

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

IN THE MATTER OF THE VERIFIED
APPLICATION OF MARATHON OIL
COMPANY FOR AN ORDER POOLING
NON-CONSENTING OWNERS IN A 1280
ACRE DRILLING AND SPACING UNIT FOR
THE HORIZONTAL CROW VALLEY 7-62-
24-2H WELL, AND ALL FUTURE WELLS,
DRILLED TO THE NIOBRARA
FORMATION UNDERLYING TOWNSHIP 7
NORTH, RANGE 62 WEST, 6TH P.M.:
SECTIONS 24, 25, WELD COUNTY,
COLORADO

CAUSE NO:

ORDER NO:

DOCKET NO:

VERIFIED APPLICATION

COMES NOW the Applicant, Marathon Oil Company, by and through its attorneys, Poulson, Odell & Peterson, LLC, and files its application with the Oil and Gas Conservation Commission of the State of Colorado for an Order pooling non-consenting owners in a 1280 acre drilling and spacing unit for the horizontal Crow Valley 7-62-24-2H Well drilled to the Niobrara Formation, and all future wells, underlying the below described lands in Weld County, Colorado. In support thereof, Applicant states as follows:

1. That Applicant is a corporation duly authorized to conduct business in the State of Colorado.

2. The Applicant desires to pool all nonconsenting owners of net revenue interests in the Niobrara Formation in the following described lands located in Weld County, Colorado:

Township 7 North, Range 62 West, 6th P.M.

Section 24: All

Section 25: All

Weld County, Colorado

(the "Application Lands").

3. That Applicant owns some or all of the leasehold interests in the Application Lands. A reference map is attached as Exhibit "B".

4. On April 27, 1988, 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 Cretaceous Age Formations

from the base of the Dakota Formation to the surface. On December 5, 2005, Rule 318A was amended to, among other things, allow interior infill and boundary wells to be drilled and wellbore spacing units to be established. On September 30, 2011, Rule 318A was again amended to, among other things, more specifically address circumstances involving the drilling of horizontal well(s). The Application Lands are subject to this Rule.

5. By combined Order Nos. 407-642 and 535-163, dated June 4, 2012, effective May 29, 2012, the Commission, among other things:

(a) Amended Order No. 407-559 to vacate the 640 acre drilling and spacing unit for Section 24, Township 7 North, Range 62 West, 6th P.M.;

(b) Amended Order No. 407-501 to vacate the 640 acre drilling and spacing unit for Section 25, Township 7 North, Range 62 West, 6th P.M.; and

(c) Created a 1280 acre drilling and spacing unit comprised of the Application Lands, and further authorized up to four horizontal wells within that unit, with the treated interval of any horizontal well to be no closer than 460 feet from the boundaries of the unit, without exception being granted by the Director.

6. The Crow Valley 7-62-24-2H Well was spud on May 24, 2012.

7. Applicant has so far been unable to obtain 100% consent to voluntary pooling by all net revenue interests owners in the Application Lands. As a result, it is necessary and proper for Applicant to request that the interests of those net revenue interest owners which have not agreed to such voluntary pooling be involuntarily pooled pursuant to C.R.S. § 34-60-116 of the Colorado Oil and Gas Conservation Act, retroactive to the date the well site was staked.

8. That with respect to those net revenue interest owners which would participate in production from the anticipated well or wells, Applicant has made, will make, and/or continues to make reasonable attempts pursuant to Commission Rule 530.b. to enter into leases with such parties or to obtain their participation in the proposed well or wells, but has so far been unsuccessful in such attempts. As of the date hereof, those owners either elected not to participate in such drilling and completion, or to lease their interests, or have not responded to the correspondence from Applicant making such offers.

9. That in order to prevent waste, protect correlative rights and in the best interests of conservation, all mineral interests or working interests owned by those owners should be pooled in accordance with C.R.S. § 34-60-116 and Commission Rule 530, as to all wells drilled or to be drilled to the Niobrara Formation in the Application Lands.

10. Pursuant to Rule 503(d) of this Commission, within seven (7) days of the filing of this Application, the Applicant shall submit a Certificate of Service to the Commission demonstrating that the Applicant served a copy of the Application on all

persons entitled to Notice by mailing a copy thereof, first-class postage prepaid, to the last known mailing address of the interested parties. Applicant shall simultaneously submit said list of interested parties to the Commission via electronic media.

WHEREFORE, Applicant respectfully requests that this matter be set for hearing in October, 2012, that notice be given as required by law, and that upon such hearing this Commission enter its order consistent with Applicant's proposals as set forth above.

DATED: August 1, 2012.

MARATHON OIL COMPANY

By:



Scott M. Campbell

Jeremy I. Ferrin

POULSON, ODELL & PETERSON, LLC

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VERIFICATION

STATE OF TEXAS

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ss.

COUNTY OF HARRIS

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Collin Hoover, of lawful age, being first duly sworn upon oath, deposes and says that he is a Landman for Marathon Oil Company, 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.

MARATHON OIL COMPANY

By:

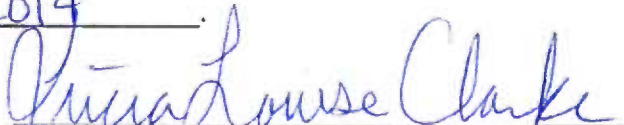


Collin Hoover

Subscribed and sworn to before me this 1st day of August, 2012.

Witness my hand and official seal.

My commission expires: 5-10-2014.


Notary Public