# 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 320-ACRE DESIGNATED WELLBORE SPACING UNIT ESTABLISHED FOR SECTION 1, TOWNSHIP 6 NORTH, RANGE 67 WEST, 6TH P.M. FOR THE CODELL 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 320-acre designated wellbore spacing unit for the drilling of the Simonsen 1L-421 Well (API No. 05-123-35911) ("Well") for the development of the Codell Formation on the following described lands:

Township 6 North, Range 67 West, 6<sup>th</sup> P.M. Section 1: W½

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 Formation underlying certain lands, including the Application Lands, with the permitted well locations in accordance with the provisions of Order No. 407-1.
- 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 Formation.

- 5. Applicant designated an approximate 320-acre wellbore spacing unit as defined below, for the production of oil, gas, and associated hydrocarbons from the Codell 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 Formation underlying the following approximate 320-acre designated wellbore spacing unit:

Township 6 North, Range 67 West, 6<sup>th</sup> P.M. Section 1: W<sup>1</sup>/<sub>2</sub>

(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 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 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 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 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 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 June, 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.

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**

STATI	E OF	COL	OR	ADO

) 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 16th day of April, 2013.

Witness my hand and official seal.

[SEAL]

My commission expires: 3514



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

IN THE MATTER OF THE APPLICATION OF CAUSE NO. PDC ENERGY, INC. FOR AN ORDER TO POOL **INTERESTS** ALL IN DOCKET NO. ΑN APPROXIMATE 320-ACRE DESIGNATED WELLBORE SPACING UNIT ESTABLISHED FOR SECTION 1, TOWNSHIP 6 NORTH. RANGE 67 WEST, 6TH P.M. IN THE CODELL FORMATION. WATTENBERG FIELD, WELD COUNTY, COLORADO

### **AFFIDAVIT OF MAILING**

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

Jamie L. Jost of lawful age, and being first duly sworn upon her oath, states and declares:

That she is the attorney for PDC Energy, Inc., that on or before April 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.

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Subscribed and sworn to before me on April \_\_\_\_\_, 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≀ Pub{ic

#### Exhibit A

Lazy JJD Family, Ltd. 1425 Weld Cty Rd 32 Longmont, CO 80504

Doke Enterprises, Inc., 1425 Weld Cty Rd 32 Longmont, CO 80504

Scott Dvorak 507 Vivian Street Severance, CO 80546

Raymond L. Hudgens, Jr. and Judith D. Hudgens, as Joint Tenants 307 Jay Ave. Severance, CO 80546

Michelle Hasbargen and Dana Hasbargen, as Joint Tenants 506 Vivian Street Severance, CO 80546

Michael L. Coppola and Marie F. Turner, as Joint Tenants 507 Second Street Severance, CO 80546

Sean Vincent Ryan and Rhiannon Ryan, as Joint Tenants 517 Vivian Street Severance, CO 80546

Corey Schwartzkopf 523 Vivian Street Severance, CO 80546

Corey John Jaskolski and Ann Jaskolski, as Joint Tenants 508 Vivian Street Severance, CO 80546

Roger B. Hartshorn and Teresa A. Hartshorn, as Joint Tenants 510 Vivian Street Severance, CO 80546

Zachary Kaplan and Bonnie E. Skolnik 514 Vivian Street Severance, CO 80546 Weld County, Colorado 1400 N. 17th Ave. P.O. Box 458 Greeley, CO 80632

Eileen Kay White 107 Ruth Avenue Severance, CO 80546

Town of Severance, Colorado P.O. Box 122 231 West 4th Ave. Severance, Colorado 80546

Frank J. Wassenberg 403 Vivian St. Severance, CO 80546

Eric James Kos 306 Charles Ave. Severance, CO 80546

Kelly Harris and Timothy Harris 309 Central Ave. Severance, CO 80546

Michael W. Spiegel and Kathleen R. Spiegel, as Joint Tenants 308 Central Ave. Severance, CO 80546

Krystal A. Santiago and Denise R. Smith 505 Second Street Severance, CO 80546