

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

IN THE MATTER OF THE APPLICATION OF
GREAT WESTERN OPERATING COMPANY,
LLC FOR AN ORDER ESTABLISH TWO
APPROXIMATE 320-ACRE DRILLING AND
SPACING UNITS FOR SECTION 1,
TOWNSHIP 1 NORTH, RANGE 59 WEST 6TH
P.M., FOR THE CODELL-NIOBRARA
FORMATION, UNNAMED FIELD, WELD
COUNTY, COLORADO

Cause No.

Docket No.

APPLICATION

Great Western Operating Company, LLC ("Applicant"), by and through its attorneys, Beatty & Wozniak, P.C., respectfully submits this Application to the Colorado Oil and Gas Conservation Commission (the "Commission"), pursuant to C.R.S. 34-60-116, for an order to establish two approximate horizontal well 320-acre drilling and spacing units for the production of oil, gas, and associated hydrocarbons from the Codell-Niobrara Formation in the following lands:

Township 1 North, Range 65 West, 6th P.M.

Section 1: E½ (DSU#1)

Section 1: W½ (DSU#2)

Weld County, Colorado ("Application Lands").

In support thereof, Applicant states and alleges as follows:

1. Applicant is a limited liability company duly authorized to conduct business in the State of Colorado, and is a registered operator in good standing with the Commission.
2. Applicant owns leasehold interests or holds the right to operate 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, gas and associated hydrocarbons from the Codell and Niobrara Formations, 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 but did not prohibit the establishment of drilling and spacing units within the Greater Wattenberg Area.

5. There are existing vertical and/or directional wells drilled and completed to the Codell-Niobrara Formation on the Application Lands. Applicant confirms that such wells are excluded from the proposed horizontal well 320-acre drilling and spacing units and that the allocation of proceeds from such wells shall continue to be paid on their current spacing or leasehold status.

6. Applicant requests that the Commission create two approximate horizontal well 320-acre drilling and spacing units on the Application Lands for horizontal well development and the operation of the Codell-Niobrara Formation.

7. Applicant requests that it be authorized to drill and complete up to six (6) horizontal wells within each unit with the treated interval of the horizontal wells located no closer than 460' from the boundaries of the drilling and spacing unit and no closer than 150' from the treated interval of any other wellbore located in the unit, without exception being granted by the Director.

8. Applicant has an executed Surface Use Agreement and consent to locate the wellpads outside of the designated GWA drilling windows. If, however, there is a change in the location of the wellpads, then Applicant requests authorization to locate the wellpads for the proposed horizontal wells anywhere within the unit, or on adjacent lands and further requests confirmation that it shall be allowed to utilize its blanket bond to located the wellpads for the proposed horizontal wells on at a surface location outside the applicable GWA drilling window, if applicable. As a courtesy, the surface owner has been provided notice of this Application.

9. Applicant asserts that establishing two approximate horizontal well 320-acre drilling and spacing unit son the Application Lands will allow for economic and efficient drainage of the Codell-Niobrara Formation; will prevent waste; will not adversely affect correlative rights and will assure the greatest ultimate recovery of oil and associated hydrocarbon substances from the Codell-Niobrara Formation. The two horizontal well 320-acre drilling and spacing units are not smaller than the maximum area that can be economically and efficiently drained by the proposed well in the Codell-Niobrara Formation within each unit.

10. That the names and addresses of the interested parties according to the information and belief of the Applicant are set forth in Exhibit A 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:

A. Establishing two (2) approximate horizontal well 320-acre drilling and spacing unit for the Codell-Niobrara Formation and authorizing six (6) horizontal wells within each unit.

B. Providing that the treated interval of each horizontal well shall be no closer than 460' from the boundaries of the drilling and spacing unit and no closer than 150' from the treated interval of any other wellbore located in the unit, without exception being granted by the Director.

C. Acknowledging that there is an executed Surface Use Agreement and consent to locate the wellpads outside of the designated GWA drilling window and, if there is a change in the location of the wellpads, then authorizing Applicant to locate the wellpads anywhere within the unit, or on adjacent lands and confirming that Applicant may utilize its blanket bond to locate the wellpads for the proposed horizontal wells on at a surface location outside the applicable GWA drilling window, if applicable.

D. Finding that the two approximate horizontal well 320-acre drilling and spacing units will prevent waste, protect correlative rights, and will maximize the efficient and economic production of the Codell-Niobrara Formation on the Application Lands; and

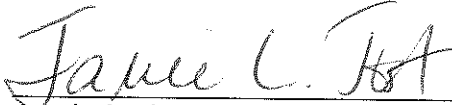
E. Granting any other relief as may be appropriate.

Dated this 30th day of May, 2013.

Respectfully submitted,

GREAT WESTERN OPERATING COMPANY, LLC

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:

Great Western Operating Company, LLC
ATTN: K. Wade Pollard, CPL
1700 Broadway, Suite 650
Denver, CO 80290

VERIFICATION

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

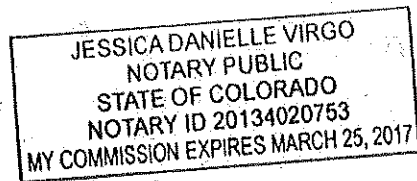
K. Wade Pollard, of lawful age, being first duly sworn upon oath, deposes and says that he is the Land Manager for Great Western Operating Company, LLC and that he has read the foregoing Application and that the matters therein contained are true to the best of his knowledge, information and belief.

K. Wade Pollard #
K. Wade Pollard
Land Manager
Great Western Operating Company, LLC

Subscribed and sworn to before this 20 day of May, 2013.

Witness my hand and official seal.

[SEAL]



My commission expires: March 25, 2017

Jessica Virgo
Notary Public

IN THE MATTER OF THE APPLICATION OF
GREAT WESTERN OPERATING COMPANY,
LLC FOR AN ORDER TO VACATE EIGHT 80-
ACRE DRILLING AND SPACING UNITS
ESTABLISHED BY ORDER 407-87 AND
ESTABLISH TWO APPROXIMATE 320-
ACRE DRILLING AND SPACING UNITS FOR
SECTION 1, TOWNSHIP 1 NORTH, RANGE
59 WEST 6TH P.M., FOR THE CODELL-
NIOBRARA FORMATION, UNNAMED FIELD,
WELD COUNTY, COLORADO

Docket No.

Notary Public

EXHIBIT A
INTERESTED PARTIES

Great Western Operating Company, LLC
ATTN: K. Wade Pollard, CPL
1700 Broadway, Suite 650
Denver, CO 80290

Andarko Land Corporation
1099 18th Street, #309
Denver, CO 80202

Marex U.S., Inc.
5646 Milton Street, #309
Denver, CO 75203

David Bauer
Weld County
1111 H Street
Greeley, CO 80632

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

Tom Schreiner, Energy Liaison
Colorado Parks and Wildlife
Northeast Regional Office
6060 Broadway
Denver, CO 80216

Surface Owner (Courtesy Notice Only)

Taoka Family Limited Partnership
1964 S. Parfet Drive
Lakewood, CO 80228