

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

IN THE MATTER OF THE APPLICATION OF)
CONOCOPHILLIPS COMPANY FOR AN)
ORDER ESTABLISHING A DRILLING AND)
SPACING UNIT AND ESTABLISHING WELL)
LOCATION RULES FOR THE NIOBRARA)
FORMATION IN SECTION 36, TOWNSHIP 3)
SOUTH, RANGE 64 WEST, **ADAMS**)
COUNTY, COLORADO)

Cause No. 535

Docket No. 1208-SP _____

SECOND AMENDED APPLICATION

ConocoPhillips Company ("ConocoPhillips") by and through its attorneys, Lohf Shaiman Jacobs Hyman & Feiger PC, respectfully submits this **Second Amended** Application to the Oil and Gas Conservation Commission of the State of Colorado (the "Commission") for an order establishing an approximately 640-acre **wellbore** spacing unit and establishing well location rules applicable to the drilling and producing of horizontal wells to the Niobrara Formation covering certain lands in **Adams** County, Colorado. In support of its **Second Amended** Application, ConocoPhillips states as follows:

1. ConocoPhillips is a Delaware Corporation duly organized and authorized to conduct business in the State of Colorado.

2. ConocoPhillips owns certain oil and gas leasehold interests in the following lands in, **Adams** County, Colorado (the "Application Lands"):

Township 3 South, Range 64 West of the 6th P.M.
Section 36

3. The Application Lands are unspaced with respect to the Niobrara Formation and are subject to Rule **318.a**, which among other things establishes drilling windows to be utilized to drill, deepen or recomplete a well and to commingle any or all of the Cretaceous Age Formations from the base of the Dakota Formation to the surface.

4. To promote efficient drainage of the Niobrara Formation in the Application Lands, to protect correlative rights and avoid waste, the Commission should establish a drilling and spacing unit of approximately 640 acres, consisting of the Application Lands, applicable to the drilling and producing of horizontal wells to the Niobrara Formation.

5. ConocoPhillips requests an order allowing it to drill and complete one horizontal well in the established 640-acre drilling and spacing unit in the Application Lands, with the option to drill a second horizontal well in said unit. Each proposed horizontal well shall be drilled in the designated drilling and spacing unit, regardless of lease lines within the unit, with the completed interval of such well in the Niobrara Formation no closer than 460 feet from the boundaries of the drilling and spacing unit, and no closer than 920 feet from the completed interval in another well producing from the same common source of supply.

6. The proposed **wellbore** drilling and spacing unit, and well location rules established in the requested order would be applicable to the drilling of horizontal wells only, with vertical and directional wells in the Niobrara formation remaining subject to Commission Rule **318.a**.

7. The above-proposed drilling and spacing unit will allow efficient drainage of the Niobrara Formation, prevent waste, not adversely affect correlative rights of any owner, and assure the greatest ultimate recovery of oil, gas and associated hydrocarbon substances from the reservoirs.

8. A **wellbore** spacing unit of the size and shape specified above is not smaller than the maximum area which can be economically and efficiently drained by a single horizontal well to the Niobrara Formation in the proposed drilling and spacing unit.

9. The proposed wells can be developed in a manner consistent with protection of the environment, public health, safety and welfare.

10. The names and addresses of the interested parties according to the information and belief of ConocoPhillips are set forth in the annexed Exhibit A. The undersigned certifies that copies of this **Second Amended** Application shall be served on each interested party within the next seven days as required by Rule 503.e.

WHEREFORE, ConocoPhillips respectfully requests that this matter be set for hearing, that notice be given as required by law, and upon such hearing this Commission enter its order consistent with ConocoPhillips' requests set forth above.

RESPECTFULLY SUBMITTED this 25th day of July, 2012.

LOHF SHAIMAN JACOBS HYMAN & FEIGER PC

By: 

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Address of Applicant:
ConocoPhillips Company
500 Westlake Park Blvd.
P.O. Box 2197
Houston, TX 77252

EXHIBIT "A"

TO SECOND AMENDED APPLICATION OF CONOCOPHILLIPS COMPANY

Adam Adugalski P.O. Box 6179 Denver, CO 80206	Anadarko E&P Company LP 1099 18 th Street Denver, CO 80202
Anadarko Land Corporation P.O. Box 4995 The Woodlands, TX 77387	Barry R. Mills and Ashley L. Mills 2625 North Peterson Road Bennett, CO 80102
Douglas F. Cline P.O. Box 24527 Denver, CO 80224	State Board of Land Commissioners 1127 Sherman Street, Suite 300 Denver, Colorado 80203
ConocoPhillips Company 3300 North "A" Street, Suite 5-140 Midland, TX 79705	John D. Krupa 3031 East Clairton Drive Highlands Ranch, CO 80126
Steven M. Krupa 19914 East Progress Place Centennial, CO 80015	Red Oaks Farm Inc. 3092 South Gray Street Denver, CO 80227
Gordon Stevens Adams County Public Works & Development 4430 South Adams County Parkway Brighton, CO 80601-8218	Celia Greenman Colorado Division of Wildlife 6060 Broadway Denver, Colorado 80214
Kent Kuster Colorado Department of State Health and Environment 4300 Cherry Creek Drive South Denver, Colorado 80246-1530	Moondance Minerals LP NO ADDRESS OF RECORD

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AFFIDAVIT OF MAILING

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

J. Michael Morgan, of lawful age and being first duly sworn upon his oath, states and declares:

That he is the attorney for ConocoPhillips Company, that on **July 25, 2012**, and he caused a copy of the attached **Second Amended** Application to be deposited in the United States Mail, postage prepaid, addressed to the parties listed on **Exhibit A** to the **Second Amended** Application.



J. Michael Morgan

Subscribed and sworn to before me this 25th day of July, 2012.

Witness my hand and official seal.
My commission expires: 09/13/2013



Tonja L. Hoisington, Notary Public

