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

IN THE MATTER OF THE APPLICATION OF)	CAUSE NO. 535
CONOCOPHILLIPS COMPANY FOR AN ORDER)	
ESTABLISHING FIVE APPROXIMATE 640-ACRE)	DOCKET NO. 1303-SP
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 SECTIONS 20, 26, 27, 28 AND 33,)	
TOWNSHIP 4 SOUTH, RANGE 64 WEST,)	
ARAPAHOE COUNTY COLORADO		

VERIFIED APPLICATION

ConocoPhillips Company ("ConocoPhillips") by and through its attorneys, Lohf Shaiman Jacobs Hyman & Feiger PC, respectfully submits its Verified Application to the Oil and Gas Conservation Commission of the State of Colorado (the "Commission") for an order establishing five (5) approximate 640-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 (the "Application Lands"):

Township 4 South, Range 64 West of the 6th P.M. Sections 20, 26, 27, 28 and 33: All

- 3. The Application Lands are unspaced with respect to the Niobrara Formation, and are subject to Rule 318.a, which among other things provides that a well to be drilled in excess of two thousand five hundred (2,500) in depth shall be located not less than six hundred (600) feet from any lease line, and shall be located not less than one thousand two hundred (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.
- 4. 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. Two wells have been drilled to and produced from the "J" Sand Formation in Sections 26 and 28 of the Application Lands, but those wells are now plugged and abandoned.
- 5. 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 establish spacing units of approximately 640 acres, consisting of each section within the Application Lands, applicable to the drilling and producing of horizontal wells to the Niobrara Formation.

- 6. ConocoPhillips requests an order allowing it to drill and complete one horizontal well, with the option to drill a second horizontal well, in each 640-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, and no closer than 920 feet from the completed interval in another well producing from the same source of supply.
- 7. 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.
- 8. 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.
- 9. 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.
- 10. The proposed wells can be developed in a manner consistent with protection of the environment, public health, safety and welfare.
- 11. 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 Verified 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. Establishing the Application Lands as five (5) approximate 640-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 one horizontal well, with the option to drill a second horizontal well, in each such unit.
- B. 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.
- C. 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 21st day of January, 2013.

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

Address of Applicant: ConocoPhillips Company 3300 North "A" Street, Bldg 6 Midland, TX 79705

EXHIBIT "A"

TO VERIFIED 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:

Celia Greenman Colorado Division of Wildlife 6060 Broadway Denver, CO 80214	Kent Kuster Colorado Department of State Health and Environment 4300 Cherry Creek Drive South Denver, CO 80246-1530
Glenlake Energy Company	Willy Oil Company
705 Glenlake Drive	3821 S. Grape Street
Edmond, OK 73013	Denver, CO 80237
Andele Energy Co.	Eclipse Energy, LLC
1119 Maren Cove	1600 Preston Trail
Fort Collins, CO 80525	Fort Collins, CO 80525
Pamco Investments Corp. 7112-W. Jefferson Avenue Littleton, CO 80235	Fremont Energy Corp. 3030 N.W. Expressway, Suite 1602 Oklahoma City, OK 73112
Carla J. Albright	Charles D. Haunschild
1214 Greenbriar Drive	15217 Stoney Spring Road
Norman, OK 73072	Edmond, OK 73013
Jan Oil Company	Thomas G. and Mona Kenney
P.O. Box 20370	3542 Sleepy Hollow
Oklahoma City, OK 73156	Amarillo, TX 79121
The Langstroth Family Ltd. LWH Mortgage Funding Group 3111 N. Andrews Avenue Ft. Lauderdale, FL 33309	Robert L. and Paula J. Mabardy 10 Pearl Street Lexington, MA 02421

Powell Resources, Inc.	Milton and Natalie B. Shaw
3030 N.W. Expressway, Suite 1602	7309 Pomander Lane
Oklahoma City, OK 73112	Chevy Chase, MD 20815
Gerald R. Snyder	James B. and Susan S. Tollerton
P.O. Box 12207	P.O. Box 1059
Oklahoma City, OK 73157	Sarasota, FL 34230
Richard J. Valentine	The Henry Woodstone Trust
c/o The MBA Group	c/o Wilmington Trust of Pennsylvania
135 Wood Road	795 Lancaster Avenue
Braintree, MA 02184	Villanova, PA 19085
J.B. Caraway P.O. Box 484 Morrison, CO 80465	Bear Lake Estates, LLC 1515 Arapahoe St., Suite 1200 Denver, CO 80202
Renegade Oil & Gas Company	Matrix Energy, LLC
P.O. Box 460413	201 Linden Street, Suite 301
Aurora, CO 80046	Fort Collins, CO 80524
Marvin A. Morgan c/o Terry Bunn Route 6, Box 118 Duncan, OK 73534	Jackie K. Dalrymple 302 8 th Avenue Haddon Heights, NJ 08035
J & M Drilling Partnership 3030 N.W. Expressway, Suite 1602 Oklahoma City, OK 73112	Tom Luetkemeyer P.O. Box 271388 Oklahoma City, OK 73137
Robin Oil & Gas Corporation	Philip Sprankle
P.O. Box 271388	171 East Upjohn
Oklahoma City, OK 73137	Ridgecrest, CA 93555
J. Berry McCallan Family Trust	Pfeiffer Living Trust
17931 Cielo Court	418 Dana Lane
Poway, CA 92064	Barrington, IL 60010
Glenlake Energy Company 12412 St. Andrews Drive Oklahoma City, OK 73120	

VERIFICATION

	TE OF TEXAS)) ss. INTY OF MIDLAND)
that:	The undersigned, of lawful age, having been first sworn upon her oath, deposes and states
office	1. He is a Landman for the Applicant, ConocoPhillips Company, and he maintains his at 3300 North "A" Street, Bldg 6, Midland, TX 79705.
states	2. He has read the within application, is familiar with the facts set forth therein, and s that said facts are true and correct to the best of his knowledge and belief.
	Further Affiant sayeth not. Sm. Am. Carson Buckles
	Subscribed and sworn to before me this $2l$ day of January, 2013.
	Witness my hand and official seal. My commission expires:
	CATHY L: SITZ Notary Public, State of Texas My Commission Expires October 20, 2015 Notary Public Notary Public

his

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

IN THE MATTER OF THE APPLICAT CONOCOPHILLIPS COMPANY FOR AN ESTABLISHING FIVE APPROXIMATE 6 DRILLING AND SPACING UNITS, APPROTO TWO HORIZONTAL WELLS WITHII PROPOSED UNIT, AND ESTABLISHING LOCATION RULES FOR HORIZONTAL WITHE NIOBRARA FORMATION, UNNAME LOCATED IN SECTIONS 20, 26, 27, 28 TOWNSHIP 4 SOUTH, RANGE 64 ARAPAHOE COUNTY, COLORADO	ORDER) 40-ACRE) DOCKET NO. 1303-SP VING UP) N EACH) G WELL) ELLS TO) D FIELD)	
AFFIDAV	IT OF MAILING	
STATE OF COLORADO)		
) ss. CITY & COUNTY OF DENVER)		
J. Michael Morgan, of lawful age and be declares:	ing first duly sworn upon his oath, states and	
•	os Company in the above-captioned matter, that on a attached Application to be deposited in the United a parties listed on Exhibit A to the Application. J. Michael Morgan	
Subscribed and sworn to before me this 21 st day of January, 2013.		
Witness my hand and official seal. My commission expires: 09-13-2013	Jago Hoisinaton	
TARY PURICE	Tonja L. Hoisington, Notary Public	