

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

IN THE MATTER OF THE PROMULGATION)	CAUSE NO. 535
AND ESTABLISHMENT OF FIELD RULES TO)	
GOVERN OPERATIONS IN AN UNNAMED)	DOCKET NO. <i>To be assigned</i>
FIELD, WELD COUNTY, COLORADO)	

APPLICATION

EOG Resources, Inc. (“EOG” or “Applicant”), by and through its attorneys, Burleson LLP, respectfully submits this Application to the Oil and Gas Conservation Commission of the State of Colorado (the “Commission”) for an order to establish an approximate 640-acre drilling and spacing unit for the horizontal well development of Section 21, Township 10 North, Range 63 West, 6th P.M., for the production of oil, gas and associated hydrocarbons from the Niobrara Formation. 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 has registered as an operator with the Commission.

2. Applicant owns substantial leasehold interests in the below-listed lands:

Township 10 North, Range 63 West, 6th P.M.
Section 21: All

These lands are hereinafter referred to as the “Application Lands.”

3. The Application Lands are unspaced with respect to the Niobrara Formation, which is a common source of supply underlying said lands and, as such, Rule 318.a. applies to said lands and under said rule, wells greater than 2,500 feet in depth shall be located not less than 600 feet from any lease line, and shall not be located less than 1,200 feet from any other producible or drilling well when drilling to the same common source of supply, unless authorized by order of the Commission upon hearing.

4. Applicant requests an order establishing an approximate 640-acre drilling and spacing unit for the Application Lands, and the authority to drill one (1) horizontal well (wherein EOG plans to drill the Geary Creek #13-21H Well) within the proposed unit, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation, with the treated interval of the wellbore to be no closer than 600 feet from the proposed unit boundaries.

5. That in order to promote efficient drainage of the Niobrara Formation underlying the Application Lands, to prevent waste, and to protect correlative rights, the Commission should establish the approximate 640-acre drilling and spacing unit requested herein for the drilling and completion of one (1) horizontal well within the unit. The requested drilling and spacing unit for the Application Lands is not smaller than the maximum area that can be economically and efficiently drained by one well.

6. The granting of this application is in accord with the Oil and Gas Conservation Act, found at §34-60-101, *et seq.*, C.R.S., and the Commission rules.
{00155424.1}

7. That the names and addresses of the interested parties (owners within the proposed drilling and spacing unit) shall be submitted on a certificate of service within the next seven days as required by Rule 503.e.

WHEREFORE, Applicant respectfully requests that this matter be set for hearing, that notice be given as required by law and that upon such hearing this Commission enter its order:

A. Establishing an approximate 640-acre drilling and spacing unit for the Application Lands, and approve of one (1) horizontal well within the unit, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation, with the treated interval of the wellbore to be no closer than 600 feet from the unit boundaries.

B. For such other findings and orders as the Commission may deem proper or advisable in the premises.

Dated this _____ day of January, 2012.

Respectfully submitted,

EOG RESOURCES, INC.

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