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

IN THE MATTER OF AN APPLICATION FOR AN	)	
ORDER TO ESTABLISH AN APPROXIMATE 320-	)	CAUSE NO. 407
ACRE DRILLING AND SPACING UNIT FOR THE	)	
W½ OF SECTION 25, TOWNSHIP 6 NORTH,	)	DOCKET NO. To be assigned
RANGE 62 WEST, 6 <sup>TH</sup> P.M., FOR HORIZONTAL	)	
WELL DEVELOPMENT OF THE 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: (1) vacating the approximate 640-acre drilling and spacing unit, established under Order No. 535-4, for Section 25, Township 6 North, Range 62 West, 6<sup>th</sup> P.M., for the production of oil, gas and associated hydrocarbons from the Niobrara Formation; and (2) establishing an approximate 320-acre drilling and spacing unit for the W½ of said Section 25, and authorizing the drilling one (1) horizontal well within the proposed unit, 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 the substantial leasehold interests in the below-listed lands:

Township 6 North, Range 62 West, 6<sup>th</sup> P.M. Section 25: W<sup>1</sup>/<sub>2</sub>

These lands are hereinafter referred to as the "Application Lands." A map depicting the acreage comprising the Application Lands 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 25, Township 6 North, Range 62 West, 6<sup>th</sup> 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. Applicant has found a significant defect in the record chain of title of the mineral estate for the E½ of Section 25, Township 6 North, Range 62 West, 6<sup>th</sup> P.M.
- 5. Applicant requests the Commission enter its order: (1) vacating the approximate 640-acre drilling and spacing unit, established under Order No. 535-4, for Section

- 25, Township 6 North, Range 62 West, 6<sup>th</sup> P.M., for the production of oil, gas and associated hydrocarbons from the Niobrara Formation, and (2) establishing an approximate 320-acre drilling and spacing unit for the W½ of said Section 25, and authorizing the drilling one (1) horizontal well within the proposed unit, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation.
- 6. For the Application Lands, the proposed drilling unit is not smaller than the maximum area that can be economically and efficiently drained by one (1) horizontal well proposed to be drilled under this Application and completed in the Niobrara Formation, and is necessary to economically and efficiently recover resources, prevent waste, and protect correlative rights.
- 7. Applicant states that the horizontal well to be drilled under this Application will be drilled from a surface location described by Rule 318A(I).a., or on other lands with consent of the landowner, without exception being granted by the Director.
- 8. 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 proposed unit boundaries, without exception being granted by the Director.
- 9. Once the Commission enters its order vacating the approximate 640-acre drilling and spacing unit, established under Order No. 535-4, for Section 25, Township 6 North, Range 62 West, 6<sup>th</sup> P.M., the E½ of Section 25, Township 6 North, Range 62 West, 6<sup>th</sup> P.M., will not be subject to any spacing order, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation, and will revert to Rule 318A(I). for well location, spacing and unit designation.
- 10. The granting of this Application is in accord with the Oil and Gas Conservation Act, found at §34-60-101, et seq., C.R.S., and the Commission rules.
- 11. That the names and addresses of the interested parties (owners within Section 25, Township 6 North, Range 62 West, 6<sup>th</sup> P.M.) 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. Vacating the approximate 640-acre drilling and spacing unit established for Section 25, Township 6 North, Range 62 West, 6<sup>th</sup> P.M., for the production of oil, gas and associated hydrocarbons from the Niobrara Formation.
- B. Establishing an approximate 320-acre drilling and spacing unit for the W½ of Section 25, Township 6 North, Range 62 West, 6<sup>th</sup> P.M., and authorizing the drilling one (1) horizontal well within the proposed unit, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation.

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- C. Requiring that for the permitted well to be drilled under this Application, the treated intervals of the wellbore should be not less than 460 feet from the proposed unit boundaries, without exception being granted by the Director.
- D. Declaring the E½ of Section 25, Township 6 North, Range 62 West, 6<sup>th</sup> P.M., is not subject to any spacing order, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation, and those lands will revert to Rule 318A(I). for well location, spacing and unit designation.
- E. 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

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
Colleen Kennedy, Senior Landman
1099 18<sup>th</sup> Street, Suite 2300
Denver, CO 80202

### **VERIFICATION**

STATE OF COLORADO	)			
CITY & COUNTY OF DENVER	) ss. )			
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 244 day of January, 2013, by Colleen Kennedy, Senior Landman for Bill Barrett Corporation.				
Witness my hand and official seal.				
My commission expires: 3	2015			
KARA KONSTANTY Notary Public State of Colorado	Notary Public			

#### EXHIBIT B

#### INTERESTED PARTIES

The names and addresses of the interested parties (owners within Section 25, Township 6 North, Range 62 West, 6<sup>th</sup> P.M.) according to the information and belief of the Applicant are set forth in this Exhibit B.

Bill Barrett Corporation 1099 18<sup>th</sup> 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

L & S Capital, Ltd. 800 US Highway 36 Byers, CO 80103

Judy Tournillon 2530 E. Bijou St. Colorado Springs, CO 80909

Heirs of Billy Joe Kirkpatrick Unknown

Devona Carline Wear RR1, Box 39 Luray, MO 63453

Tina VonLienen c/o Jay Dee Lake 5407 S. Lloyd St. Spokane, WA 99223

Kevin Schmidt c/o Jay Dee Lake 5407 S. Lloyd St. Spokane, WA 99223 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

Colorado Land Services 1051 D West Highway 34 Loveland, CO 80537

TwentyTen, LLC c/o Jay Dee Lake 5407 S. Lloyd St. Spokane, WA 99223

Kathy Kerr Williamson 866 Mary Dr. North Pole, AK 99705

Keith D. Allison 3750 N. Cascade Avenue #9 Colorado Springs, CO 80907

Tanya S. D. Keller c/o Jay Dee Lake 5407 S. Lloyd St. Spokane, WA 99223

Konnie Legried c/o Jay Dee Lake 5407 S. Lloyd St. Spokane, WA 99223

Marvin Bradley Lake c/o Jay Dee Lake 5407 S. Lloyd St. Spokane, WA 99223 Deborah Ann Edstrom P.O. Box 1777 Bayfield, CO 81122

Peter Neil Justesen 3697 C. Rd 510 Ignacio, CO 81137

Michael Kirk Justesen 3699 C. Rd 510 Ignacio, CO 81137

Carrie Ann Smith P.O. Box 63 Mead, CO 80542

Diamond Resources Co. P.O. Box 1938 Williston, ND 58802-1938

James E. Stritchko and Edwina I. Stritchko 1006 Willow Ct. Longmont, CO 80503

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

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

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

Valerie E. Waterman 6610 Hwy 392 W Harrison, AR 72601-7719

Ruth Millett c/o Karen Waterman Hutchcraft P.O. Box 1622 Harrison, AR 72602-1622

Estate of Ralph A. McLaughlin c/o Dolores Christine Bertalot 13102 E. 42<sup>nd</sup> St. Tulsa, OK 74134

Rebecca Kay Justesen 3699 C. Rd 510 Ignacio, CO 81137

Jamie Ryan Justesen 3699 C. Rd 510 Ignacio, CO 81137

Jenny Elizabeth Schwarck 6710 Deer Land Anacortes, WA 98221

Melissa Leigh Branam 3791 Homestead Dr. Mead, CO 80542

Continental Resources, Inc. P.O. Box 1032 Enid, OK 73702

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

Karen Waterman Hutchcraft P.O. Box 1622 Harrison, AR 72602-1622

Harold W. McLaughlin 8939 S. Hillview Rd. Morrison, CO 80465

Stephen W. McLaughlin 8139 E 31<sup>st</sup> Pl Tulsa, OK 74145

Heirs of H. Stanley Pierce c/o Janet Bell 40847 O Rd. Paonia, CO 81428 Heirs of Alberta P. Wahlen c/o James Michael McGee 3276 Garland St. Wheatridge, CO 80033

Heirs of Mildred P. Smick c/o James Michael McGee 3276 Garland St. Wheatridge, CO 80033

Heirs of Jessie P. Eckler c/o James Michael McGee 3276 Garland St. Wheatridge, CO 80033

Annette Moore Lopez 1090 90<sup>th</sup> Avenue Thornton, CO 80229

Catherine Moore 4210 E. 100<sup>th</sup> Ave. #693 Thornton, CO 80229

Christia Reinert 820 Arlington Lot 6 Billings, MT 59101

Charles L. Carpenter III 848 Sandy Cove Lane Ft. Collins, CO 80525

Linda Carpenter Fisher 39 Calle Vallecitos Tijeras, NM 87059

Leonard Moore 9001 Federal Blvd. Denver, CO 80260

Philip Travers King 13220 Willow Lane Golden, CO 80401 Devisees of Georgia P. Barrett c/o David Burton Sawyer 3071 S. Gilpin St. Denver, CO 80210

Heirs of Lillian Hunsaker c/o James Michael McGee 3276 Garland St. Wheatridge, CO 80033

Karen Lynn Gdowski 6108 E. 121<sup>st</sup> Place Brighton, CO 80602

Arthur James Moore 3660 Raleigh Denver, CO 80210

Robert C. Moore 1875 Teller St. Lakewood, CO 80232

Christina Rae Jerger P.O. Box 7 Edwards, CO 81632

Nancy Carpenter 6990 W. 36<sup>th</sup> Avenue Wheatridge, CO 80033

Heather Fogel 1812 26<sup>th</sup> Avenue Place Greeley, CO 80634

Katherine Pearce Guilbault 71 Roger Williams Avenue Rumford, RI 02916

# 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 FIELD, WELD COUNTY, COLORADO	LES TO	) ) )	CAUSE NO. 407  DOCKET NO. to be assigned		
AFFIDAVIT OF MAILING OF APPLICATION					
STATE OF COLORADO  CITY AND COUNTY OF DENVER	) )ss.				
Jessica Rauh, of lawful age, and being first duly sworn upon her oath, states and declares that she caused a copy of the <b>APPLICATION</b> (for an order: (1) vacating the approximate 640-acre drilling and spacing unit, established under Order No. 535-4, for Section 25, Township 6 North, Range 62 West, 6 <sup>th</sup> P.M., for the production of oil, gas and associated hydrocarbons from the Niobrara Formation; and (2) establishing an approximate 320-acre drilling and spacing unit for the W½ of said Section 25, and authorizing the drilling of one (1) horizontal well within the proposed unit, 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 2540 day of January 2013.					
	Jess	<u>アムム</u> sica Ra	Ma Rauh		
Subscribed and sworn to before me on the 25 day of January 2013.					
Witness my hand and official seal	Notary Pub	<u>)( O(</u>	Alleber		
NANCY R. WEBER  NOTARY PUBLIC  STATE OF COLORADO  NOTARY ID # 19874000612  MY COMMISSION EXPIRES JANUARY 15, 2017		ssion (	expires: 1/15/2017		

#### **EXHIBIT A**

#### INTERESTED PARTIES

Bill Barrett Corporation 1099 18<sup>th</sup> Street, Suite 2300 Denver, CO 80202

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

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