

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

IN THE MATTER OF THE APPLICATION  
OF PDC ENERGY, INC. FOR AN ORDER  
POOLING ALL INTERESTS IN TWO  
APPROXIMATE 160-ACRE WELLBORE  
SPACING UNITS AND TWO  
APPROXIMATE 320-ACRE WELLBORE  
SPACING UNITS LOCATED IN SECTION  
32, TOWNSHIP 5 AND 5 NORTH, RANGE  
67 WEST, 6TH P.M. IN THE CODELL  
NIOBRARA FORMATION, WATTENBERG  
FIELD, WELD COUNTY, COLORADO

CAUSE NO.

DOCKET NO.

**APPLICATION**

COMES NOW PDC Energy, Inc. ("Applicant"), by its attorneys, Beatty & Wozniak, P.C., and makes this application to the Oil and Gas Conservation Commission of the State of Colorado ("Commission") for an order pooling all interests within two approximate 160 wellbore spacing units and two approximate 320-acre wellbore spacing units for the drilling of the Riteaway 32J-403 Well (API No. 05-123-35720), Riteaway 32J-103 Well (API No. 05-123-35722), Riteaway 32E-323 Well (API No. 05-123-35723), and Riteaway 32M-243 Well (API No. 05-123-35721) (collectively "the Wells") for the development of the Codell and Niobrara Formations on the following described lands:

Township 5 North, Range 67 West, 6<sup>th</sup> P.M.

Section 32: W $\frac{1}{2}$  (WSU #1 – 320-acres – Riteaway 32J-403)

Section 32: W $\frac{1}{2}$  (WSU #2 – 320-acres – Riteaway 32J-103)

Section 32: W $\frac{1}{2}$ W $\frac{1}{2}$  (WSU #3 – 160-acres – Riteaway 32E-323)

Section 32: E $\frac{1}{2}$ W $\frac{1}{2}$  (WSU #4 – 160-acres – Riteaway 32M-243)

Weld County, Colorado (hereinafter "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 owns certain leasehold interests in 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.

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 Formations 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. On August 8, 2011, Rule 318A was again amended to, among other things, address drilling of horizontal wells. The Application Lands are subject to Rule 318A for the Codell and Niobrara Formations.

5. Applicant designated two approximate 160 wellbore spacing units and two approximate 320-acre wellbore spacing units, as defined below, for the production of oil, gas, and associated hydrocarbons from the Codell and Niobrara Formations pursuant to Rule 318A. and notified the appropriate parties under Rule 318A.

6. Applicant, pursuant to Commission Rule 530 and/or the provisions of C.R.S. § 34-60-116 (6) and (7), hereby requests an order to pool all interests, including but not limited to, any nonconsenting interests, in the Application Lands for the development of the Codell and Niobrara Formations underlying each of the following designated wellbore spacing units:

Township 5 North, Range 67 West, 6<sup>th</sup> P.M.

Section 32: W½ (WSU #1 – 320-acres – Riteaway 32J-403)

Section 32: W½ (WSU #2 – 320-acres – Riteaway 32J-103)

Section 32: W½W½ (WSU #3 – 160-acres – Riteaway 32E-323)

Section 32: E½W½ (WSU #4 – 160-acres – Riteaway 32M-243)

(hereafter, "the Wellbore Spacing Units").

7. 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 the costs specified in C.R.S. § 34-60-116(7)(b)(II) are first incurred for the drilling of each of the Wells to the Codell and Niobrara Formations on the Application Lands.

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 offered the opportunity to lease, or to participate in the drilling of the Wells, and will be provided with the information required by Rule 530 as applicable. The list of such interested parties is attached hereto as Exhibit A.

9. That in order to prevent waste and to protect correlative rights, all interests in WSU #1, WSU #2, WSU #3, and WSU #4 should be pooled for the orderly development of the Codell and 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 WSU #1, WSU #2, WSU #3, and WSU #4 for the development of the Codell and Niobrara Formations.

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) are first incurred for the drilling of each of the Wells to the Codell and Niobrara Formations on the Application Lands.

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 Wells are pooled by operation of statute, pursuant to C.R.S. § 34-60-116(6) and (7), and made subject to the cost recovery provisions thereof with respect to the Wells drilled to develop the Codell and Niobrara Formations in WSU #1, WSU #2, WSU #3, and WSU #4 comprising 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 February, 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: December 13, 2012.

Respectfully submitted:

**PDC ENERGY, INC.**

By:

  
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Jamie L. Jost

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:

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)

John Krattenmaker, of lawful age, being first duly sworn upon oath, deposes and says that he is the Landman for PDC 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.

John Krattenmaker  
Landman  
PDC Energy, Inc.

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

Witness my hand and official seal.

[SEAL]

My commission expires: 3/5/14



Traveling with you

## EXHIBIT A

Gerrity Oil, LLC.  
Attn: Robert W. Gerrity  
101 12th Street  
DEL Mar, CA 92014

Dane W. Roybal  
101 12th Street  
Del Mar, CA 92014

Mark W. Zuzelski &  
Kay L. Zuzelski  
2678 Stoney Creek Rd.  
Oakland, MI 48363

William S. Spielman  
935 Rosewood Avenue  
East Lansing, MI 48823

Clarence W. Weber and Dorothy R. Weber  
196 St. Ives North  
Lansing, MI 48906

Susan A. Allis, Trustee of the  
Harry D. Allis Trust No. 1  
dated October 13, 1983  
As amended and replaced September 3, 1983  
1035 Northlawn Avenue  
East Lansing, MI 48823

1983 Wolverine Income and  
Development Program Limited Partnership  
c/o Jack Davis  
124 W. Allegan Street,  
Suite 700  
Lansing, MI 48933

Wolverine Exploration  
Program, Inc.  
c/o Jack Davis  
124 W. Allegan Street,  
Suite 700  
Lansing, MI 48933

Estate of Earl Thompson  
c/o Velma Montoya Thompson, , Ph.D  
6970 Los Tilos Road  
Los Angeles, CA 90068

Howard Kaplan  
Gruber, Miller & Kaplan  
700 N. Washington  
Lansing, MI 48906

Danforth Holley Marital Trust  
c/o Comerica Bank  
Trust Real Estate Dept.  
8850 Boedeker  
Dallas, TX 75225

Consuelo Montoya  
3917 Portola Ave.  
Los Angeles, CA 90032

Estate of  
Hyman Thompson  
c/o Kenneth S. Cheng  
26922 Highwood Circle  
Laguna Hills, CA 92653

Ken T. Bowden  
Hyde Leadership Public  
Charter School  
101 T. Street NE  
Washington, DC 20002

Walter R. Holbrook  
2053 Pine Isle Lane  
Naples, FL 34112

Stanley R. Burnett  
2918 Hemlock Place  
Lansing, MI 48910-0538

Ampetro Inc.,  
Address unavailable

LLP John Sauer, Sr., LLC  
6681 CR 50  
Johnstown, CO 80534

Louise Rieder &  
Mardell Hunter, J/T  
7320 WCR 50-1/2  
Johnstown, CO 80534

Rite-A-Way LLC  
P.O. Box 607  
Kimball, NE 69154

Rocky Mountain Investment Group, LLC  
P.O. Box 270364  
Fort Collins, CO 80527




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DOCKET NO.

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

That she is the attorney for PDC Energy, Inc., that on or before December 30, 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.

to the parties listed on Exhibit A to the

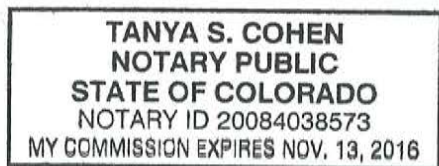


\_\_\_\_\_  
Jamie L. Jost

Subscribed and sworn to before me on December 13, 2012.

Witness my hand and official seal.

My commission expires: 11/13/2016



  
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Notary Public