

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

IN THE MATTER OF THE APPLICATION OF )  
CONOCOPHILLIPS COMPANY FOR AN ORDER )  
**VACATING A 640-ACRE SPACING UNIT AND** )  
ESTABLISHING TWO APPROXIMATE 1280-ACRE )  
DRILLING AND SPACING UNITS, APPROVING UP )  
TO TWO HORIZONTAL WELLS WITHIN EACH )  
PROPOSED UNIT, AND ESTABLISHING WELL )  
LOCATION RULES FOR HORIZONTAL WELLS TO )  
THE NIOBRARA FORMATION, UNNAMED FIELD, )  
LOCATED IN CERTAIN LANDS IN TOWNSHIP 5 )  
SOUTH, RANGE 64 WEST, ARAPAHOE COUNTY, )  
COLORADO )

Cause No. 535

Docket No. 1301-SP-11

**AMENDED APPLICATION**

ConocoPhillips Company ("ConocoPhillips") by and through its attorneys, Lohf Shaiman Jacobs Hyman & Feiger PC, respectfully submits its **Amended** Application to the Oil and Gas Conservation Commission of the State of Colorado (the "Commission") for an order **vacating a 640-acre spacing unit** and establishing two (2) approximate 1,280-acre spacing units for production of oil, gas and associated hydrocarbon substances, applicable to the drilling and producing of horizontal wells to the Niobrara Formation, and establishing related well location rules covering certain lands in Arapahoe County, Colorado, and in support 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 Arapahoe County, Colorado, with each 1280-acre tract described below being a proposed unit, and all such tracts being collectively referred to herein as the "Application Lands:"

Township 5 South, Range 64 West of the 6th P.M.  
Sections 11 & 12

Township 5 South, Range 64 West of the 6th P.M.  
Sections 13 & 14

3. By Order 535-145, entered effective March 5, 2012, the Commission established Section 14, Township 5 South, Range 64 West of the Application Lands as a 640-acre spacing unit for production of oil, gas and associated hydrocarbons from horizontal wells to the Niobrara Formation. The Order authorized the drilling of up to two horizontal wells in such unit, with the treated interval of the permitted wellbores to be located no closer than 460 feet from the boundaries of the unit, and no closer than 920 feet from the completed interval of another well producing from the same common source of supply, without exception being granted by the Director.

4. The remainder of the Application Lands are unspaced for the Niobrara Formation, and are subject to Rule 318.a, which among other things provides that a well to be drilled in excess of 2,500 in depth shall be located not less than 600 feet from any lease line, and shall be located

not less than 1,200 feet from any other producible or drilling oil or gas well when drilled to the same source of supply, unless authorized by order of the Commission upon hearing.

5. The records of the Commission reflect that no wells are currently producing nor have they previously produced from the Niobrara Formation in the Application Lands.

6. To promote efficient drainage of the Niobrara Formation in the Application Lands, to protect correlative rights, avoid waste, and assure the greatest ultimate recovery of oil, gas and associated hydrocarbon substances from the formation, the Commission should **vacate Order 535-145 with respect to Section 14, Township 5 South, Range 64 West only**, and establish spacing units of approximately 1,280-acres, consisting of each above-described tract within the Application Lands, applicable to the drilling and producing of horizontal wells to the Niobrara Formation.

7. ConocoPhillips requests an order allowing it to drill and complete one horizontal well, with the option to drill a second horizontal well in each 1,280-acre spacing unit in the Application Lands. Each proposed horizontal well shall be drilled in the spacing unit, regardless of lease lines within the unit, with the completed interval of such wells in the Niobrara Formation no closer than 460 feet from the boundaries of the spacing unit, regardless of the lease lines within the unit, and no closer than 920 feet from the completed interval in another well producing from the same source of supply. Each proposed horizontal well should be permitted to be located on the surface anywhere within the spacing unit, or on adjacent lands if authorized by the owners thereof.

8. The proposed spacing units, and well location rules established in the requested order would be applicable to the drilling and production of horizontal wells only, with vertical and directional wells to the Niobrara formation remaining subject to Commission Rule 318.a. or such other orders as may be entered by the Commission.

9. The above-proposed drilling and spacing units 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.

10. Drilling and spacing units for horizontal wells of the size and shape specified above are not smaller than the maximum area which can be economically and efficiently drained by a single horizontal well to the Niobrara Formation in each proposed unit.

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

12. The names and addresses of 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 Amended Application shall be served on each interested party as required by Rule 503.e.

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

A. **Vacating Order 535-145 with respect to Section 14, Township 5 South, Range 64 West only.**

B. Establishing the Application Lands as two (2) approximate 1,280-acre drilling and spacing units for production of oil, gas and associated hydrocarbons from horizontal wells to the Niobrara Formation, and allowing the drilling of up to two horizontal wells in each such unit.

C. Providing that the treated interval of the proposed horizontal wells shall be no closer than 460 feet from the boundaries of the unit, regardless of the lease lines within the unit, and not less than 920 feet from the completed interval of another well producing from the same source of supply.

D. For such other findings and orders consistent with the requests set forth above which the Commission may determine to be just and proper.

RESPECTFULLY SUBMITTED this 3<sup>rd</sup> day of **December**, 2012.

LOHF SHAIMAN JACOBS HYMAN & FEIGER PC

By: \_\_\_\_\_

  
J. Michael Morgan #7279  
950 South Cherry Street, Suite 900  
Denver, Colorado 80246  
(303) 753-9000  
(303) 753-9997 (fax)  
[mmorgan@lohfshaiman.com](mailto:mmorgan@lohfshaiman.com)

Address of Applicant:

ConocoPhillips Company  
3300 North "A" Street, Bldg 6  
Midland, TX 79705

**EXHIBIT "A"**

**TO AMENDED APPLICATION OF CONOCOPHILLIPS COMPANY**

**Applicant:**

ConocoPhillips Company  
3300 North "A" Street, Bldg 6  
Midland, TX 79705

**Applicant's Attorney:**

J. Michael Morgan, Esq.  
Lohf Shaiman Jacobs Hyman & Feiger PC  
950 South Cherry Street, Suite 900  
Denver, CO 80246

**Local Government Designee:**

Diane Kocis  
Arapahoe County Public Works & Development  
6924 South Lima Street  
Centennial, Colorado 80112

**Other Interested Parties:**

Mr. Nick Watkins  
Chesapeake Exploration, LLC  
P.O. Box 18496  
Oklahoma City, OK 73154

Elizabeth J. Lauver, Successor Trustee  
The Agreement and Declaration of Trust  
Dated 12/10/64 Amended  
267 Pebble Beach Loop  
Pittsburgh, PA 94565-2345

OOGC America, Inc.  
c/o CNOOC International Ltd  
Attn: Qing Jiang, President  
P.O. Box 4705  
No. 25 Chaoyangmenbei Dajie  
Dongcheng District, Beijing  
100010 P.R. China

Celia Greenman  
Colorado Division of Wildlife  
6060 Broadway  
Denver, Colorado 80214

Renegade Oil & Gas Company, LLC  
P.O. Box 460413  
Aurora, CO 80046

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

Three Forks Resources, LLC  
1775 Sherman Street, Suite 1675  
Denver, CO 80203

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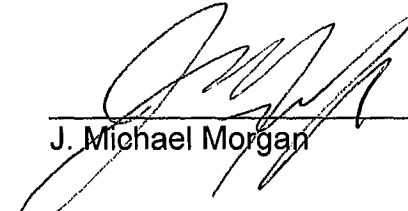
Docket No. 1301-SP- 11

**AFFIDAVIT OF MAILING**

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

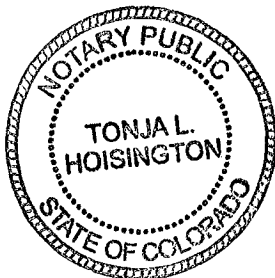
J. Michael Morgan, of lawful age and being first duly sworn upon his oath, states and declares:

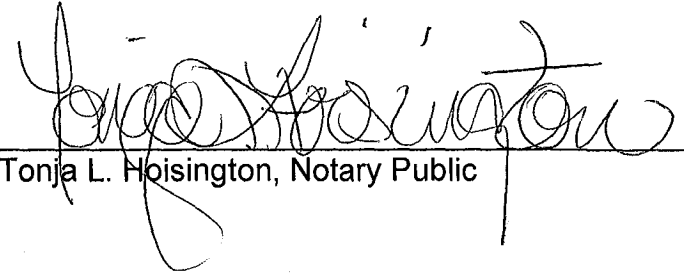
That he is the attorney for ConocoPhillips Company in the above-captioned matter, that on December 3, 2012, he caused a copy of the attached **Amended** Application to be deposited in the United States Mail, postage prepaid, addressed to the parties listed on **Exhibit A** to the Amended Application.

  
\_\_\_\_\_  
J. Michael Morgan

Subscribed and sworn to before me this **3<sup>rd</sup>** day of **December**, 2012.

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



  
\_\_\_\_\_  
Tonja L. Hoisington, Notary Public