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

IN THE MATTER OF THE APPLICATION | CAUSE NO. OF HRM RESOURCES, LLC FOR AN ORDER POOLING ALL INTERESTS IN A 160-ACRE DRILLING AND SPACING **UNIT LOCATED SECTION 36. TOWNSHIP** 6 NORTH, RANGE 66 WEST, AND SECTION 31, TOWNSHIP 6 NORTH, RANGE 65 WEST 6TH P.M., IN THE CODELL AND NIOBRARA FORMATIONS. BRACEWELL FIELD, WELD COUNTY, COLORADO

DOCKET NO.

APPLICATION

HRM Resources, LLC ("Applicant"), by its attorneys, Beatty & Wozniak, P.C., submits this application to the Oil and Gas Conservation Commission of the State of Colorado ("Commission") for an order pooling all interests within an approximate 160acre wellbore spacing unit for the development of the Codell and Niobrara Formations by the drilling of the Hiner 8-2-36 Well ("the Well") on the following described lands:

> Township 6 North, Range 66 West, 6th P.M. Section 36: E½NE¼

> Township 6 North, Range 65 West, 6th P.M. Section 31: W½NW¼

Weld County, Colorado

("Application Lands" or "Wellbore Spacing Unit").

In support thereof, Applicant states and alleges as follows:

- Applicant is a limited liability company duly authorized to conduct business in the State of Colorado, and is a registered operator in good standing with the Commission.
 - 2. Applicant owns substantial leasehold interests in the Application Lands.
- 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 by operator designation. Rule 318A has been recodified as Rule 318A(I) with respect to the Greater Wattenberg Area outside of the City and County of Broomfield. The Application Lands are subject to Rule 318A(I) for the Codell and Niobrara Formation.

- 4. On January 17, 2013, Applicant sent notice letters designating a (boundary) wellbore spacing unit comprised of the Application Lands, pursuant to Rules 318A(I): a(4)C, e(2) and e(6). As of the date of this Application, no objections to the designation of the unit have been received.
- 5. Applicant, pursuant to Commission Rule 530 and the provisions of C.R.S. § 34-60-116 (6) and (7), seeks an order pooling all interests, including but not limited to, any nonconsenting interests, in the Wellbore Spacing Unit for development of the Codell and Niobrara Formations.
- 6.. Applicant requests that the Commission's pooling order be made effective as of the earlier of the date of 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 Well.
- 7.. 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 Well, and will be provided with the information required by Rule 530 as applicable.
- 8. That in order to prevent waste and to protect correlative rights, all interests in the Application Lands should be pooled for the orderly development of the Codell and Niobrara Formations, including any nonconsenting interests therein.

WHEREFORE, Applicant requests that this matter be set for hearing at the next available opportunity, 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:

- A. Pooling all interests in the Application Lands for the development of the Codell and Niobrara Formations.
- B. Providing that the Commission's pooling order is made effective as of the earlier of the date of 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 the Well.
- 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 Well 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.

D. For such other findings and orders as the Commission may deem proper or advisable in this matter.

Dated: January <u>24</u>, 2013.

Respectfully submitted:

HRM RESOURCES, LLC

By:

Kenneth A Wonstolen 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: HRM Resources LLC. c/o L. Roger Hutson 410 17th St., Suite 1200 Denver, CO 80202

VERIFICATION.

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

David Flake, of lawful age, being first duly sworn upon oath, deposes and says that he is the Chief Financial Officer of HRM Resources LLC 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.

David Flake
Chief Financial Officer
HRM Resources LLC

Subscribed and sworn to before this 24 day of January, 2013.

Witness my hand and official seal.

[SEAL]

My commission expires: 6-/6-2014

april for Verlasha

EXHIBIT A

Alfredo Nava and Carmela Nava 1406 N. 25th Ave. Ct. Greeley, CO 80631

Anselmo Ortega 1408 N. 26th Ave. Greeley, CO 80631

AVG and Company, LLP c/o Annabelle M. Canzona 3527 W. 12th St. Greeley, CO 80634

Bernadette Wendy Duran 1514 N. 25th Ave. Ct. Greeley, CO 80631

Byron Kent Grams and Jenny Lynette Grams 1501 N. 25th Ave. Greeley, CO 86031

City of Greeley, acting by and through its Water Enterprise c/o Greeley Water and Sewer Department 1100 10th St.
Greeley, CO 80631

Collier C. Foose 727 Peyton Dr. Ft Collins, CO 80525

Colony Improvement Corporation 1408 N. 26th Ave. Greeley, CO 80631

Darrell D. Wells 1831 Chesapeake Cir. Johnstown, CO 80534

David and Tammy Miracle 1509 N. 26th Ave. Greeley, CO 80631

Donaciano Andres Garcia and Andrea Garcia 408 11th Ave. Greeley, CO 80631

Emma Jean Silva 1516 N. 25th Ave. Greeley, CO 80631 Florentina Cavazos 1508 N. 25th Ave. Ct. Greeley, CO 80631

Francisco J. Madrigal 1415 N. 25th Ave. Greeley, CO 80631

Huga Nava and Rosario A. Ortiz 1414 N. 25th Ave. Ct. Greeley, CO 80631

Inez and Pedro R. Gutierrez 401 N. 21st Ave. Greeley, CO 80631

Javier and Leticia Gurrola 1409 N. 25th Ave Ct. Greeley, CO 80631

Pearl Gomez 1515 N. 26th Ave. Greeley, CO 80631

Pearl Gomez as Guardian of the Estate of Michael Gomez 1512 N. 26th Ave. Greeley, CO 80631

Michael Gomez 1512 N. 26th Ave. Greeley, CO 80631

Estate of Viola Anne Merrill c/o Jessica Anne Merrill 247 Chatham Dr. Colorado Springs, CO 80906

Estate of Viola Anne Merrill c/o John Mark Merrill P.O. Box 771767 Steamboat Springs, CO 80487

Delilah Fiechter 2121 24th Street Rd. Greeley, CO 80631

Johnny Gomez 4588 Hooker St. Denver, CO 80211 Joe Anthony Gutierrez and Linda Mae Rios 1405 N. 25th Ave. Ct. Greeley, CO 80631

Joe Anthony Gutierrez 1401 N. 25th Ave. Ct. Greeley, CO 80631

Jose A. and Beneranda Marquez 1513 N. 25th Ave. Greeley, CO 80631

Jose Mendoza 325 23rd Ave. Ct. Greeley, CO 80631

Jose Mendoza and Rosie Aguilor a/k/a Rosita Elvira Aguilar 1507 N. 25th Ave. Ct. Greeley, CO 80631

Joseph C. Filipponi, Trustee of the Joseph Filipponi Trust dated 3/21/2012 Box 337012 Greeley, CO 80633

Juana Rodriguez, Antonio Rodriguez and Yolanda Jorgensen 1405 N. 26th Ave. Greeley, CO 80631

Manuel Varela 1411 N. 26th Ave. Greeley, CO 80631

Manuel Varela and Aurora Varela 1411 N. 26th Ave. Greeley, CO 80631

Maria G. Martinez, Ignacio Martinez, and Valentino Martinez c/o Mary J. Martinez 4507 W. 3rd St. Greeley, CO 80634

Michael Anthony Gutierrez-Segura 4728 Everglade Ct. Greeley, CO 80634-9274

Nicolas R. Brownwood 24707 County Rd. #1 LaSalle, CO 80645

Pedro and Ernestina Rodriguez 1508 N. 25th Ave. Greeley, CO 80631 Pedro P. Gutierrez 1400 N. 25th Ave. Ct. Greeley, CO 80631

Peter B. and Zulema B. Gutierrez 1406 N. 26th Ave. Greeley, CO 80631

Peter N. Gutierrez, Joe B. Gutierrez, and Zulema B. Gutierrez 2511 M St. Greeley, CO 80631

Ruben Montoya 1413 N. 25th Ave. Ct. Greeley, CO 80631

Rose M. Castillo c/o Susie M. Jojola 1421 N. 25th Ave. Ct. Greeley, CO 80634-9274

Ruby Dee Gutierrez 1506 N. 26th Ave. Greeley, CO 80631

Saul Cisneros 1511 N. 25th Ave. Ct. Greeley, CO 80631

Sunshine Valley Petroleum Corp. 950 Stafford Casper, WY 82609

Washington Properties IV, LLC c/o Patti M. Stickler and David B. Stickler P.O. Box 7063 Loveland, CO 80537

Weld County, Colorado 1150 O. St. Room #107 Greeley, CO 80631

Jordance Energy, Inc. 1615 California St., Suite 702 Denver, CO 80202

Noble Energy Production, Inc. 1626 Broadway, Suite 2200 Denver, CO 80202

Kerr-McGee Oil and Gas Onshore, LP 1999 Broadway, Suite 3700 Denver, CO 80202 Wellstar Corporation 1616 Glenarm, Suite 1900 Denver, CO 80202

Pro-Active Investments, a Colorado Corporation 4070 S. Ivy Lane Englewood, CO 80111

Michael D. Zeitlin Grantor Trust 4181 S. Quebec Street Denver, CO 80237

MOGPI, a Colorado Corporation 3000 E. Geddes Place Littleton, CO 80122 Haynie Oil Company, Inc. 1580 Lincoln Street, Suite 400 Denver, CO 80203

Frank Wilson III and Deborah Z. Wilson, Trustees of the Wilson Family 2010 Trust dated 4/3/10 Colton, LLC 621 17th Street Denver, CO 80293

Milton V. Spencer, C-120 Petroleum Center San Antonio, TX 78209

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

IN THE MATTER OF THE APPLICATION OF HRM RESOURCES, LLC FOR AN ORDER POOLING ALL INTERESTS IN A 160-ACRE DRILLING AND SPACING UNIT LOCATED SECTION 36, TOWNSHIP 6 NORTH, RANGE 66 WEST, AND SECTION 31, TOWNSHIP 6 NORTH, RANGE 65 WEST 6TH P.M., IN THE CODELL AND NIOBRARA FORMATIONS, BRACEWELL FIELD, WELD COUNTY, COLORADO

CAUSE NO.

DOCKET NO.

AFFIDAVIT OF MAILING

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 he is the attorney for HRM Resources LLC, that on or before January 31, 2013, he caused a copy of the attached Application to be deposited in the United States Mail, postage prepaid, addressed to the parties listed on Exhibit A to the Application.

Gregory J. Nibert Jr

Subscribed and sworn to before me on January 24_, 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