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

IN THE MATTER OF AN APPLICATION OF BILL)	
BARRETT CORPORATION FOR AN ORDER)	CAUSE NO. 407
ALLOWING AN ADDITIONAL SEVEN)	
HORIZONTAL WELLS, FOR A TOTAL OF UP TO)	DOCKET NO. To be assigned
EIGHT HORIZONTAL WELLS FOR THE)	
APPROXIMATE 640-ACRE DRILLING AND)	
SPACING UNIT ESTABLISHED FOR SECTION 23,)	
TOWNSHIP 6 NORTH, RANGE 62 WEST, 6 TH P.M.,)	
NIOBRARA FORMATION, WATTENBERG 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 authorizing the drilling of seven (7) additional horizontal wells, for a total of up to eight (8) horizontal wells, for the approximate 640-acre drilling and spacing unit established for Section 23, Township 6 North, Range 62 West, 6th P.M., for the production of oil, gas and associated hydrocarbons from 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 6 North, Range 62 West, 6th P.M. Section 23: All

These lands are hereinafter referred to as the "Application Lands." A map depicting the acreage comprising the Application Lands, with existing wells capable of producing from the Niobrara Formation, is attached hereto and marked as <u>Exhibit A</u>.

- 3. On or about February 22, 2011, the Commission entered Order No. 535-4 (subject to pending corrections) which, among other things, established 640-acre drilling and spacing units for certain lands, including Section 23, Township 2 North, Range 62 West, 6th P.M., and approved one horizontal well for each unit, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation, with the surface location for any permitted well to be located anywhere on the surface, consistent with Rule 318A., and the treated interval of the wellbore to be no closer than 460 feet from the boundaries of the unit, without exception being granted by the Director.
- 4. BBC has obtained an Application for Permit-to-Drill, Form 2, for the Dutch Lake #15-23H Well (API #05-123-33781), a planned horizontal well issued under Order No. 535-4 for Section 23, Township 6 North, Range 62 West, 6th P.M.

- 5. Pursuant to §34-60-116(4), C.R.S., Applicant requests the Commission authorize the drilling of additional wells with the drilling and spacing unit established for the Application Lands. Applicant requests the Commission order authorizing up to seven (7) additional horizontal wells, for a total of up to eight (8) horizontal wells, for the approximate 640-acre drilling and spacing unit established for the Application Lands, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation.
- 6. Applicant states that those horizontal wells to be drilled under this Application will make reasonable efforts to minimize surface impacts by utilizing multi-well pads on the drilling unit, or on adjacent lands with consent of the landowner, without exception being granted by the Director.
- 7. Applicant states that, for any permitted wells to be drilled under this Application, the treated intervals of the wellbore should be not less than 460 feet from the unit boundaries with an inter-well setback of not less than 300 feet from the treated interval of a well producing from the Niobrara Formation, without exception being granted by the Director.
- 8. Applicant asserts that additional wells are necessary to prevent waste, protect correlative rights, and to assure the maximum efficient recovery of oil, gas and association hydrocarbons from the Niobrara Formation underlying the Application Lands.
- 9. That the names and addresses of the interested parties (owners within the Application Lands) according to the information and belief of the Applicant are set forth in Exhibit B attached hereto. The Applicant shall submit a certificate of service for the Application within 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. Authorizing the drilling of seven (7) additional horizontal wells, for a total of up to eight (8) horizontal wells, for the approximate 640-acre drilling and spacing unit established for Section 23, Township 6 North, Range 62 West, 6th P.M., for the production of oil, gas and associated hydrocarbons from the Niobrara Formation.
- B. Requiring that for any permitted wells to be drilled under this Application, the treated intervals of the wellbore shall be not less than 460 feet from the unit boundaries and an inter-well setback shall be not less than 300 feet from the treated interval of a well producing from the Niobrara Formation, without exception being granted by the Director.
- C. For such other findings and orders as the Commission may deem proper or advisable in the premises.

DATED this 24 day of January, 2013.

Respectfully submitted,

BILL BARRETT CORPORATION

Debort A Willia (Calarada Dar No. 262

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:

Bill Barrett Corporation

Attn: Colleen Kennedy, Senior Landman

1099 18th Street, Suite 2300

Denver, CO 80202

VERIFICATION

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

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 24th day of January, 2013, by Colleen Kennedy, Senior Landman for Bill Barrett Corporation.

Witness my hand and official seal.

My commission expires: _

KARA KONSTANTY

3 3 2015

Notary Public

Notary Public State of Colorado

00237541.13

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EXHIBIT B

INTERESTED PARTIES

The names and addresses of the interested parties (owners within Section 23, Township 6 North, Range 62 West, 6th P.M.) according to the information and belief of the Applicant are set forth in this Exhibit B.

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

Energy Liaison Colorado Parks & Wildlife 6060 Broadway Denver, CO 80216

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

George G. Vaught, Jr. P.O. Box 13557 Denver, CO 80201

Steven G. Shaddock 925 St. Andrews Lane Louisville, CO 80027

ZRC Minerals, LP P.O. Box 570174 Houston, TX 77257-0174

Sophia Rose Prince Spengler 520 Smithfield St. Mount Pleasant, PA Robert A. Willis Burleson LLP 1700 Lincoln St., Suite 1300 Denver, CO 80203

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

Paul L. McCulliss P.O. Box 3248 Littleton, CO 80161

Freeman Investments 3415 S. Clayton Blvd. Englewood, CO 80110

Osprey Resources, Inc. P.O. Box 56449 Houston, TX 77256-6449

William P. Ferguson Cornish, Colorado

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

IN THE MATTER OF THE PROMULGA AND ESTABLISHMENT OF FIELD RU GOVERN OPERATIONS IN THE WAT	LES TO)	CAUSE NO. 407 DOCKET NO. to be assigned	
FIELD, WELD COUNTY, COLORADO	TENDERG)	DOCKET NO. to be assigned	
AFFIDAVIT OF MAILING OF APPLICATION				
STATE OF COLORADO))ss.			
CITY AND COUNTY OF DENVER)			
Jessica Rauh, of lawful age, and being first duly sworn upon her oath, states and declares that she caused a copy of the APPLICATION (for an order authorizing the drilling of seven additional horizontal wells, for a total of up to eight horizontal wells for the approximate 640-acre drilling and spacing unit established for Section 23, Township 6 North, Range 62 West, 6 th P.M., for the production of oil, gas and associated hydrocarbons from the Niobrara Formation, in the above-captioned matter to be deposited in the United States Mail, postage prepaid, addressed to the interested parties on the attached Exhibit A on this day of January 2013.				
	Jess	<u>055</u> ica Ra	va Rauh	
Subscribed and sworn to before m	ie on the 25 o	lay of	January 2013.	
Witness my hand and official seal	. Odana Notary Pub	Cy lic	Libber)	
NANCY R. WEBER NOTARY PUBLIC STATE OF COLORADO NOTARY ID # 19974000612 MY COMMISSION EXPIRES JANUARY 15, 2017	·	ssion e	expires: 1/15/2017	