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

IN THE MATTER OF THE PROMULGATION)	CAUSE NO. 407
AND ESTABLISHMENT OF FIELD RULES TO)	
GOVERN OPERATIONS IN THE WATTENBERG)	DOCKET NO. To be assigned
FIELD, WELD COUNTY, COLORADO)	

APPLICATION

Bill Barrett Corporation ("BBC" or "Applicant"), by and through its attorneys, Burleson LLP, respectfully submits this Application to the Oil and Gas Conservation Commission of the State of Colorado (the "Commission") for an order to: (1) establish an approximate 640-acre drilling and spacing unit for Section 9, Township 7 North, Range 62 West, 6th P.M., and authorize the drilling of up to four (4) horizontal wells within said unit, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation; and (2) pool all interests in an approximate 640-acre drilling and spacing unit to be established for said Section 9, for the development and operation of the Niobrara Formation. 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 has registered as an operator with the Commission.
 - 2. Applicant owns substantial leasehold interests in the below-listed lands:

Township 7 North, Range 62 West, 6th P.M. Section 9: All

These lands are hereinafter referred to as the "Application Lands." A map depicting the acreage comprising the Application Lands is attached hereto and marked as Exhibit A.

Establishment of the Approximate 640-acre Drilling and Spacing Unit

- 3. The Application Lands are presently unspaced with respect to the Niobrara Formation, which is a common source of supply underlying said lands and, as such, Rule 318.a. applies to said lands and under said rule, wells greater than 2,500 feet in depth shall be located not less than 600 feet from any lease line, and shall not be located less than 1,200 feet from any other producible or drilling well when drilling to the same common source of supply, unless authorized by order of the Commission upon hearing.
- 4. On August 8, 2011, the Commission adopted Rule 318A(I).a.(4)D., which, among other things, requires a horizontal wellbore spacing unit to be designated for each proposed horizontal well located within the Greater Wattenberg Area ("GWA"). The horizontal wellbore spacing unit may be of different sizes and configurations depending on the lateral length and orientation of the wellbore but is to be comprised of the governmental quarter-quarter sections in which the wellbore lateral penetrates the productive formation as well as any governmental quarter-quarter sections that are located less than 460 feet from the portion of the wellbore lateral that penetrates the productive zone regardless of section or quarter section lines. The Application Lands are subject to this rule for the Niobrara Formation.

- 5. Applicant requests an order establishing an approximate 640-acre drilling and spacing unit for the Application Lands, and the authority to drill up to four (4) horizontal wells within the proposed unit, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation, with the treated interval of the wellbore to be no closer than 600 feet from the proposed unit boundaries and no closer than 1,200 feet from the treated interval of any other wellbore located in the proposed unit and completed in the Niobrara Formation, without exception being granted by the Director.
- 6. That in order to promote efficient drainage of the Niobrara Formation underlying the Application Lands, to prevent waste, and to protect correlative rights, the Commission should establish the approximate 640-acre drilling and spacing unit requested herein for the drilling and completion of up to four (4) horizontal wells within the unit. The requested drilling and spacing unit for the Application Lands is not smaller than the maximum area that can be economically and efficiently drained by one well.
- 7. BBC has drilled and completed the Cass Farms #11-9H Well, API #05-123-32689 (the "Well"), an unspaced horizontal well located within Section 9, Township 7 North, Range 62 West, 6th P.M. Under this Application, BBC is not requesting a change to the unit acreage assigned to the Well and the current distribution of the proceeds from the Well.

Statutory Pooling of All Interests within the 640-acre Drilling and Spacing Unit

- 8. Under a separate portion of this Application, Applicant has requested an order establishing an approximate 640-acre drilling and spacing unit for the Application Lands, and the authority to drill up to four (4) horizontal wells within the proposed unit, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation. Acting pursuant to the relevant provisions of §34-60-116(6) & (7), C.R.S., and Rule 530., Applicant seeks an order pooling all interests in the Application Lands (wherein the Applicant has drilled and completed the Cass Farms #11-9H Well, API #05-123-32689, in the Niobrara Formation), for the development and operation of the Niobrara Formation.
- 9. Applicant requests that the pooling order entered as a result of this Application be made effective as of the date of this Application, or the date that the costs specified in §34-60-116(7)(b)(II), C.R.S., are first incurred for the drilling of a Niobrara Formation well on the Application Lands, whichever is earlier.

* * *

- 10. The granting of this Application is in accord with the Oil and Gas Conservation Act, found at §34-60-101, et seq., C.R.S., and the Commission rules.
- 11. That the names and addresses of the interested parties (owners within the proposed drilling and spacing unit (for the Applicant's request to space the Application Lands for horizontal well development) and persons who own any interest in the mineral estate of the tracts to be pooled, except owners of overriding royalty interest (for the Applicant's request to pool all interests within the spacing unit, once established)) are attached hereto and marked Exhibit B.

{00216173.1}

The Applicant shall submit a certificate of service for the Application within the 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 its order:

- A. Establishing an approximate 640-acre drilling and spacing unit for the Application Lands, and authorize the drilling of up to four (4) horizontal wells within said unit, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation, with the treated interval of the wellbore to be no closer than 600 feet from the proposed unit boundaries and no closer than 1,200 feet from the treated interval of any other wellbore located in the proposed unit and completed in the Niobrara Formation, without exception being granted by the Director.
- B. Pooling all interests in the Application Lands, for the development and operation of the Niobrara Formation, once the approximate 640-acre drilling and spacing unit has been established for the Application Lands.
- C. Providing that the pooling order is made effective as of the date of this Application, or the date that the costs specified in §34-60-116(7)(b)(II), C.R.S., are first incurred for the drilling of a Niobrara Formation well on the Application Lands, whichever is earlier.
- D. 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 authorized well, are pooled by operation of statute, pursuant to §34-60-116(7), C.R.S., and made subject to the cost recovery provisions thereof.
- E. For such other findings and orders as the Commission may deem proper or advisable in the premises.

DATED this 14th day of September, 2012.

Respectfully submitted,

BILL BARRETT CORPORATION

Robert A. Willis (Colorado Bar No. 26308)

Burleson LLP

Wells Fargo Center

1700 Lincoln Street, Suite 1300

Denver, CO 80203

(303) 801-3200

Applicant's Address: 1099 18th Street, Suite 2300 Denver, CO 80202

VERIFICATION

STATE OF COLORADO)				
CITY & COUNTY OF DENVER) ss.)				
Colleen Kennedy, Senior Landman for Bill Barrett Corporation, upon oath deposes and says that she has read the foregoing Application and that the statements contained therein are true to the best of her knowledge, information and belief.					
	BILL BARRETT CORPORATION				
	Colleen Kennedy				
Subscribed and sworn to before me this day of September, 2012, by Colleen Kennedy, Senior Landman for Bill Barrett Corporation.					
Witness my hand and official seal.					
My commission expires:	-2013				
	Dancy Diller				
NANCY R. WEBER Notary Public State of Colorado	Notary Public				

My Cemmission Expires

EXHIBIT B

INTERESTED PARTIES

The names and addresses of the interested parties according to the information and belief of the Applicant are set forth in this <u>Exhibit B</u>.

Bill Barrett Corporation Attn: Colleen Kennedy 1099 18th Street, Suite 2300 Denver, CO 80202

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

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

Harry L. Crosby, III, Trust, Harry L. Crosby, Trustee 136 El Camino Drive Beverly Hills, CA 90212

Mary F. Crosby Lottimer Trust, Gary S. Vandeweghe, Trustee 136 El Camino Drive Beverly Hills, CA 90212

Marubeni Unconventional Resources 2800 Post Oak Blvd., Suite 6000 Houston, TX 77056

Apple Creek, LLC 335 South York Street Denver, CO 80209

Continental Resources P.O. Box 1032 302 N. Independence Enid, OK 73702 Robert A. Willis Burleson LLP 1700 Lincoln St., Suite 1300 Denver, CO 80290

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

Harry L. Crosby Marital Trust, U/A/D June, 1977, Kathryn G. Crosby, Trustee 136 El Camino Drive Beverly Hills, CA 90212

Nathaniel Patrick Crosby Trust, Gary S. Vandeweghe, Trustee 136 El Camino Drive Beverly Hills, CA 90212

Marathon Oil Company 5555 San Felipe Houston, TX 77056

Prima Exploration 100 Fillmore Street, Suite 450 Denver, CO 80206

Blackland Petroleum, LLC 17190 E. Dorado Place Centennial, CO 80015

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

IN THE MATTER OF THE PROMULG AND ESTABLISHMENT OF FIELD RU)	CAUSE NO. 407
GOVERN OPERATIONS IN THE WAT FIELD, WELD COUNTY, COLORADO	TENBERG))	DOCKET NO. To be assigned
AFFID	AVIT OF MA	ILING	
STATE OF COLORADO))ss.		
CITY AND COUNTY OF DENVER)		
Jessica Rauh, of lawful age, and that she caused a copy of the Application 7 North, Range 62 West, 6 th P.M., Section United States Mail, postage prepaid, addron this 2012.	(for the spacin n 9) in the abov	g of and /e-captio	to pool all interests in Township oned matter to be deposited in the
	Jess	sica Rau	h
Subscribed and sworn to before m	ne on the 20	day of	September, 2012.
Witness my hand and official seal	Notary Pub	Outlic	Rlibber
NANCY R. WEBER Notary Public State of Colorado	My commi	ssion ex	pires: 1/15/2013
My Commission Expires			

EXHIBIT A

Bill Barrett Corporation Attn: Colleen Kennedy 1099 18th Street, Suite 2300 Denver, CO 80202

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

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

Harry L. Crosby, III, Trust, Harry L. Crosby, Trustee 136 El Camino Drive Beverly Hills, CA 90212

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Marathon Oil Company 5555 San Felipe Houston, TX 77056

Prima Exploration 100 Fillmore Street, Suite 450 Denver, CO 80206

Blackland Petroleum, LLC 17190 E. Dorado Place Centennial, CO 80015

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

IN THE MATTER OF THE APPLICATION OF BILL	1	CAUSE NO. 407
그림을 있는 것이 없어서 있다면 되었다. 그런 전에 열심하면 하나 아니라 되었다는 것이다. 그런	(CAUSE NO. 407
BARRETT CORPORATION FOR AN ORDER)	
ESTABLISHING AN APPROXIMATE 640-ACARE)	DOCKET NO. 1211-UP-264
DRILLING AND SPACING UNIT FOR SECTION 9,)	
TOWNSHIP 7 NORTH, RANGE 62 WEST, 6 TH P.M., FOR)	
NIOBRARA FORMATION, AND POOLING ALL)	
INTERESTS WITHIN THE UNIT, THE DEVELOPMENT)	
AND OPERATION OF THE NIOBRARA FORMATION.)	
WATTENBERG FIELD, WELD COUNTY, COLORADO	Ś	

SUPPLEMENTAL LIST OF INTERESTED PARTIES

Bill Barrett Corporation ("BBC" or "Applicant"), by and through its attorneys, Burleson LLP, respectfully submits this Supplemental List of Interested Parties (attached hereto and marked Exhibit C) to the Oil and Gas Conservation Commission of the State of Colorado.

DATED this 28th day of November, 2012.

Respectfully submitted,

BILL BARRETT CORPORATION

Robert A. Willis

Burleson LLP

Attorneys for BBC

EXHIBIT C

SUPPLEMENTAL LIST OF INTERESTED PARTIES

The names and addresses of the additional interested parties (persons who own any interest in the mineral estate of the tracts to be pooled, except owners of overriding royalty interest) related to the pending Application in this matter and according to the information and belief of the Applicant are set forth in this <u>Exhibit C</u>.

Bill Barrett Corporation 1099 18th Street, Suite 2300 Denver, CO 80202

Gene F. Land & Co. Parker Station 19751 E. Mainstreet, Suite 339 Parker, CO 80138

Timothy M. Doheny, Jr. 136 Camino Dr. Beverly Hills, CA 90212

Patrick A. Doheny, Jr. 136 Camino Dr. Beverly Hills, CA 90212

Sesnon Oil Company 100 Bush Street, Suite 800 San Francisco, CA 94104

William Henry Doheny 136 Camino Dr. Beverly Hills, CA 90212

Donald Earl Gifford P.O. Box 388 Custer, SD 57730

Dorothy Gifford Platenberg 560 Chelan St. Golden, CO 80401 Robert A. Willis Burleson LLP 1700 Lincoln St., Suite 1300 Denver, CO 80290

Marshall Resources, LLC 4295 South Fox St. Englewood, CO 80110

Drucilla Ann Doheny Hamilton 136 Camino Dr. Beverly Hills, CA 90212

E.L. Doheny Inc. 136 Camino Dr. Beverly Hills, CA 90212

Kathleen Doheny McCoy 136 Camino Dr. Beverly Hills, CA 90212.

Cass Farms Company 43521 Weld County Road 392 Briggsdale, CO 80611

Esther R. Mansmith 18804 Lake Francis Rd. SE Maple Valley, WA 98038

Sharon Lou McCurry 10032 W. 69th Ave. Arvada, CO 80004 POCO Minerals P.O. Box 601673 Dallas, TX 75360

Lila Anna Neitfeld as PR of the estate of Helene W. Antholz 1009 13th Ave., Unit #301 Greeley, CO 80631

James K. Ullmann & Sherry L. Ullmann 119 N. Fremont Ave. Johnstown, CO 80534

Norma R. Carter f/k/a Norman R. Ullmann and Norma R. Cass 1001 43rd Ave., #3 Greeley, CO 80634

Todd R. Ullmann Address unknown

Linda Santora 813 E. 20th Street Dr. Greeley, CO 80634 Hans Bruesselbach 847 Malibu Meadows Calabassas, CA 91302

Katherina Bruesselbach Means 4397 Mahogany Circle Yorba Linda, CA 92686

Patricia A. Trusdell 2205 37th Street, #40 Evans, CO 80620

Kristen L. Johnson Address unknown

Danielle Ullmann Address unknown