

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

IN THE MATTER OF THE APPLICATION OF)
NOBLE ENERGY INC. FOR AN ORDER)
ESTABLISHING ONE (1) APPROXIMATE 320-)
ACRE WELLBORE SPACING UNIT FOR ONE)
(1) HORIZONTAL WELL IN THE CODELL-)
NIOBRARA FORMATION IN THE E½E½ OF)
SECTION 35, AND THE W½W½ OF SECTION)
36, TOWNSHIP 6 NORTH, RANGE 64 WEST,)
6TH P.M., IN THE WATTENBERG FIELD,)
WELD COUNTY, COLORADO.)
)

Cause No. 407

Docket No. _____

APPLICATION

COMES NOW Noble Energy, Inc. (referred to herein as "Applicant"), by and through its undersigned attorneys, and makes application to the Oil and Gas Conservation Commission of the State of Colorado ("Commission"), for an order establishing one (1) approximate 320-acre wellbore spacing unit for the drilling of one (1) horizontal well for production of oil, gas, and associated hydrocarbons from the Codell-Niobrara Formation underlying the following lands:

Township 6 North, Range 64 West, 6th P.M.

Section 35: E½E½

Section 36: W½W½

Weld County, Colorado ("Application Lands").

In support thereof, the 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 a substantial portion of the leasehold interests on 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 and 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 the foregoing Orders and Rule 318A. Pursuant to Rule 318A.j., Rule 318A supersedes all prior Commission drilling and spacing orders affecting well location and density requirements of GWA wells.

5. Applicant has drilled one (1) horizontal well on the Application Lands. The Scholfield State A36-79HN Well ("Well"), API No. 05-123-33325, has a surface location of 300' FNL and 449' FWL of Section 36, Township 6 North, Range 64 West and a bottomhole location of 535' FSL and 75' FEL of Section 35, Township 6 North, Range 64 West.

6. Applicant requests that the Commission establish an approximate 320-acre wellbore spacing unit for the Well on the Application Lands. The proposed approximate 320-acre wellbore spacing unit shall consist of the following lands:

Township 6 North, Range 64 West, 6th P.M.

Section 35: E $\frac{1}{2}$ E $\frac{1}{2}$

Section 36: W $\frac{1}{2}$ W $\frac{1}{2}$

Weld County, Colorado ("Wellbore Spacing Unit").

7. Applicant confirms that it is not changing the established 80-acre drilling and spacing units for any existing vertical Niobrara Formation wells. Applicant further confirms that it is not changing the established distribution of proceeds for any existing vertical Niobrara Formation wells subject to 320-acre basis.

8. Applicant asserts that an approximate 320-acre wellbore spacing unit for the Well will allow for economic and efficient drainage of the Codell-Niobrara Formation; will prevent waste; will not adversely affect correlative rights and will assure the greatest ultimate recovery of oil, gas and associated hydrocarbon substances from the reservoirs. An approximate 320-acre wellbore spacing unit is not smaller than the maximum area that can be economically and efficiently drained by one (1) horizontal well in such unit.

9. The surface location of the Well is within a designated drilling window. A surface use agreement is in place and the Applicant has obtained a signed consent letter from the applicable surface owner(s) allowing Applicant to drill from outside a designated window as defined in Commission Rule 318A.a. and further than 50 feet from an existing surface well location as provided in Commission Rule 318A.c.(2). The Well has been drilled on an existing well pad.

10. The treated interval of the wellbore for the Well shall be no closer than 460' from the boundaries of the approximate 320-acre Wellbore Spacing Unit. The Applicant maintains that the one (1) horizontal well will have no adverse effect on correlative rights of adjacent owners.

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

A. Establishing the approximate 320-acre Wellbore Spacing Unit for the Scholfield State A36-79HN Well.

B. Establishing that the treated interval of the wellbore for the Scholfield State A36-79HN Well shall be no closer than 460' from the boundaries of the approximate 320-acre Wellbore Spacing Unit;

C. Finding that the approximate 320-acre Wellbore Spacing Unit will prevent waste, protect correlative rights, and will maximize the efficient and economic production of the Codell-Niobrara Formation on the Application Lands; and

D. Granting any other relief necessary to prevent waste and protect correlative rights of the adjacent owners.

Dated this 10th day of May, 2012.

Respectfully submitted,

NOBLE ENERGY, INC.

By: 

Jamie L. Jost

Elizabeth Y. Gallaway

Matthew J. Lepore

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: Peggy Tremayne

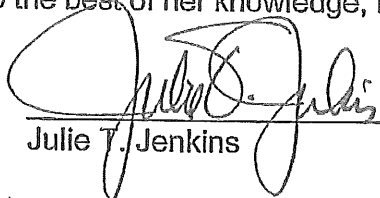
1625 Broadway # 2200

Denver, CO 80202

VERIFICATION

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

Julie T. Jenkins, of lawful age, being first duly sworn upon oath, deposes and says that she is Land Manager for Noble Energy, Inc. and that she has read the foregoing Application and that the matters therein contained are true to the best of her knowledge, information and belief.

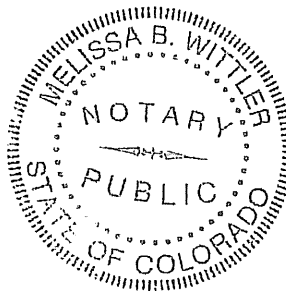


Julie T. Jenkins

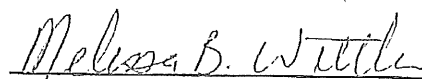
Subscribed and sworn to before this 9th day of May, 2012.

Witness my hand and official seal.

[SEAL]



My commission expires: 04/24/2014



Notary Public

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

IN THE MATTER OF THE APPLICATION OF)
NOBLE ENERGY INC. FOR AN ORDER)
ESTABLISHING ONE (1) APPROXIMATE 320-)
ACRE WELLBORE SPACING UNIT FOR ONE)
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SECTION 25, AND THE N½N½ OF SECTION)
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6TH P.M., IN THE WATTENBERG FIELD,)
WELD COUNTY, COLORADO.)
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Cause No. 407

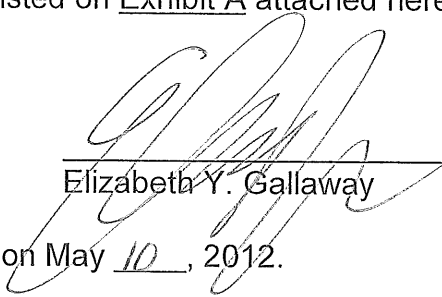
Docket No. _____

AFFIDAVIT OF MAILING

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

Elizabeth Y. Gallaway, of lawful age, and being first duly sworn upon her oath, states and declares:

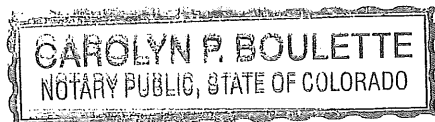
That she is the attorney for Noble Energy, Inc., that on or before May 17, 2012, she attempted to cause a copy of the attached Application to be deposited in the United States Mail, postage prepaid, addressed to the parties listed on Exhibit A attached hereto.


Elizabeth Y. Gallaway

Subscribed and sworn to before me on May 10, 2012.

Witness my hand and official seal.

My commission expires: Oct. 22, 2015.



My Comm. Expires October 22, 2015

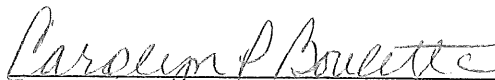

Notary Public

EXHIBIT A

Noble Energy, Inc.
ATTN: P. David Padgett
1625 Broadway, Suite 2200
Denver, CO 80202

Kim Kaal
Energy Liaison
DOW
711 Independent Avenue
Grand Junction, CO 81505

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

David Bauer
Weld County Government
1111 H Street
Greeley, CO 80632

SECTIONS 35 & 36
TOWNSHIP 6 NORTH
RANGE 64 WEST

215 ALUMINUM CASE
(LS 21570)

IN FROM WELL
PROPOSED
SCHUMBER STATE

LEGEND

FOUND SURVEY MONUMENT PER
ACQUAINTANCE - EXCEPTIONS NOTED

NOTE: According to Colorado law you MUST complete any legal record upon any defect in the title within three years after you first discover such defect. In no event may any claim based upon any defect in title be commenced more than ten years from the said date of the certificate given herein.

LATITUDE & LONGITUDE (RAD AS SURFACE)
HOLE:
LATITUDE: N 40.48932°
LONGITUDE: W 104.50619°
POOP: 1.7
QUARTER-QUARTER NW/4NW/4;
NEAREST PROPERTY LINE: 300' NORTH

[illegible]

- 1) DATED BY MEMBERS FOR THIS DATE DATED UPON ONE OBSERVATIONAL DATE OF 07/27/2010 BETWEEN MEMBERS LOCATED AT THE SCIENTIFIC CENTER OF THE NORTHERN ACADEMY CENTER OF STARS CENTER
- 2) COMMENTS: SIGHTED BY MEMBERS STAFF PLATE UPON STAFF AND
- 3) DATED BY DATE UPON ONE OBSERVATIONAL DATE DATED
- 4) THE DATED DATED BY DATE UPON ONE OBSERVATIONAL DATE DATED
- 5) SEE LOCATION DATED BY DATE UPON ONE OBSERVATIONAL DATE DATED
- 6) THE LOCATION DATED BY DATE UPON ONE OBSERVATIONAL DATE DATED

Completed 1/20/2011
David C. Holmes
Professional Land Surveyor Registration No. 32828
State of Colorado
JCS #11095

Completed 1/30/2011
 Police No. 32828