

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

IN THE MATTER OF THE APPLICATION OF D.J.)
SIMMONS, INC. FOR AN ORDER POOLING ALL)
INTERESTS IN THE DESERT CREEK FORMATION)
IN AN APPROXIMATE 217.38-ACRE DRILLING AND)
SPACING UNIT LOCATED IN SECTION 7,)
TOWNSHIP 39 NORTH, RANGE 19 WEST, N.M.)
P.M., PAPOOSE CANYON FIELD, DOLORES)
COUNTY, COLORADO.)

Cause No. _____

Docket No. _____

APPLICATION

COMES NOW D.J. Simmons, Inc. (referred to herein as "Applicant"), by and through its undersigned attorneys, makes application to the Colorado Oil and Gas Conservation Commission ("Commission"), for an order to pool all interests within an approximate 217.38-acre drilling and spacing unit for the Pinto 1-7 Well ("Well") (API No. to be assigned when Application for Permit to Drill is filed) to produce from the Desert Creek Formation located in the following described lands:

Township 39 North, Range 19 West, N.M.P.M.

Section 7: NW¼ (Lots 6 thru 11 and Part of Tract 52)

217.38 acres, more or less, Dolores County, Colorado (hereafter "Application Lands").

In support thereof, the 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 certain leasehold interests in the Application Lands.
3. On January 19, 1971, the Commission issued Order No. 231-2, which among other things, established 160-acre drilling and spacing units for the production of gas from the Desert Creek Formation underlying certain lands, including the Application Lands, with the permitted well to be located in any undrilled quarter section no closer than 990 feet from the boundaries of the quarter section.
4. Applicant has filed an application to correct Order No. 231-2 to correctly reflect that the size of the NW¼ of Section 7, Township 39 North, Range 19 West is 217.38 acres and not 160 acres as currently referenced.
5. 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 nonconsenting interests, in the Application Lands for the development of the Desert Creek Formation underlying the following approximate 217.38-acre drilling and spacing unit:

Township 39 North, Range 19 West, N.M.P.M.
Section 7: NW¼ (Lots 6 thru 11 and Part of Tract 52)

(referred to herein as the "Drilling and Spacing Unit").

6. Applicant requests that the Commission's pooling order be made effective as of the earlier 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.

7. 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 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 list of such interested parties is attached hereto as Exhibit A.

8. 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 Desert Creek Formation, 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 Drilling and Spacing Unit for the development of the Desert Creek Formation.

B. Providing that the Commission's pooling order is made effective as of the earlier 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 first of the Well.

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 authorized 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.

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

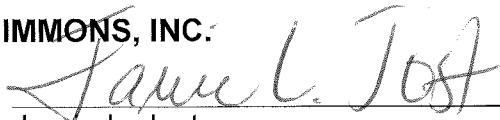
WHEREFORE, Applicant respectfully requests that this matter be set for hearing in January, 2013, that notice be given as required by law, and that upon such hearing, the Commission enter its order consistent with Applicant's request as set forth above.

DATED this 18 day of November, 2012.

Respectfully submitted:

D.J. SIMMONS, INC.

By:



Jamie L. Jost
Gregory Nibert
Beatty & Wozniak, P.C.
Attorneys for Applicant
216 16th Street, Suite 1100
Denver, Colorado 80202

Applicant's Address:

D.J. Simmons, Inc.
c/o Walter S. Parks
1009 Ridgway Place, Suite 200
Farmington, NM 87401

EXHIBIT A
Interested Parties

D.J. Simmons, Inc.
1009 Ridgeway Place, Suite 200
Farmington, NM 87401

Abby Corportion
145 Ocean Pines Terrace
Jupiter, FL 33477

Tapadero Ranch Company, LLLP
P.O. Box 878
Dolores, CO 81323

United States of America
Bureau of Land Management
2850 Youngfield Street
Lakewood, CO 80215-7093

VERIFICATION

New Mexico
STATE OF ~~COLORADO~~)
San Juan) ss.
CITY AND COUNTY OF ~~DENVER~~

Walter Parks, of lawful age, being first duly sworn upon oath, deposes and says that he is a Senior Landman for D.J. Simmons, Inc. 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.

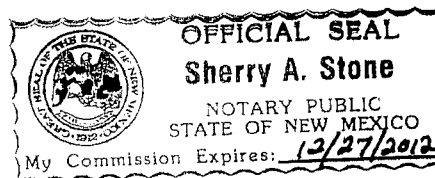


Walter Parks, Senior Landman
D.J. Simmons, Inc.

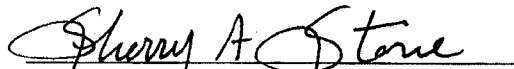
Subscribed and sworn to before this 31st day of October, 2012.

Witness my hand and official seal.

[SEAL]



My commission expires: 12/27/2012


Notary Public

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

IN THE MATTER OF THE APPLICATION OF D.J.)
SIMMONS, INC. FOR AN ORDER POOLING ALL)
INTERESTS IN THE DESERT CREEK FORMATION)
IN AN APPROXIMATE 217.38-ACRE DRILLING AND)
SPACING UNIT LOCATED IN SECTION 7,)
TOWNSHIP 39 NORTH, RANGE 19 WEST, N.M.)
P.M., PAPOOSE CANYON FIELD, DOLORES)
COUNTY, COLORADO.)

Cause No. _____

Docket No. _____

AFFIDAVIT OF MAILING

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

Jamie L. Jost of lawful age, and being first duly sworn upon her oath, states and declares:

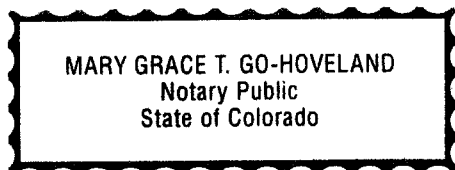
That she is the attorney for D.J. Simmons, Inc. and that on or before November 12, 2012, she caused a copy of the attached Application to be deposited in the United States Mail, postage prepaid, addressed to the parties listed on Exhibit A to the Application.

Jamie L. Jost
Jamie L. Jost

Subscribed and sworn to before me on November ____, 2012.

Witness my hand and official seal.

My commission expires: March 3, 2015



[Signature]
Notary Public