells.
- 5. Pursuant to Rule 318A, Applicant designated an 158.16-acre drilling and spacing unit consisting of the Application Lands for the production of oil, gas, and associated hydrocarbons from the Codell and Niobrara Formations and notified all owners in the proposed wellbore spacing unit pursuant to Rule 318A.e.(6). Applicant did not receive any objections to the establishment of the proposed 158.16-acre drilling and spacing unit within the 30-day response period, and, as such, certifies to the Commission that it did not receive any objections to the well location, proposed spacing unit, or proposed formations.
- 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, including, but not limited to, any nonconsenting interests, in the Application Lands consisting of the 158.16-acre drilling and spacing unit for the development of the Codell and Niobrara Formations, said order to apply to the currently-allowed well and any subsequent well drilled in the unit.
- 7. 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 the costs specified in C.R.S. § 34-60-116(7)(b)(II) are first incurred for the drilling of the Watkins C12-23D well to the Codell and Niobrara Formations on the Application Lands.
- 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 at least thirty (30) days prior to the hearing on this matter, each such interest owner not already 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 Exhibit A.
- 9. That in order to prevent waste and to protect correlative rights, all interests in the Application Lands and the designated 158.16-acre drilling and spacing unit for the Codell and Niobrara Formations should be pooled for the orderly development of the 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 and 158.16-acre drilling and spacing unit for the development of the Codell and Niobrara Formations, including the currently-allowed well and all subsequent wells.
- 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 the costs specified in C.R.S. § 34-60-116(7)(b)(II) are first incurred for the drilling of the Watkins C12-23D well to the Codell and Niobrara Formations 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 with respect to all wells drilled to develop the Codell and Niobrara Formations in the 158.16-acre drilling and spacing unit comprising the Application Lands.
- 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 April, 2012, 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.

	NOBLE ENERGY, INC.
	Respectfully submitted:
Dated: February, 2012	

By:

Jamie L. Jost Elizabeth Y. Gallaway 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: Wade Pollard 1625 Broadway, Suite 2200

Denver, CO 80202

## Exhibit A Interested Parties

Branzan Alternative Investment Fund, LLLP 475 Seventeenth Street, Suite 570 Denver, CO 80202

Oncken Family Partnreship 1400 Valley Wind Land Missoula, MT 59804

R.R. Pennington 9000 Gulf Freeway, Suite 215 Houston, TX 77017

Brown & Stanwood 9000 Gulf Freeway, Suite 215 Houston, TX 77017

Dan Mitchell d/b/a Comanche Drilling P.O. Box 636 Cutbank, MT 59427

Sam Brown 9000 Gulf Freeway, Suite 215 Houston, TX 77017

Petroleum Development Corporation 1775 Sherman Street, Suite 3000 Denver, CO 80203

#### **VERIFICATION**

STATE OF COLORADO )	
) ss. CITY AND COUNTY OF DENVER)	
says that he is Attorney-in-Fact for Noble	, being first duly sworn upon oath, deposes and e Energy, Inc. and that he has read the foregoing contained are true to the best of his knowledge,
	Joseph H. Lorenzo, Attorney-In-Fact Noble Energy, Inc.
Subscribed and sworn to before this	_day of February, 2012.
Witness my hand and official seal.	
[SEAL]	
My commission expires:	
	Notary Public

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

IN THE MATTER OF THE APPLICATION ENERGY, INC. FOR AN ORDER POOLI INTERESTS IN THE CODELL AND NION	NG ALL	) ) Cause No		
FORMATIONS IN AN 158.16-ACRE DRI SPACING UNIT LOCATED IN THE WAT FIELD, WELD COUNTY, COLORADO.	LLING AND	) Docket No )		
AFFIDAVIT OF MAILING				
STATE OF COLORADO	)			
CITY AND COUNTY OF DENVER	)ss. )			
Jamie L. Jost of lawful age, and declares:	being first dul	y sworn upon her oath, states and		
That she is the attorney for Nob 2012, she caused a copy of the attact States Mail, postage prepaid, address Application.	ched Applicati	•		
	Jamie	L. Jost		
Subscribed and sworn to before	me on Februa	ry, 2012.		
Witness my hand and official sea	al.			
My commission expires:				
	Notar	y Public		