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

IN THE MATTER OF THE **AMENDED** APPLICATION OF WPX ENERGY ROCKY MOUNTAIN. LLC FOR AN ORDER ESTABLISHING AN APPROXIMATE 362.73-ACRE DRILLING AND SPACING UNIT IN SECTIONS 21 AND 28, TOWNSHIP 6 SOUTH, RANGE 96 WEST, 6<sup>TH</sup> P.M., IN AN UNNAMED FIELD, MANCOS, NIOBRARA, FRONTIER. MOWRY AND DAKOTA FORMATIONS, GARFIELD COUNTY, COLORADO

CAUSE NO. 479, 495 & 510

DOCKET NO. 1309-SP-1167

### **AMENDED APPLICATION**

WPX Energy Rocky Mountain, LLC ("Applicant"), by and through its attorneys, Beatty & Wozniak, P.C., respectfully submits this **Amended** Application to the Colorado Oil and Gas Conservation Commission ("Commission"), pursuant to C.R.S. § 34-60-116, for an order establishing an approximate 362.73-acre drilling and spacing unit for the production of oil, gas, and associated hydrocarbons from the Mancos, Niobrara, Frontier, Mowry and Dakota Formations (collectively, the "Mancos Group") underlying the following lands:

Township 6 South, Range 96 West, 6TH P.M.

Section 21: Lots 1-5, E½NW¼, NE¼SW¼

Section 28: Lots 3-4

Garfield County, Colorado (hereafter the "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.
- 2. Applicant owns a substantial portion of the leasehold interests on the Application Lands. A reference map of the Application Lands is attached hereto.
- 3. Rule 318.a. of the Rules and Regulations of the Oil and Gas Conservation Commission requires that wells drilled in in excess of two thousand five hundred (2,500) feet in depth shall be located not less than six hundred (600) feet from any lease line, and shall be located not less than one thousand two hundred (1,200) feet from any other producible or drilling oil or gas well when drilling to the same source of supply, unless authorized by order of the Commission upon hearing. There are no other specific Commission Orders applicable to the Mancos Group underlying the Application Lands.
- 4. Applicant requests that the Commission create an approximate 362.73-acre drilling and spacing unit on the Application Lands for the development and operation of the Mancos Group.

- 5. Applicant requests that it be authorized to drill and complete up to four (4) horizontal wells within the approximate 362.73-acre drilling and spacing unit comprised of the Application Lands and that there will be no adverse effect on correlative rights of adjacent owners.
- 6. Applicant maintains that there be no more than one (1) additional wellpad on the Application Lands and the treated interval of each proposed horizontal well shall be no closer than 300 feet from the boundaries of the unit (regardless of the lease lines within the unit) and no closer than 150 feet from the treated interval of another well within the unit, unless an exception is granted by the Director.
- 7. Applicant asserts that establishing an approximate 362.73-acre drilling and spacing on the Application Lands will allow for economic and efficient drainage of the Mancos Group; will prevent waste; will not adversely affect correlative rights and will assure the greatest ultimate recovery of oil and associated hydrocarbons from the Mancos Group. A 362.73-acre drilling and spacing unit is not smaller than the maximum area that can be economically and efficiently drained by the proposed horizontal wells for the Mancos Group within such unit.
- 8. 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:

- A. Establishing the Application Lands as an approximate 362.73-acre drilling and spacing unit for the Mancos Group and authorizing up to four (4) horizontal wells within the unit.
- B. Providing that that there be no more than one (1) additional wellpad located within the unit and the treated interval of each proposed horizontal well shall be no closer than 300 feet from the boundaries of the unit and no closer than 150 feet from the treated interval of another well within the unit, unless an exception is granted by the Director.
- C. Finding that an approximate 362.73-acre drilling and spacing unit will prevent waste, protect correlative rights, and will maximize the efficient and economic production of the Mancos Group on the Application Lands.
  - D. Granting any other relief as may be appropriate.

## Dated this 16 day of August, 2013.

Respectfully submitted,

WPX ENERGY ROCKY MOUNTAIN, LLC

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

Applicant's Address:

WPX Energy Rocky Mountain, LLC ATTN: Melanie Faith 1001 17<sup>th</sup> Street, Suite 1200 Denver, Colorado 80202

### **VERIFICATION**

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

Melanie Faith, of lawful age, being first duly sworn upon oath, deposes and says that she is Senior Landman – Piceance Basin for WPX Energy Rocky Mountain, LLC and that she has read the foregoing Amended Application and that the matters therein contained are true to the best of his knowledge, information and belief.

Melanie Faith

Subscribed and sworn to before this 5 day of August, 2013.

Witness my hand and official seal.

My commission expires: 7-31-2014

[SEAL]



Notary Public

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<u>AFFIDAVIT (</u>	OF MAILING

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

Gregory J. Nibert, Jr., of lawful age, and being first duly sworn upon his oath, states and declares:

That he is the attorney for WPX Energy Rocky Mountain, LLC, that on or before August 2213, he caused a copy of the attached Amended Application to be deposited in the United States Mail, postage prepaid, addressed to the parties listed on Exhibit A to the Application.

Gregor J. Nibert, Jr.

Subscribed and sworn to before me August 6th, 2013.

Witness my hand and official seal.

My commission expires: <u>March 3, 2015</u>.

Notary Public

MARY GRACE T. GO-HOVELAND Notary Public State of Colorado

#### **EXHIBIT A**

Bureau of Land Management Colorado River Valley Field Office 2300 River Frontage Road Silt, Colorado 81652

Bureau of Land Management Colorado State Office 2850 Youngfield Street Lakewood, Colorado 80215

Colorado Parks and Wildlife Northwest Regional Office Attn: Michael Warren, Energy Liaison 711 Independent Avenue Grand Junction, Colorado 81505

Garfield County Attn: Kirby Winn 0375 County Rd. 352, Bldg. 2060 Rifle, Colorado 81650

Garfield County 144 E 3rd, Suite 203 Rifle, Colorado 80165

Mr. Francois Goyer EnCana Oil & Gas (USA) Inc. Pavillion Land Development, LLC 1700 370 17th Street, Suite 1700 Denver, CO 80202

Ms. Kathy H. Porter, Land Manager Yates Petroleum Corporation ABO Petroleum Corporation Myco Industries, Inc. 105 South Fourth Street Artesia, New Mexico 88210

Mr. Ryan D. Fitzpatrick OXY Y-1 Company P. O. Box 27570 Houston, Texas 77227-7570 Kent Kuster Colorado Department Of Public Health & Environment 4300 Cherry Creek Drive South Denver, CO 80246-1530

Reference Map

362.73-acre Drilling and Spacing Unit Sections 21 & 28, Township 6 South, Range 96 West 6<sup>th</sup> P.M.

