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

IN THE MATTER OF AN APPLICATION OF BILL	)	
BARRETT CORPORATION FOR AN ORDER	)	CAUSE NO. 407
ESTABLISHING AN APPROXIMATE 640-ACRE	)	
DRILLING AND SPACING UNIT, WITH	)	DOCKET NO. To be assigned
AUTHORITY TO DRILL ONE HORIZONTAL	)	
WELL WITHIN THE UNIT, FOR SECTION 23,	)	
TOWNSHIP 6 NORTH, RANGE 62 WEST, 6 <sup>TH</sup> P.M.,	)	
CODELL 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 establishing an approximate 640-acre drilling and spacing unit, with authority to drill one horizontal well within the proposed unit, for Section 23, Township 6 North, Range 62 West, 6<sup>th</sup> P.M., for the production of oil, gas and associated hydrocarbons from the Codell 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 substantial leasehold interests in the below-listed lands:

Township 6 North, Range 62 West, 6<sup>th</sup> P.M. Section 23: All

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 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 Cretaceous Age Formations from the base of the Dakota Formation to the surface. Rule 318A, supersedes all prior Commission drilling and spacing orders affecting well location and density requirements of Greater Wattenberg Area wells. On December 5, 2005, Rule 318A, was amended, among other things, 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, among other things, to address drilling of horizontal wells. The Application Lands are subject to this rule for the Codell Formation.
- 4. Pursuant to §34-60-116(2), C.R.S., Applicant requests the Commission establish an approximate 640-acre drilling and spacing unit for the Application Lands, and authorize the drilling of one (1) horizontal well within the proposed unit, for the production of oil, gas and associated hydrocarbons from the Codell Formation.

- 5. 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 Codell Formation, and is necessary to economically and efficiently recover resources, prevent waste, and protect correlative rights.
- 6. 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.
- 7. Applicant states 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.
- 8. That the names and addresses of the interested parties (owners within the Application Lands) 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. Establishing an approximate 640-acre drilling and spacing unit for Section 23, 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 Codell Formation.
- B. 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.
- C. For such other findings and orders as the Commission may deem proper or advisable in the premises.

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- C. For such other findings and orders as the Commission may deem proper or advisable in the premises.

DATED this 7th day of March, 2013.

Respectfully submitted,

BILL BARRETT CORPORATION

By: You A William

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

Attn: Colleen Kennedy, Senior Landman

1099 18th Street, Suite 2300

Denver, CO 80202

### **VERIFICATION**

STATE OF COLORADO

) ss.

CITY & COUNTY OF DENVER

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 \_\_\_\_\_ day of March, 2013, by Colleen Kennedy, Senior Landman for Bill Barrett Corporation.

Witness my hand and official seal.

My commission expires:

Notary Public

NOTARY PUBLIC
STATE OF COLORADO
NOTARY ID # 19974000612
MY COMMISSION EXPIRES JANUARY 15, 2017

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### **EXHIBIT B**

#### INTERESTED PARTIES

The names and addresses of the interested parties (owners within Section 23, 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

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

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

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

Sophia Rose Prince Spengler 520 Smithfield St. Mount Pleasant, PA 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

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

William P. Ferguson Cornish, Colorado