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

IN THE MATTER OF THE APPLICATION OF PDC	)	CAUSE NO.
ENERGY, INC. FOR AN ORDER POOLING ALL	)	
INTERESTS IN THE CODELL AND/OR NIOBRARA	)	DOCKET NO.
FORMATIONS IN DESIGNATED DRILLING AND	)	
SPACING UNIT LOCATED IN SECTIONS 1 AND 2,	)	
TOWNSHIP 6 NORTH, RANGE 66 WEST, 6 <sup>TH</sup> PM,	)	
WELD COUNTY, COLORADO.	)	

### APPLICATION

COMES NOW PDC Energy, Inc. ("Applicant"), by its attorneys, Beatty & Wozniak, P.C., and makes application to the Oil and Gas Conservation Commission of the State of Colorado ("Commission") for an order pooling all interests for the development of the Codell and/or Niobrara Formations in a designated 160-acre wellbore spacing unit for the Leffler 2XD Well ("Well") – API Number 05-123-31970:

Township 6 North, Range 66 West, 6th P.M.

Section 1: W½SW¼ Section 2: E½SE¼

Weld County, Colorado

(hereinafter "Application Lands")

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 is a registered operator in good standing with the Commission.
  - 2. Applicant owns leasehold interests in a substantial portion of 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 Nos. 407-614, 407-617, and 407-621 include portions of the Application Lands but do not apply, nor do they affect, the Application.
- 4. On April 27, 1998, 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 of the Cretaceous Age Formation from the base of the Dakota Formation to the surface. On December 5, 2005, Rule 318A was amended to allow interior infill and boundary wells to be drilled and wellbore spacing units to be established. The Application Lands are subject to Rule 318A for the Codell and/or Niobrara Formations.

- 5. Applicant designated a 160-acre Wellbore Spacing Unit, as defined below, for the production of oil, gas, and associated hydrocarbons from the Codell and/or Niobrara Formations pursuant to Rule 318A. and notified the appropriate parties under Rule 318A.
- 6. Applicant, pursuant to Commission Rule 530 and pursuant to the provisions of C.R.S. §34-60-116 (6) and (7), seeks an order to pool all interests, including but not limited to, any nonconsenting interests, in the Application Lands in the Codell and/or Niobrara Formations underlying the following designated 160-acre wellbore spacing unit:

Township 6 North, Range 66 West, 6th P.M.

Section 1: W½SW¼
Section 2: E½SE¼

(referred to herein as the "Wellbore Spacing Unit").

- 7. Applicant requests that the Commission's pooling order be made effective as of the date of this Application, or the date that the costs specified in C.R.S. § 34-60-116(7)(b)(II) are first incurred for the drilling of the Well to the Codell and/or Niobrara Formations on the Application Lands, whichever is earlier.
- 8. Applicant certifies that copies of this Application will be served on all persons owning an interest in the mineral estate of the tracts to be pooled within seven (7) days of the date hereof, as required by Rule 507.b(2), and that at least thirty (30) days prior to the hearing on this matter, each such interest owner not already leased or voluntarily pooled will be, or has already been, offered the opportunity to lease, or to participate in the drilling of the well, and will be provided with the information required by Rule 530. The interested parties list shall be filed with the Commission no later than seven (7) days after the filing of this application.
- 9. That in order to prevent waste and to protect correlative rights, all interests in the Application Lands should be pooled for the orderly development of the Codell and/or Niobrara Formations, including any nonconsenting interests therein.

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

- A. Pooling all interests in the Application Lands and the Wellbore Spacing Unit for the development of the Codell and/or Niobrara Formations.
- B. Providing that the Commission's pooling order is made effective as of the date of this Application, or the date that any of the costs specified in C.R.S. § 34-60-116(7)(b)(II) were first incurred for the drilling of the Well, whichever is earlier.
- C. Providing that the interests of any owners with whom the Applicant has been unable to secure a lease or other agreement to participate in the drilling of the Well are pooled by operation of statute, pursuant to C.R.S. § 34-60-116(7), and made subject to the cost recovery provisions thereof with respect to all wells drilled to develop the Codell and/or Niobrara Formation in the Wellbore Spacing Unit comprised of the Application Lands.

D. For such other findings and orders as the Commission may deem proper or advisable in this matter.

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

Respectfully submitted:

PDC Energy, Inc.

By:

Jamie L. Jost

Kenneth A. Wonstolen Beatty & Wozniak, P.C. Attorneys for Applicant 216 16th Street, Suite 1100 Denver. Colorado 80202

Applicant's Address:

PDC Energy, Inc. ATTN: Marie McCord

1775 Sherman Street, Suite 3000

Denver, CO 80203-4341

#### **VERIFICATION**

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

Carrie Ratliff, of lawful age, being first duly sworn upon oath, deposes and says that she is the Landman for PDC 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.

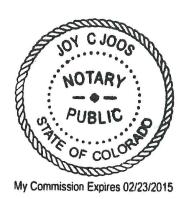
Carrie Ratliff

Subscribed and sworn to before me this 14th day of September, 2012.

Witness my hand and official seal.

My commission expires:

2-23-2015



Notary Public

## **EXHIBIT A**

PDC Energy, Inc. 1775 Sherman Street, Suite 3000 Denver, ÇO 80203-4341

Phyllis Jane Clayton 501 Airport Drive Suite 100 Farmington, NM 87401

Russell Edward Nix Unable to locate address

Lori L. Adams 310.0 Juniper Ave. Eaton, CO 80615

Harriett J. Anderson 23279 WCR 66 Greeley, CO 80615

Jerry Baab 4140 S. Deframe St. Morrison, CO 80465

Kenneth Baab 2507 Antelope Rd. Ft. Collins, CO 80525

Georgann A. Beauparlant 2004 Highland Ave. Durango, CO 81901-4835

Brown Legacy LLP c/o Leta Mayvis Brown 1602 44<sup>th</sup> Avenue Court Unit 1 Greeley, CO 80634 Marcelyn M. Brown, RLT Marcelyn M. Brown, Trustee 1013 Arlene Point Cheyenne, WY 82009

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Mary Anne Closson 6437Hoochaneesta Blvd. Cochita Lake, MI 87083

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Dianne S. Hansen 22567 WCR 49 LaSalle, CO 80645 Lou Anne Hettinger 802 42<sup>nd</sup> St. Evans, CO 80620

Ruth Lenora Johnson 9 Cottonwood Ave Eaton, CO 80615

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Daniel J. Kinsey 3127 E. South Street #G Long Beach, CA 90805

Kristi A. Kinsey 6401 S. Boston St. Greenwood Villiage, CO 80111

Marlys Kinsey 5827 Jasper Pointe Circle Castle Rock, CO 80108

Nancy M. Krauer 8156 E. Linner Ave. Mesa, AZ 85209

Lefler Investments, LLC 35945 CR 35 Eaton, CO 80615

Sylvia Strom 7816 N. 132<sup>nd</sup> E. Avenue Owasso, OK 74055

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

IN THE MATTER OF THE APPLICATION OF P	,	CAUSE NO.			
ENERGY, INC. FOR AN ORDER POOLING A INTERESTS IN THE CODELL AND/OR NIOBRA FORMATIONS IN DESIGNATED DRILLING A SPACING UNIT LOCATED IN SECTIONS 1 AND TOWNSHIP 6 NORTH, RANGE 66 WEST, 6 <sup>TH</sup> FWELD COUNTY, COLORADO.	E CODELL AND/OR NIOBRARA ) DESIGNATED DRILLING AND ) DEATED IN SECTIONS 1 AND 2, ) RTH, RANGE 66 WEST, 6 <sup>TH</sup> PM, )	DOCKET NO.			
AFFIDAVIT C	OF MAILING				
STATE OF COLORADO )					
)ss. CITY AND COUNTY OF DENVER )					
Jamie L. Jost, of lawful age, and being first duly sworn upon his oath, states and declares:					
That she is the attorney for PDC Energy, In caused a copy of the attached Application to b prepaid, addressed to the parties listed on Exhibit	e deposited in	the United States Mail, postage			
Subscribed and sworn to before me September 4, 2012.					
Witness my hand and official seal.	v.				
My commission expires: October 22, 20	<u> </u>				
CAROLYN P. BOULETTE NOTARY PUBLIC, STATE OF COLORADO NO	Osolyn P./ Otary Public	Bulette			
My Comm. Expires October 22, 2015					