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

IN THE MATTER OF THE APPLICATION OF	)
QUICKSILVER RESOURCES INC. FOR AN	)
ORDER VACATING ORDER NO. 274-1, AS	) Cause No
AMENDED BY 274-3, IN THE BELL ROCK	)
FIELD, MOFFAT COUNTY, COLORADO	) Docket No
	)

### **APPLICATION**

Quicksilver Resources Inc. ("Applicant"), by and through its attorneys, Beatty & Wozniak, P.C., respectfully submits this Application to the Oil and Gas Conservation Commission of the State of Colorado (the "Commission") for an order to vacate Commission Order 274-1, as amended by Order No. 274-3, for the Niobrara and Mesaverde Formations, and apply statewide setbacks as set forth in Commission Rule 318.a. to the following lands:

Township 6 North, Range 92 West, 6th P.M.

Section 3: All Section 4: All Section 9: E½ Section 10: W½

Township 7 North, Range 92 West, 6<sup>th</sup> P.M.

Section 33: S½

Moffat County, Colorado ("Application Lands").

In support of its Application, Applicant states and alleges as follows:

- 1. Applicant is a corporation authorized to conduct business in the State of Colorado.
- 2. Applicant owns leasehold interests in Moffat County, Colorado, within the areas covered by Order 274-1, as amended by 274-3 ("Subject Orders").
- 3. On August 21, 1973, the Commission issued Order No. 274-1 which, among other things, established 320-acre drilling and spacing units for the production of oil and gas from the Niobrara and Mesaverde formations underlying the Application Lands, as well as the  $E\frac{1}{2}$  of Section 10 and the  $W\frac{1}{2}$  of Section 11, Township 6 North, Range 92 West.
- 4. On September 15, 1986, the Commission issued Order No. 274-2 which, among other things, allowed an additional well in a portion of the Application Lands.
- 5. On August 17, 1987, the Commission issued Order No. 274-3 which, among other things, deleted the  $E\frac{1}{2}$  of Section 10 and the  $W\frac{1}{2}$  of Section 11, Township 6 North, Range 92 West, from the spaced area of the Bell Rock Field as established by Order No. 274-1, and subjected said lands to the general rules and regulations of the Commission.

- 6. Applicant hereby requests that the Commission vacate the Subject Orders and apply the statewide setbacks set forth in Commission Rule 318.a. to the Application Lands. A reference map is attached hereto.
- 7. Applicant hereby confirms that, with the exception of the Weber Federal #32-04 Well (API # 05-081-07654; the "Weber Well"), which is operated by Applicant, there are no producing wells within the Application Lands (all other wells within the Application Lands have been plugged and abandoned). It is the intent of Applicant that the vacation of the spacing units on the Application Lands not affect the existing allocation of proceeds attributable to the Weber Well.
- 8. Applicant asserts the re-establishment of the statewide setbacks set forth in Commission Rule 318.a. on the Application Lands will facilitate the drilling of new horizontal wells on said lands, is in the best interests of conservation, will ensure accurate production accounting and efficient operation of the wells, and will prevent waste, protect correlative rights and to assure the greatest recovery of oil, gas, and associated hydrocarbons from Application Lands.
- 9. Applicant hereby verifies that the names and addresses of the interested parties according to the information and belief of the Applicant are set forth in <u>Exhibit A</u> attached hereto, and 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, 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 an order to:

- A. Vacate Order No. 274-1, as amended by Order No. 274-3, and apply the statewide setbacks set forth in Commission Rule 318.a. to the Application Lands.
- B. Provide that the existing allocation of production revenues attributable to the Weber Well be unchanged by virtue of such vacation.
- C. For such other findings and orders as the Commission may deem proper or advisable in the premises.

Dated this \_\_\_\_ day of March, 2012.

#### **BEATTY & WOZNIAK, P.C.**

By	<u>/:</u>
•	Elizabeth Gallaway
	Kenneth A. Wonstolen
	Beatty & Wozniak, P.C.
	216 Sixteenth Street-Suite 1100
	Denver, CO 80202-5115

Applicant's address:
Quicksilver Resources Inc.
ATTN: Virginia E. Parsons
801 Cherry Street
Suite 3700, Unit 19
Fort Worth, TX 76102

## **VERIFICATION**

STATE OF TEXAS	)
COUNTY OF TARRANT	) SS. )
deposes and says that she is La	ns, of lawful age, being first duly sworn upon oath and Manager for Quicksilver Resources Inc. and that she on and that the matters therein contained are true to the on and belief.
	Virginia E. Parsons Land Manager
Subscribed and sv	vorn to before me this day of March, 2012.
Witness my hand and official seal.	
My commission ex	xpires:
	Notary Public

# EXHIBIT A INTERESTED PARTIES

United States of America Bureau of Land Management 455 Emerson St. Craig, Colorado 81625

Harriet A. Lackey Address unknown

Mardell Elsie Peters 1405 N Arthur Burch Dr. Lot W-4 Bourbonnais. Illinois 60914

Clarence E. Siedentop Address unknown

Evelyn I. Cartier 575 South Winfield Ave. Kankakee, IL 60901

Cynthia D. Siedentop Address unknown

McCullis Oil & Gas, Inc. c/o Paul L. McCullis PO Box 221515 Denver, CO 80222

Donna L. LeValley 988 S. Pasture Dr. Nixa, MO 65714

Oxy, USA, Inc. P.O. Box 27570 Houston, TX 77227

Toni Kay Gibson 418 N. 4th Ponca City, OK 74601

Northwestern Mutual Life Insurance Compnay 720 Wisconsin Ave.
Milwaukee, WI 53202

Marjorie A. Schwed, Trustee of the Walter E. Schwed Trust 9351 Goyette Place Santee, CA 92071

Foundation Energy Fund III-B Holding, LLC 14800 Landmark Blvd. Suite 220 Dallas Texas 75254

Kathleen A. Doney, Trustee of the Trust f/b/o Kathleen A. Doney, u/t/o Neid D. Schwed Revocable Trust P. O. Box 547 Ross, CA 94957

Our Plum, LLC Attn: Margaret Lundock P.O. Box 218 Lowell, FL 32663

Shannon Warnick 1000 Country Pl. #73 Houston, TX 77079

Phillip Warnick 5600 Sunny Vista Dr. Austin, TX 78749

Alyson Warnick 2723 D. St. Sacremento, CA 95816

Richard Adamson P.O. Box 48 Granby, CO 80446

Cockrell Investments Partners, LP Milton T. Graves 1000 Main St, Suite 3250 Houston, TX 77002

Mary Jo Johnson & Edwin Johnson, Trustees of The Johnson Family Trust 10 Cragmont Court San Mateo, CA 94403-0000

Sandra Ducray 4203 E Quail Track Drive Cave Creek, AZ 85331

Nancy Gleason 616 SW Benjamin Place Lee's Summit, MO 64081-2520

Merit Partners L.P. & Merit Energy Partners III, L.P. 3615 S. Huron St., Suite 200 Englewood, CO 80110 Craig Jensen & Heidi Jensen 500 Behrman St. Craig, CO 81625

Ryan J. Harris & Jessica L. Harris 560 Behrman St. Craig, CO 81625

Poe Uwell Henry Diehl 1005 Mountain Creek Rd., #307 Chattanooga, TN 37405

Madelyn M. Young 5065 Gaviota Encino, CA 91436

Edward Arthur King 247 Chartley Dr. Reistertown, MD 21136

The Arthritis Foundation 1330 W. Peachtree St. Atlanta, GA 30309

Lynn Weaver Ledbetter 8365 Valley Road Pinson, AL 35126

John N Clawson Family Partnership PO Box 29585 San Francisco, CA 94129-0585

Merit Partnership & Merit Energy LP, c/o K.E. Andrews & Company 3615 S. Huron Street, Suite 200 Englewood, CO 80110-3494

Merit Partnership & Merit Energy LP c/o K.E. Andrews & Company 13727 Noel Road Suite 500 Dallas TX 75240

Swepi P.O. Box 756 Houston, TX 77001 Petro- Hunt 1601 Elm Street Suite 3400 Dallas Texas 75201

T S Dudley 1888 Sherman Denver CO 80203

T. S. Dudley 5925 North Robinson Ave. Oklahoma City, OK 73110

Core Land Resources, 318 Royal Circle Whitehouse, TX 75731

Contex Energy Company 621 17th Street Suite 1020 Denver, CO 80293-2501

Gulfport Energy Corporation 14313 North May Avenue Suite 100 Oklahoma City, OK 73134

Kim Kaal Energy Liaison Colorado Division of Wildlife 711 Independent Ave. Grand Junction, CO 81505

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

Jeff Comstock Moffat County 221 W Victor Way, Suite 130 Craig, CO 81625

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AFFIDAVIT OF MAIL	) _ING	
STATE OF COLORADO )		
)ss. CITY AND COUNTY OF DENVER )		
Elizabeth Y. Gallaway, of lawful age, and be states and declares:	eing first duly sworn upon her oath	
That she is an attorney for Quicksilver Resort 2012, she caused a copy of the attached Applica States Mail, postage prepaid, addressed to the Application.	ation to be deposited in the United	
<del></del>		
Eliza	abeth Y. Gallaway	
Subscribed and sworn to before me March, 2012.		
Witness my hand and official seal.		
My commission expires:	·	
 Nota	ry Public	