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

THE MATTER OF THE **AMENDED** IN APPLICATION OF ENCANA OIL & GAS (USA) ORDER POOL ALL FOR AN TO INTERESTS IN FOUR APPROXIMATE 320-ACRE DESIGNATED WELLBORE SPACING UNITS AND ONE APPROXIMATE 160-ACRE DESIGNATED WELLBORE SPACING UNIT LOCATED IN SECTIONS 27 AND 28, TOWNSHIP 2 NORTH, RANGE 66 WEST, 6TH P.M., FOR THE SAND. CODELL AND **NIOBRARA** FORMATIONS, WATTENBERG FIELD, WELD COUNTY, COLORADO

CAUSE NO.

DOCKET NO. 1303-UP-68

AMENDED APPLICATION

COMES NOW Encana Oil & Gas (USA) Inc. ("Applicant"), by its attorneys, Beatty & Wozniak, P.C., and makes this amended application to the Oil and Gas Conservation Commission of the State of Colorado ("Commission") for an order pooling all interests within four approximate 320-acre and one approximate 160-acre designated wellbore spacing units for the drilling of the Maier 4B-28H-O266 Well (API No. to be determined) and the Maier 4D-28H Well (API No. to be determined), for the development of the Codell Formation, the Maier 4C-28H-P266 Well (API No. to be determined) and the Maier 4A-28H-O266 Well (API No. to be determined) for the development of the Niobrara Formation and the Diane 8-6-28 Well (API No. 05-123-35602) for the development of the J Sand, Codell and Niobrara Formations (collectively "Wells") on the following described lands:

Township 2 North, Range 66 West, 6th P.M.

Section 28: E½

(WSU#1 - Maier 4B-28H-O266)

Section 28: E½

(**WSU#2** - Maier 4D-28H)

Section 28: E½

(**WSU#3** - Maier 4C-28H-P266)

Section 28: W½E½, E½W½

(WSU#4 - Maier 4A-28H-O266)

Section 27: W1/2SW1/4

(WSU#5 - Diane 8-6-28)

Section 28: E½SE¼

Weld County, Colorado (hereinafter "Application Lands").

In support thereof, Applicant states and alleges as follows:

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 November 17, 1970, the Commission issued Order No. 232-1, which among other things established 320-acre drilling and spacing units for the production of gas and associated hydrocarbons from the "J" Sand Formation underlying certain lands in the Wattenberg Gas Spaced Area. On August 21, 1979, by Order No. 232-20 and October 19, 1981, by Order No. 232-23, Order No. 232-1 was amended allowing the drilling of an additional well on each 320-acre drilling and spacing unit.
- 4. 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.
- 5. 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 **J Sand, Codell and Niobrara Formations**.
- 6. Applicant designated the wellbore spacing units, as defined below, for the production of oil, gas, and associated hydrocarbons from the **J Sand, Codell and/or Niobrara Formation** pursuant to Rule 318A. and notified the appropriate parties under Rule 318A.
- 7. 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 Formation underlying the following approximate 320-acre designated wellbore spacing units:

Township 2 North, Range 66 West, 6th P.M.

Section 28: E¹/₂

(WSU#1 - Maier 4B-28H-O266)

Section 28: E¹/₂

(WSU#2 - Maier 4D-28H)

The Niobrara Formation underlying the following approximate 320-acre designated wellbore spacing units:

Township 2 North, Range 66 West, 6th P.M.

Section 28: E½

(WSU#3 - Maier 4C-28H-P266)

Section 28: W½E½, E½W½

(WSU#4 - Maier 4A-28H-O266)

The J Sand, Codell and Niobrara Formation underlying the following approximate 160 designated wellbore spacing unit:

Township 2 North, Range 66 West, 6th P.M.

Section 27: W1/2SW1/4

(WSU#5 - Diane 8-6-28)

Section 28: E½SE¼

- 8. Applicant requests that the Commission's pooling order be made effective as of the earlier of the original January 24, 2013 filing date for 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 the Maier 4B-28H-O266 Well and the Maier 4D-28H Well for the development of the Codell Formation, the Maier 4C-28H-P266 Well and the Maier 4A-28H-O266 Well for the development of the Niobrara Formation and the Diane 8-6-28 Well for the development of the J Sand, Codell and Niobrara Formations on the Application Lands.
- 9. 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.
- 10. That in order to prevent waste and to protect correlative rights, all interests in WSU#1, and WSU#2, should be pooled for the orderly development of the Codell Niobrara Formation, WSU#3, and WSU#4 should be pooled for the orderly development of the Niobrara Formation and, and WSU#5 for the development of the J Sand, 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 in WSU#1 and WSU#2 for the development of the Codell Formation, WSU#3 and WSU#4 for the development of the Niobrara Formation, and WSU#5 for the development of the J Sand, Codell and Niobrara Formations.
- B. Providing that the Commission's pooling order is made effective as of the earlier of the original January 24, 2013 filing date for 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 in WSU#1, and WSU#2, to the Codell Formation, WSU#3, and WSU#4 to the Niobrara Formation and WSU#5 for the development of the J Sand, 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 Well drilled to develop the Codell Formation in WSU#1 and WSU#2, the Niobrara Formation in WSU#3, and WSU#4 and the J Sand, Codell and Niobrara Formations in WSU#5 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 March, 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: **February** <u>25</u>, 2013.

Respectfully submitted:

Encana Oil & Gas (USA) Inc.

By:

Jamie L. Jost

Elizabeth Y. Gallaway 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: Encana Oil & Gas (USA) Inc.

ATTN: Lisa H. Roy

370 17th Street, Suite 1700

Denver, CO 80202

VERIFICATION

STATE OF COLORADO

Witness my hand and official seal.

My commission expires: ত্রি/

[SEAL]

CITY AND COUNTY OF DENVER)
Lisa H. Roy, of lawful age, being first duly sworn upon oath, deposes and says that she is a Land Negotiator for Encana Oil & Gas (USA) Inc. and that she has read the foregoing Amended Application and that the matters therein contained are true to the best of his knowledge, information
and belief. Lisa H. Roy
Land Negotiator Encana Oil & Gas (USA) Inc.
Subscribed and sworn to before this day of February 2013.

MARIAN M. LEARNED Notary Public State of Colorado

EXHIBIT A

Mary E. Dempsey Biondo Address Unknown

John Thomas Boston Estate, Patrick M. Groom, Trustee c/o Lind, Lawrence & Ottenhoff, LLP 1011 11th Avenue Greeley, CO 80631

Gerhard Maier 4605 Reed Street Wheatridge, CO 80033

Ursula Coltharp 4605 Reed Street Wheatridge, CO 80033

Public Service Company of Colorado 1225 17th Street Denver, CO 80202

John Michael Farrell 8145 W 71st Street Arvada, CO 80004

Martin and Berta Gutierrez, JT 7717 CR 31 Ft Lupton, CO 80621

Dorothy May Bird 7241 Weld County Road 31 Ft. Lupton, CO 80621

Kenneth Dorbandt PO Box 6111 San Antonio, TX 78209

Johathan Mahann Glover 7241 Weld County Road 31 Ft Lupton, CO 80621

Nancy Louise Holton 7241 Weld County Road 31 Ft Lupton, CO 80621

Beverly Hamm Rt. 1, Box 1430 Thorsby, AL 35171

Jonathan D.Glover 7241 Weld County Road 31 Ft Lupton, CO 80621 Anna May Schlegel 116 Foxdale Place Escondido, CA 92027

Robert John and Edna Mae Schlegel, Co-Trustees of the Schlegel Trust 2895 Brentwood Court Carlsbad, CA 92008

David Breickler PO Box 424 Hudson, CO 80642

Estate of Douglas E. Breickler, Shirley Breickler, PR 15169 Nancy Ave. Ft. Lupton, CO 80621

S. Joanne Jacobson 320 Gregory Dr. Golden, CO 80403

Jackie A Scott 3442 S. 62nd Road Humansville, MO 65674

Kevin Clark Scott 11570 Scout Camp Bismark, MO 63624

Leslie Renee Scott RR #1, Box 71 Weaubleau, MO 65774

Tracy Lyn Mason 511 N. Arthur Humansville, MO 65674

Kelly W. Scott 201 E. 368th Road Dunnegan, MO 65640

Danny J and Janie B Turner, JT 14503 Weld County Road 16 Ft Lupton, CO 80621

PDC Energy, Inc. 1775 Sherman Street, Suite 3000 Denver, CO 80202 Kerr McGee Oil & Gas Onshore LP 1099 18th Street, Suite 1800 Denver, CO 80202

Noble Energy, Inc 1625 Broadway, Suite 2200 Denver, CO 80202

Mission Oil Corporation 410 17th Street, Suite 1170 Denver, CO 80202

Larry Rider 32351 Coast Hwy. South Laguna, CA 92677

Socorro Energy & Minerals Address Unknown

Johnnie and Ruth Bernhardt 2506 17th Ave. Greeley, CO 80631

Nancy K. Hartley 2208 73rd Ave. Greeley, CO 80634

Buck and Betty Lowry 2008 Driftwood Lane Pueblo, CO 80634

Diane R. Rider PO Box 1500 Colton, CA 92324

G. Cal Setzer Address Unknown

Jim Wright 9270 Quitman Westminster, CO 80030

Joseph Whisenhand Address Unknown

Michael and Stephanie Murphy, JT 15335 Prinda Apple Valley, CA 92307

Paul Richard Address Unknown Robert E. Bruce 2010 46th Ave. No. 20 Greeley, CO 80634

Alvin O.Nordell Address unknown

Art Arndt 18512 Myron Livonia, MI 48152

Caryl Haverluk 2029 - 44th Avenue Greeley, CO 80634

Dan B. and Cynthia H. Burden, JT Address unknown

Edgar and Barbara Lohmann Address unknown

Eldon and Patricia Harrell 3303 Borrossa Street Greeley, CO 80634

Gary Bruce 100 Church Street LaSalle, CO 80654

Gerald and Kathleen Unrein PO Box 649 Eaton, CO 80615

Gus and Frances Jahnke, JT SVL 7146 Victorville, CA 92392

I. Hunter Crittenden Address unknown

J.C. Chambers PO Box 278 Brighton, CO 80601

James K. Winn 895 S. Lilac Street Milliken, CO 80543

John and Marvene Solberg Address unknown

Larry and Theresa Danielson Address unknown

Lynn Cavinder 16766 Walpi Apple Valley, CA 92307

Marvin Huck PO Box 278 Brighton, CO 80601

Nancy and R.I. Christman, JT Address unknown

Norris Mundy PO Box 29159 Denver, CO 80229

Paul and Dorothy Keil Address Unknown

Penrai Address Unknown

Roland and Agnes Arndt, JT 26405 Meadowview Drive Farmington Hills, MI 48330

Sykes Enter. Cor. Defined Benefit Plan Address Unknown

Bill Smith Address Unknown

Bruce and Lynn Billington, JT Address Unknown

Charles and Sonja Russell, JT Address Unknown

Cletus Carlton, Jr. 16093 Lakewood Victorville, CA 92392

Dan B. Burden Address Unknown

Danny and Debbie Finnigan, JT Address Unknown

David and TamieFawcett, JT Address Unknown

Donald L. Smith 107 Main Street Platteville, CO 80651 James E. and Alda Hodgson, JT Address Unknown

Jerrry and Daisy Stewart, JT 14010 Jicarilla Apple Valley,CA 92307

John R. Lautz PO Box 1370 San Gabriel, CA 91778

Marvelle Pariseau Address Unknown

Mark and Bonita Arndt, JT Address Unknown

Mel and Colleen Jahnke, JT PO Box 257 Fawnskin, CA 92333

Stacy M. Skinner Address Unknown

Trustee of Bernice Clementine Coburn Fitch Revocable Trust 1112 Bross Street Longmont, CO

William Walter Fehrn, Jr and Lawrence N. Fehrn, JT 1861 14th Street Ft Lupton, CO 80621

Dale L., Eleanor G, and Forest L. Tedford, JT 325 Stanford Street Brush, CO 80203

Bar Diamond, Inc. c/o Scott J. Strouts 1008 Plymouth Building 12 South Sixth Street Minneapolis, MN 55402

Samuel and Cheryl Ann Scheinberg Family Trust Agreement 2930 W Devils Lake Road Lincoln City, OR 97367

Elliot Marvin Appel PO Box 3707 Lacey, WA 98509

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

MATTER OF THE AMENDED IN THE APPLICATION OF ENCANA OIL & GAS (USA) INC. FOR AN ORDER TO POOL ALL INTERESTS **APPROXIMATE** 320-ACRE **FOUR** IN DESIGNATED WELLBORE SPACING UNITS **160-ACRE APPROXIMATE** AND ONE DESIGNATED WELLBORE SPACING UNIT LOCATED IN SECTIONS 27 AND 28, TOWNSHIP 2 NORTH, RANGE 66 WEST, 6TH P.M., FOR THE CODELL AND **NIOBRARA** SAND. FORMATIONS, WATTENBERG FIELD, WELD COUNTY, COLORADO

CAUSE NO.

DOCKET NO.

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

Gregory J. Nibert Jr. of lawful age, and being first duly sworn upon his oath, states and declares:

That she is the attorney for Encana Oil & Gas (USA) Inc., that on or before February <u>28</u>, 2013, he caused a copy of the attached **Amended** Application to be deposited in the United States Mail, postage prepaid, addressed to the parties listed on <u>Exhibit A</u> to the **Amended** Application.

Gregory (I) Nibert Jr.

Subscribed and sworn to before me on February 25, 2013.

Witness my hand and official seal.

My commission expires: 11/13/2016

TANYA S. COHEN NOTARY PUBLIC STATE OF COLORADO NOTARY ID 20084038573 MY COMMISSION EXPIRES NOV. 13, 2016

Notary Public