

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

IN THE MATTER OF AN APPLICATION BY BILL	)	
BARRETT CORPORATION FOR AN ORDER	)	CAUSE NOS. 407 & 535
AUTHORIZING ADDITIONAL WELLS IN THE 640-	)	
ACRE DRILLING AND SPACING UNIT ESTABLISHED	)	DOCKET NO. <i>To be assigned</i>
FOR SECTION 10, TOWNSHIP 6 NORTH, RANGE 62	)	
WEST, 6 TH P.M., FOR HORIZONTAL WELL	)	
DEVELOPMENT OF THE NIOBRARA FORMATION,	)	
AND AN ORDER ESTABLISHING A 640-ACRE UNIT	)	
FOR SAID SECTION 10, FOR HORIZONTAL WELL	)	
DEVELOPMENT OF THE 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: (1) authorizing the drilling of an additional seven (7) horizontal wells, for a total up to eight (8) horizontal wells, in the approximate 640-acre drilling and spacing unit established for Section 10, Township 6 North, Range 62 West, 6th P.M., for the production of oil, gas and associated hydrocarbons from the Niobrara Formation; and (2) establishing an approximate 640-acre drilling and spacing unit for said Section 10, and authorizing the drilling of up to four (4) horizontal wells within the proposed unit, 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 majority leasehold interests in the below-listed lands:

Township 6 North, Range 62 West, 6th P.M.
Section 10: 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 Exhibit A.

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 certain aspects of this Rule for the Codell and Niobrara Formations.

Authority to Drill Additional Horizontal Wells within the Niobrara Formation

4. On or about February 22, 2011, the Commission entered Order No. 535-4 (corrected on April 4, 2013) which, among other things, established 640-acre drilling and spacing units for certain lands, including the Application Lands, and approved one horizontal well for each unit, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation, with the treated interval of the permitted wellbore to be located no closer than 460 feet from the boundaries of the unit.

5. On or about January 23, 2012, the Commission entered Order No. 407-529 which, among other things, approved a well location exception from the Rule 318A. Greater Wattenberg Area drilling windows for the Dutch Lake #08-10H Well, to be drilled from a surface location of 519 feet FNL and 230 feet FWL in the NW¼ NW¼ of Section 10, Township 6 North, Range 62 West, 6th P.M., for the production of oil, gas and associated hydrocarbons from the Niobrara Formation.

6. Pursuant to §34-60-116(4), C.R.S., Applicant requests the Commission authorize the drilling of additional wells with the drilling and spacing unit established for the Application Lands. Applicant requests the Commission order authorizing up to seven (7) additional horizontal wells, for a total of up to eight (8) horizontal wells, for the approximate 640-acre drilling and spacing unit established for the Application Lands, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation.

7. Applicant states that any horizontal wells to be drilled under this Application will be drilled from two multi-well pads on the surface of the drilling unit from prescribed Rule 318A. Greater Wattenberg Area drilling windows, or on adjacent lands with consent of the landowner, without exception being granted by the Director.

8. Applicant states that, for any permitted wells to be drilled under this Application, the treated intervals of the wellbore should be not less than 460 feet from the unit boundaries with an inter-well setback of not less than 150 feet from the treated interval of a well producing from the Niobrara Formation, without exception being granted by the Director.

Establishment of a 640-acre Drilling Unit for Horizontal Well Development of the Codell Formation

9. The Application Lands are unspaced with respect to the Codell Formation, which are common sources of supply underlying said lands and, as such, Rule 318.a. applies to said lands and under said rule, wells greater than 2,500 feet in depth shall be located not less than 600 feet from any lease line, and shall not be located less than 1,200 feet from any other producible or drilling well when drilling to the same common source of supply, unless authorized by order of the Commission upon hearing.

10. Applicant requests the Commission establish the Application Lands as an approximate 640-acre drilling and spacing unit for the Codell Formation pursuant to Rule 503.b.(1) and §34-60-116(2), C.R.S. For the Application Lands, the proposed drilling unit is not smaller than the maximum area that can be economically and efficiently drained by the

horizontal wells proposed to be drilled under this Application and completed in the Codell Formation.

11. Applicant requests it be authorized to drill and complete up to four (4) horizontal wells in the approximate 640-acre drilling and spacing unit for the Application Lands, for the production of oil, gas and associated hydrocarbons from the Codell Formation, as necessary to economically and efficiently recover resources, while minimizing surface impacts, creating efficiencies for drilling and production, increasing the ultimate recovery of the reserves, preventing waste, and protecting correlative rights.

12. Applicant states that any horizontal wells to be drilled under this Application will be drilled from two multi-well pads on the surface of the drilling unit from prescribed Rule 318A. Greater Wattenberg Area drilling windows, or on adjacent lands with consent of the landowner, without exception being granted by the Director.

13. Applicant states that, for any permitted wells to be drilled under this Application, the treated intervals of the wellbore should be not less than 460 feet from the outer boundary of the proposed drilling unit and not less than 150 feet from any other well or treated interval of any well being drilled or producing from the Codell Formation, without exception being granted by the Director.

* * *

14. The granting of this Application is in accord with the Oil and Gas Conservation Act, found at §34-60-101, *et seq.*, C.R.S., and the Commission rules.

15. That the names and addresses of the interested parties (owners within the proposed drilling unit) and an associated certificate of service shall be submitted 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. Authorizing the drilling of an additional seven (7) horizontal wells, for a total up to eight (8) horizontal wells, in the approximate 640-acre drilling and spacing unit established for Section 10, Township 6 North, Range 62 West, 6th P.M., for the production of oil, gas and associated hydrocarbons from the Niobrara Formation, with the treated intervals of the wellbore of any permitted wells to be located not less than 460 feet from the outer boundary of the proposed unit and not less than 150 feet from the treated interval of any well being drilled or producing from the Niobrara Formation, without exception being granted by the Director.

B. Establishing an approximate 640-acre drilling and spacing unit for Section 10, Township 6 North, Range 62 West, 6th P.M., and authorizing the drilling of up to four (4) horizontal wells within the proposed unit, for the production of oil, gas and associated hydrocarbons from the Codell Formation, with the treated intervals of the wellbore of any permitted wells to be located not less than 460 feet from the outer boundary of the proposed unit and not less than 150 feet from the treated interval of any well being drilled or producing from the Codell Formation, without exception being granted by the Director.

C. Requiring that any permitted wells to be drilled under this Application should be drilled from two multi-well pads on the surface of the drilling unit from prescribed Rule 318A. Greater Wattenberg Area drilling windows, or on adjacent lands with consent of the landowner, without exception being granted by the Director.

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

DATED this 30th day of May, 2013.

Respectfully submitted,

BILL BARRETT CORPORATION

By: 

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

BILL BARRETT CORPORATION

[Handwritten signature]

Hal Writer

Witness my hand and official seal.

My commission expires: 1-15-2017

Nancy R. Weber
Notary Public

NANCY R. WEBER
NOTARY PUBLIC
STATE OF COLORADO
NOTARY ID # 19974000612
MY COMMISSION EXPIRES JANUARY 15, 2017

Application Lands - 

Sec. 10, T6N, R62W
Weld County

Exhibit A
Application Map

13	18	17	16	15	14	13	18	17
24	19	20	21	22	23	24	19	20
25	30	29	28 T7N R62W	27	26	25	30	29
36	31	32	33	34	35	36	31	32
1	6	5	4	3	2	1	6	5
12	7	8	9	10	11	12	7	8
13	18	17	16 T6N R62W	15	14	13	18	17