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

IN THE MATTER OF THE APPLICATION OF NOBLE ENERGY, INC. FOR AN ORDER VACATING TWO 640-ACRE DRILLING AND SPACING UNITS ESTABLISHED BY ORDER NO. 535-3. AND ESTABLISHING A 1280-ACRE EXPLORATORY DRILLING AND SPACING UNIT IN SECTIONS 23 AND 24, TOWNSHIP 9 NORTH, RANGE 61 WEST 6TH THE CODELL-NIOBRARA P.M., **FOR** FORMATION. UNNAMED FIELD, WELD COUNTY, COLORADO

Cause No.

Docket No.

APPLICATION

Noble Energy, Inc. ("Applicant"), by and through its attorneys, Beatty & Wozniak, P.C., respectfully submits this Application to the Colorado Oil and Gas Conservation Commission (the "Commission"), pursuant to C.R.S. 34-60-116, for an order vacating two 640-acre drilling and spacing units established by Commission Order No. 535-3, and establishing a 1280-acre exploratory drilling and spacing unit for development of and production from the Codell-Niobrara Formation in the following lands:

Township 9 North, Range 61 West, 6th P.M.

Section 23: All Section 24: All

Weld County, Colorado ("Application Lands").

In support thereof, 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 holds all or substantially all of the leasehold interests in the Application Lands. A reference map of the Application Lands is attached hereto.
- 3. On February 22, 2011, the Commission issued Order No. 535-3, which among other things, established 160 approximate 640-acre drilling and spacing units and allowed up to one horizontal well within each unit for the production of oil, gas and associated hydrocarbons from the Niobrara Formation underlying certain lands, including the Sections 23 and 24, Township 9 North, Range 61 West.
- 4. Applicant requests that the Commission vacate Order No. 535-3 only as to the Application Lands and create an exploratory 1280-acre drilling and spacing unit on the Application Lands for the development and operation of the Codell-Niobrara Formation.

- 5. Applicant requests that it be authorized to drill and complete one horizontal well in the exploratory 1280-acre drilling and spacing unit comprised of the Application Lands with the treated interval of the horizontal well located no closer than 600' from the boundaries of the drilling and spacing unit.
- 6. Applicant requests that it be authorized to locate surface facilities for the proposed horizontal well anywhere within the drilling and spacing unit or on adjacent lands.
- 7. Applicant asserts that establishing an approximate 1280-acre drilling and spacing unit for the Application Lands will allow for economic and efficient drainage of the Codell-Niobrara Formation; will prevent waste; will not adversely affect correlative rights and will assure the greatest ultimate recovery of oil and associated hydrocarbon substances from said Formation. A 1280-acre drilling and spacing unit is not smaller than the maximum area that can be economically and efficiently drained by the proposed well in the Codell-Niobrara Formation within such unit.
- 8. That the names and addresses of the interested parties according to the information and belief of the Applicant are set forth in <u>Exhibit A</u> attached hereto and made a part hereof, and the undersigned certifies that copies of this Application shall be served on each interested party within the next 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. Vacating the 640-acre drilling and spacing units established in Order No. 535-3 with respect to the Application Lands and establishing an exploratory 1280-acre drilling and spacing unit for the Codell-Niobrara Formation with one horizontal well in the established unit.
- B. Establishing that the treated interval of the wellbore may be no closer than 600 feet from the boundaries of the drilling and spacing unit.
- C. Authorizing applicant to locate surface facilities for the proposed horizontal well anywhere within the drilling and spacing unit or on adjacent lands.
- D. Finding that an approximate exploratory 1280-acre drilling and spacing unit will prevent waste, protect correlative rights, and will maximize the efficient and economic production of the Codell-Niobrara Formation on the Application Lands; and
 - E. Granting any other relief as may be appropriate.

Dated this 13 day of December, 2012.

Respectfully submitted,

NOBLE ENERGY, INC.

By:

Jamie L. Jost
Elizabeth Y. Gallaway
Gregory J. Nibert Jr.
Beatty & Wozniak, P.C.
Attorneys for Applicant
216 16th Street, Suite 1100
Denver, Colorado 80202
(303)407-4499

Applicant's Address:
Noble Energy, Inc.
c/o Zach Shearon
1625 Broadway, Suite 2200
Denver, CO 80202

VERIFICATION

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

Joseph H. Lorenzo, of lawful age, being first duly sworn upon oath, deposes and says that he is Attorney-in-Fact for Noble Energy, 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.

Joseph H Aorenzo Attorney- In-Fact Noble Energy, Inc.

Subscribed and sworn to before this day of December, 2012.

Witness my hand and official seal.

[SEAL]

My commission expires: 10-10-2015

PHYLLIS KAJIWARA NOTARY PUBLIC STATE OF COLORADO NOTARY ID 19984021145 MY COAMISSION EXPIRES OCTOBER 10, 2015 Notary Public

EXHIBIT A INTERESTED PARTIES

L. J. West Address Unknown

Clay R. Apple Address Unknown

Noble Energy Inc. Attention: P. David Padgett 1625 Broadway, Suite 2200 Denver, CO 80202

Noble Energy WyCo, LLC Attention: P. David Padgett 1625 Broadway, Suite 2200 Denver, CO 80202

McElvain Energy Fund 2010, LLC 1050 17th Street, Suite 2500 Denver, CO 80265

Sundance Energy, Inc. 633 17th Street, Suite 1950 Denver, CO 80202

Township 9 North, Range 61 West

Section 23: All Section 24: All

1280 acres more or less



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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 Noble Energy, Inc., that on or before November 20, 2012, she 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.

Jamie L. Jost

Subscribed and sworn to before me on December 3, 2012.

Witness my hand and official seal.

My commission expires:

TANYA S. COHEN NOTARY PUBLIC STATE OF COLORADO NOTARY ID 20084038573 MY COMMISSION EXPIRES NOV. 13, 2016

Notary Public