

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

IN THE MATTER OF THE APPLICATION OF
PDC ENERGY, INC. FOR AN ORDER TO
POOL ALL INTERESTS IN AN APPROXIMATE
160-ACRE WELLBORE SPACING UNIT FOR
SECTION 7, TOWNSHIP 5 NORTH, RANGE 67
WEST, AND SECTION 12, TOWNSHIP 5
NORTH, RANGE 68 WEST 6TH P.M. IN THE
CODELL-NIOBRARA FORMATION,
WATTENBERG FIELD, WELD COUNTY,
COLORADO

CAUSE NO.

DOCKET NO.

APPLICATION

COMES NOW PDC Energy, Inc. ("Applicant"), by its attorneys, Beatty & Wozniak, P.C., and makes this application to the Oil and Gas Conservation Commission of the State of Colorado ("Commission") for an order pooling all interests in an approximate 160-acre wellbore spacing unit for the drilling of the Zeiler 7HDU Well (API No. 05-123-33233) ("Well") for the development of the Codell-Niobrara Formation on the following described lands:

Township 5 North, Range 67 West, 6th P.M.
Section 7: W $\frac{1}{2}$ SW $\frac{1}{4}$

Township 5 North, Range 68 West, 6th P.M.
Section 12: E $\frac{1}{2}$ SE $\frac{1}{4}$

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

In support thereof, 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 owns certain leasehold interests in the Application Lands.
3. 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-Niobrara Formation underlying certain lands, including the Application Lands, with the permitted well locations in accordance with the provisions of Order No. 407-1. Order Nos. 407-720 and 232-310 also includes portions of the Section 7, Township 5 North, Range 67 West, but do not apply to the Well and have no effect on the relief requested in the Application.
4. 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 Codell-Niobrara Formation.

5. Applicant designated an approximate 160-acre wellbore spacing unit as defined below, for the production of oil, gas, and associated hydrocarbons from the Codell-Niobrara Formation pursuant to Rule 318A. and notified the appropriate parties under Rule 318A.

6. 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-Niobrara Formation underlying the following designated wellbore spacing unit:

Township 5 North, Range 67 West, 6th P.M.
Section 7: W½SW¼

Township 5 North, Range 68 West, 6th P.M.
Section 12: E½SE¼

(hereafter, "the Wellbore Spacing Unit").

7. 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 to the Codell-Niobrara Formation on the Application Lands.

8. 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. The list of such interested parties is attached hereto as Exhibit A.

9. That in order to prevent waste and to protect correlative rights, all interests in the Wellbore Spacing Unit should be pooled for the orderly development of the Codell-Niobrara Formation, 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 the Wellbore Spacing Unit for the development of the Codell-Niobrara Formation.

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 each of the Well to the Codell-Niobrara Formation 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 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 with respect to the Well drilled to develop the Codell-Niobrara Formation in the Wellbore Spacing Unit comprising the Application Lands.

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

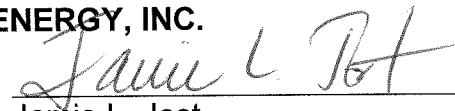
WHEREFORE, Applicant respectfully requests that this matter be set for hearing in May, 2013, that notice be given as required by law, and that upon such hearing, the Commission enter its order consistent with Applicant's request as set forth above.

Dated: March 7th, 2013.

Respectfully submitted:

PDC ENERGY, INC.

By:



Jamie L. Jost
Gregory J. Nibert Jr.
Beatty & Wozniak, P.C.
Attorneys for Applicant
216 16th Street, Suite 1100
Denver, Colorado 80202
(303) 407-4499

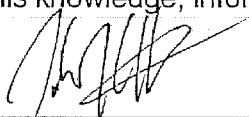
Applicant's Address:

PDC Energy, Inc.
ATTN: Marie McCord
1775 Sherman Street, Suite 3000
Denver, CO 80203-4341

VERIFICATION

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

John Krattenmaker, of lawful age, being first duly sworn upon oath, deposes and says that he is the Landman for PDC 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.



John Krattenmaker
Landman
PDC Energy, Inc.

Subscribed and sworn to before this ____ day of March, 2013.

Witness my hand and official seal.

[SEAL]

My commission expires: 3/5/14

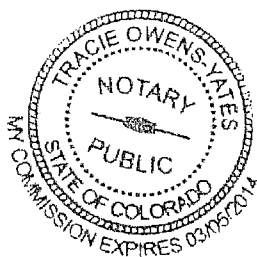
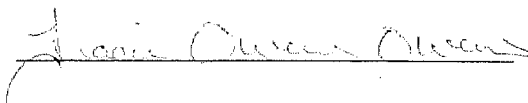


EXHIBIT A

Kerr-McGee Oil and Gas Onshore LP
1099 18th Street
Denver, CO 80202

Patriot Energy, LLC
1625 Pelican Lakes Point, Suite 201
Windsor, CO 80550

Anadarko E & P Company LLP
1099 18th Street, Suite 1800
Denver, CO 80202

Miracle Oil and Gas LLC
1218 West Ash Street, Suite A
Windsor, CO 80550

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)ss.
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That she is the attorney for PDC Energy, Inc., that on or before March 15, 2013, she 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.

Subscribed and sworn to before me on March 7, 2013.

My commission expires: April 16, 2016.

