## 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, IN PART, ORDER NO. 535-3	CAUSE NO.
AND ESTABLISHING AN APPROXIMATE	
640 ACRE UNIT IN SECTION 15,	DOCKET NO
TOWNSHIP 9 NORTH, RANGE 58 WEST,	
6 <sup>TH</sup> P.M., IN AN UNNAMED FIELD, CODELL-	
NIOBRARA FORMATION, WELD COUNTY,	
COLORADO	

### **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 ("Commission") for an order vacating Order No. 535-3, in part, and reestablishing a 640 acre unit for the production of oil, gas, and associated hydrocarbons from the Codell-Niobrara Formation covering certain described lands in Weld County, Colorado and 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 is a registered operator in good standing with the Commission.
- 2. Applicant holds a majority of the leasehold interests in the lands described below (hereafter the "Application Lands"):

Township 9 North, Range 58 West, 6<sup>TH</sup> P.M. Section 15: ALL

640 acres, more or less, Weld County, Colorado.

A reference map of the Application Lands is attached hereto.

- 3. The Codell-Niobrara Formation in this area is defined as the stratigraphic equivalent of the interval between 5,587 feet and 5,921 feet as found in the Rohn PC LD09-01 Well located in the NE/4NE/4 of Section 9, Township 9 North, Range 58 West, 6<sup>th</sup> P.M., Weld County, Colorado. The Codell-Niobrara Formation should be considered a common source of supply underlying the Application Lands because there is no significant stratigraphic barrier between the formations and could be completed as a single completion.
- 4. Order No. 535-3, entered by the Commission on February 22, 2011, established a 640 acre drilling and spacing unit for the Application Lands, allowed one (1) horizontal well in each unit for the production of oil, gas and associated hydrocarbons from the Niobrara Formation, and approved the surface location for any

permitted horizontal well to be located anywhere in the drilling and spacing unit with the initial perforation and ultimate bottomhole to be located no closer than 600 feet from the unit boundary without exception being granted by the Director.

- 5. Applicant requests that the Commission vacate Order No. 535-3 <u>only</u> as it applies to the Application Lands and apply the proposed unit method set forth below.
- 6. To promote efficient drainage within the Codell-Niobrara Formation of the Application Lands, to protect correlative rights and to avoid waste, the Commission should re-establish a unit of approximately 640 acres for the Application Lands.
- 7. That the above-proposed unit will allow efficient drainage of the Codell-Niobrara Formation; will prevent waste; will not adversely affect correlative rights and will assure the greatest ultimate recovery of gas and associated hydrocarbon substances from the reservoirs. The unit of the size and shape specified above is not smaller than the maximum area that can be economically and efficiently drained by the proposed well(s) in the unit.
- 8. That the Applicant is requesting to drill and complete the appropriate number of wells in order to efficiently and economically recover the oil, gas and associated hydrocarbons from the proposed unit.
- 9. The Applicant states that each proposed horizontal well shall be located on the surface anywhere within the unit, or on adjacent lands, with the treated interval of any horizontal well to be no closer than 600 feet from the boundaries of the unit and no closer than 150 feet from another horizontal wellbore in the unit, unless an exception is granted by the Director. The establishment of such unit will have no adverse effect on the correlative rights of adjacent owners.
- 10. Applicant requests that the Commission exclude any and all vertical or directional wells drilled and completed to the Codell-Niobrara Formation (or the Codell or Niobrara Formation individually, as indicated on the applicable Application for Permit to Drill "APD") from the proposed unit. Any production from vertical or directional wells drilled and completed to the Codell-Niobrara Formation (or the Codell or Niobrara Formation individually, as indicated on the applicable APD) shall continue to be allocated on the current payment of production basis and such allocation shall not be effected by the approval of this Application.
- 11. Applicant requests that the Commission include any and all horizontal wells drilled and completed to the Codell-Niobrara Formation (or the Codell or Niobrara Formation individually, as indicated on the application APD) in the proposed unit.
- 12. 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 consistent with Applicant's proposals as set forth above.

Dated this 24 day of January, 2013.

Respectfully submitted,

NOBLE ENERGY, INC.

Jamie L. Jost

Elizabeth Y. Gallaway Beatty & Wozniak, P.C. Attorneys for Applicant 216 16<sup>th</sup> Street, Suite 1100

Denver, Colorado 80202

(303)407-4499

Applicant's Address:

Noble Energy, Inc. ATTN: Zach Shearon 1625 Broadway, Suite 2200 Denver, Colorado 80202

### **VERIFICATION**

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

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/Lorenzo/ Attorney/In-Fact

Noble Energy, Inc.

Subscribed and sworn to before this  $22^{n3}$  day of January 2013.

Witness my hand and official seal.

[SEAL]

My commission expires:

PMYLLIS KAJIWARA NOTARY PUBLIC STATE OF COLORADO NOTARY ID 19984021145 Y COMMISSION EXPIRES CCTOBER 10, 2015 Thyuis Kajewara

# 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, IN PART, ORDER NO. 535-3 AND ESTABLISHING AN APPROXIMATE 640 ACRE UNIT IN SECTION 15, TOWNSHIP 9 NORTH, RANGE 58 WEST, 6 <sup>TH</sup> P.M., IN AN UNNAMED FIELD, CODELL-NIOBRARA FORMATION, WELD COUNTY, COLORADO	CAUSE NO
AFFIDAVIT OF	MAILING
STATE OF COLORADO ) )ss.	
CITY AND COUNTY OF DENVER )	
Jamie L. Jost, of lawful age, and being fi declares:	irst duly sworn upon her oath, states and
That she is the attorney for Noble Ene 2013, she caused a copy of the attached Ap States Mail, postage prepaid, addressed to Application.	oplication to be deposited in the United
Subscribed and sworn to before me Janu	uary <u>∄Ч,</u> 2013.
Witness my hand and official seal.	
My commission expires: 11/13/2010	<u>l</u> .
TANYA S. COHEN NOTARY PUBLIC STATE OF COLORADO NOTARY ID 20084038573 MY COMMISSION EXPIRES NOV. 13, 2016	Notary Public

#### **EXHIBIT A**

United States Department of the Interior, Bureau of Land Management 2850 Youngfield Street Lakewood, CO 80215-7093

Noble Energy WyCo, LLC 1625 Broadway, Suite 2200 Denver, CO 80202

Robert C. Julander, Dec. c/o Lance A. Julander 4185 South Oneida Street Denver, CO 80237

David Bauer Weld County 1111 H Street Greeley, CO 80632

Michael Warren
Energy Liaison
Colorado Parks and Wildlife
Northwest Regional Office
711 Independent Ave.
Grand Junction, CO 81505

Kent Kuster Colorado Department of Public Health & Environment 4300 Cherry Creek Drive South Denver, CO 80246-1530

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