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

CAUSE NO	_
DOCKET NO	

#### **APPLICATION**

Noble Energy, Inc. ("Applicant"), by and through its attorneys, Beatty & Wozniak, P.C., respectfully submits this Application to the Colorado Oil and Gas Conservation Commission ("Commission") for an order to 1) vacate three 640-acre drilling and spacing units established by Order No. 535-3, 2) vacate pooling Order Nos. 535-223 and 535-224, and 3) establish a 1920-acre unconventional resource unit for the production of oil, gas, and associated hydrocarbons from the Codell-Niobrara Formation covering certain described lands in Weld County, Colorado and in support of its Application, Applicant states and alleges as follows:

## **General Information**

- 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 holds a majority of the leasehold interests in the lands described below (hereafter the "Application Lands"):

Township 9 North, Range 59 West, 6<sup>TH</sup> P.M.

Section 20: ALL

Section 28: ALL

Section 29: ALL

1920-acres, more or less, Weld County, Colorado.

A reference map of the Application Lands is attached hereto.

3. The Codell-Niobrara Formation in this area is defined as the stratigraphic equivalent of the interval between -1100' TVDSS and -1410' TVDSS as found in the SW IGO 1 Well located in the SE/4 of Section 20, Township 9 North, Range 59 West, 6<sup>th</sup> P.M., Weld County, Colorado. The Codell-Niobrara Formation should be considered a common source of supply underlying the Application Lands because there is no significant stratigraphic barrier between the formations and couldbe completed as a single completion.

### **Existing Commission Orders**

- 4. Order No. 535-3, entered by the Commission on February 22, 2011, established 640 acre drilling and spacing units for Sections 20, 28 and 29 of the Application Lands, allowed one (1) horizontal well in each unit for the production of oil, gas and associated hydrocarbons from the Niobrara Formation, and approved the surface location for any permitted horizontal well to be located anywhere in the drilling and spacing unit with the initial perforation and ultimate bottomhole to be located no closer than 600 feet from the unit boundary without exception being granted by the Director.
- 5. Order No. 535-223, entered by the Commission on November 15, 2012, allowed all non-consenting interests in the 640 acre drilling and spacing unit established for Section 28 of the Application Lands to be pooled pursuant to 34-60-116, C.R.S. for the Niobrara formation.
- 6. Order No. 535-224, entered by the Commission on November 15, 2012, allowed all non-consenting interests in the 640 acre drilling and spacing unit established for Section 29 of the Application Lands to be pooled pursuant to 34-60-116, C.R.S. for the Niobrara formation.

## <u>Treatment of Existing Commission Orders</u>

- 7. Applicant requests that the Commission vacate Order No. 535-3 only as it applies to Sections 20, 28 and 29 of the Application Lands and apply the unit method set forth below.
  - 8. Applicant requests that the Commission vacate Order No. 535-223.
  - 9. Applicant requests that the Commission vacate Order No. 535-224.

## Request for 1920-acre Unit

- 10. To promote efficient drainage within the Codell-Niobrara Formation of the Application Lands, to protect correlative rights and to avoid waste, the Commission should establish an unconventional resource unit of approximately 1920-acres for the Application Lands.
- 11. That the above-proposed unit will allow efficient drainage of the Codell-Niobrara Formation; will prevent waste; will not adversely affect correlative rights and will assure the greatest ultimate recovery of gas and associated hydrocarbon substances from the reservoirs. The unit of the size and shape specified above is not smaller than the maximum area that can be economically and efficiently drained by the proposed well(s) in the unit.
- 12. That the Applicant is requesting to drill and complete the appropriate number of wells in order to efficiently and economically recover the oil, gas and associated hydrocarbons from the proposed unit, and shall be drilled from no more than eight well pads per section.
- 13. The Applicant states that the treated interval of any horizontal well to be no closer than 600 feet from the boundaries of the 1920-acre unit and no closer than 150 feet from another horizontal wellbore in the unit, unless an exception is granted by the Director. The establishment of such unit will have no adverse effect on the correlative rights of adjacent owners.

## **Treatment of Wells in Proposed Unit**

- 14. Applicant requests that the Commission exclude any and all vertical or directional wells drilled and completed to the Codell-Niobrara Formation (or the Codell or Niobrara Formation individually, as indicated on the applicable Application for Permit to Drill "APD") from the proposed unit. There are currently no producing vertical or directional wells on the Application Lands.
- 15. Applicant requests that the Commission include any and all horizontal wells drilled and completed to the Codell-Niobrara Formation (or the Codell or Niobrara Formation individually, as indicated on the applicable APD) in the proposed unit. There are currently three horizontal wells on the Application Lands.
- 16. That the names and addresses of the interested parties according to the information and belief of the Applicant are set forth in <u>Exhibit A</u> attached hereto and made a part hereof, and the undersigned certifies that copies of this Application shall be served on each interested party within the next 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 consistent with Applicant's proposals as set forth above.

Dated this day of May, 2013.

Respectfully submitted,

NOBLE ENERGY, INC.

Jamie L. Jost

Elizabeth Y. Gallaway

Beatty & Wozniak, P.C.

Attorneys for Applicant

216 16<sup>th</sup> Street, Suite 1100

Denver, Colorado 80202

(303)407-4499

Applicant's Address:

Noble Energy, Inc. ATTN: Casey Kimball

1625 Broadway, Suite 2200

Denver, Colorado 80202

## **VERIFICATION**

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

Casey Kimble, of lawful age, being first duly sworn upon oath, deposes and says that he is a Land Negotiator Advisor for Noble 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.

Casey Kimble

Land Negotiator Advisor Noble Energy, Inc.

Subscribed and sworn to before this  $2g^{+h}$  day of May, 2013.

Witness my hand and official seal.

[SEAL]

PHYLLIS KAJIWARA NOTARY PUBLIC STATE OF COLORADO NOTARY ID # 19984021145 MY COMMISSION EXPIRES OCTOBER 10, 2015

My commission expires: 10-10-2015

Phyllis Klizunara

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

IN THE MATTER OF THE APPLICATION OF NOBLE ENERGY, INC. FOR AN ORDER TO VACATE THREE 640-ACRE DRILLING AND SPACING UNITS ESTABLISHED BY ORDER NO. 535-3,VACATE POOLING ORDER NOS. 535-223 AND 525-224, AND ESTABLISH AN APPROXIMATE 1920-ACRE UNCONVENTIONAL RESOURCE UNIT IN SECTIONS 20, 28 AND 29, TOWNSHIP 9 NORTH, RANGE 59 WEST, 6 <sup>TH</sup> P.M., IN AN UNNAMED FIELD, CODELL-NIOBRARA FORMATION, WELD COUNTY, COLORADO	CAUSE NO  DOCKET NO
AFFIDAVIT OF M	<u>IAILING</u>
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 Noble Energy, Ir caused a copy of the attached Application to be deprepaid, addressed to the parties listed on Exhibit A to Jamie	eposited in the United States Mail, postage the Application.  We have the states of the Application of the A
Subscribed and sworn to before me May <u>30</u> , 20	13.
Witness my hand and official seal.	
My commission expires: 1113 2016.	
TANYA S. COHEN NOTARY PUBLIC STATE OF COLORADO NOTARY ID 20084038573 MY COMMISSION EXPIRES NOV. 13, 2016	Rublic Rublic

### **EXHIBIT A**

Ptasnik Land Company 4815 South Vine Street Englewood, CO 80113

Heirs of Olga Pearl Cottrell c/o Zeltha Cottrell Talbot 57 South McKinley Ave Battle Creek, MI 49017

Heirs of Zeltha Cottrell Talbot 57 South McKinley Ave Battle Creek, MI 49017

Noble Energy WyCo, LLC 1625 Broadway, Suite 2200 Denver, CO 80202

Carrizo (Niobrara) LLC 500 Dallas Street, Suite 2300 Houston, TX 77002

OIL India (USA) Inc. 800 Brazos St, Ste 400 Austin, TX 78701

IOCL (USA) Inc. 800 Brazos St, Ste 400 Austin, TX 78701

Haimo Oil & Gas, LLC Attn: Mr. Zhi Lin 2901 Wilcrest Dr., Ste. 285 Houston, TX 77042

U.S. AgBank, FCB fka Farm Credit Bank of Wichita 245 N. Waco St. Wichita, KS 67202

David Bauer Weld County 1111 H Street Greeley, CO 80632 Tom Schreiner Colorado Parks and Wildlife 6060 Broadway Denver, CO 80216

Kent Kuster Colorado Department of Public Health & Environment 4300 Cherry Creek Drive South Denver, CO 80246-1530

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