

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

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

CAUSE NO.

DOCKET NO.

**APPLICATION**

COMES NOW Petroleum Development Corporation d/b/a PDC Energy ("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 160-acre drilling and spacing unit for the Bauer Debus 22AD Well ("Well"):

Township 5 North, Range 64 West, 6th P.M.  
Section 22: NW/4

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 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 defined 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, including but not limited to, any nonconsenting interests, in the Application Lands in the Codell and Niobrara Formations underlying the following designated 160-acre wellbore spacing unit:

Township 5 North, Range 64 West, 6th P.M.  
Section 22: NW/4

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

Said order to apply to the currently-allowed well and any subsequent well drilled in the Wellbore Spacing 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 Bauer Debus 22AD 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, or has already been, 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 interested parties list shall be filed with the Commission no later than seven (7) days after the filing of this application.

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 Wellbore Spacing Unit for the development of the Codell and Niobrara Formations, including the currently-allowed well and all subsequent wells drilled to said formations.

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 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 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 Formation in the drilling unit comprised of 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, 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: February \_\_\_\_, 2012

Respectfully submitted:

**PETROLEUM DEVELOPMENT CORPORATION**

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

Jamie L. Jost  
Kenneth A. Wonstolen  
Beatty & Wozniak, P.C.  
Attorneys for Applicant  
216 16th Street, Suite 1100  
Denver, Colorado 80202

Applicant's Address:  
Petroleum Development Corporation  
1775 Sherman Street, Suite 3000  
Denver, CO 80203-4341

**VERIFICATION**

STATE OF COLORADO                    )  
  )     ss.  
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 February, 2012.

Witness my hand and official seal.

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

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

## EXHIBIT A

Petroleum Development Corporation  
1775 Sherman Street, Suite 3000  
Denver, CO 80203-4341

Merit Partners, L.P.  
13727 Noel Rd  
Suite 500  
Dallas, TX 75240

Merit Energy Partners III, L.P.  
13727 Noel Rd  
Suite 500  
Dallas, TX 75240

Merit Energy Partners, D-III, L.P.  
13727 Noel Rd  
Suite 500  
Dallas, TX 75240

Colorado Dept Transportation  
c/o Receipts & Deposits  
4201 Arkansas Avenue, Room 212  
Denver, CO 80222-0000

Sandra Kaye Croissant  
18334 Weld County Road 70  
Eaton, CO 80615-0000

Kenneth L Dalton  
10721 Cougar Canyon  
Littleton, CO 80124-0000

Kirk Douglas Dalton  
1516 17 Avenue Unit B  
Longmont, CO 80501

First Interstate Financial LLC  
1743 Stone Ridge Drive  
Bountiful, UT 84010

Dana Geist  
30750 County Rd 31  
Greeley, CO 80631

Allen R Iwata  
3072 Ursula Street  
Aurora, CO 80011-0000

Kurt Alan Klein  
26786 WCR 55  
Kersey, CO 80644-0000

P&H Joint Venture  
1508 4th Avenue  
Greeley, CO 80631-0000

Rebecca Sue Rae  
2170 35th Ave Ct #2  
Greeley, CO 80634-0000

Darrell E Rice  
11220 W Exposition Ave  
Lakewood, CO 80226

Sarah M Urias  
PO Box 718  
Greeley, CO 80632

Candi Kay Bauer  
PO Box 718  
Greeley, CO 80632

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OF THE STATE OF COLORADO**

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AFFIDAVIT OF MAILING

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

Jamie L. Jost, of lawful age, and being first duly sworn upon his oath, states and declares:

That she is the attorney for Petroleum Development Corporation d/b/a PDC Energy and that on or before February \_\_, 2012 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.

\_\_\_\_\_  
Jamie L. Jost

Subscribed and sworn to before me February \_\_, 2012.

Witness my hand and official seal.

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

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