# 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. To be assigned
FOR SECTION 20, TOWNSHIP 6 NORTH, RANGE 61	)	<u> </u>
WEST, 6 <sup>TH</sup> P.M., FOR HORIZONTAL WELL	)	
DEVELOPMENT OF THE NIOBRARA 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 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 20, Township 6 North, Range 61 West, 6<sup>th</sup> P.M., for the production of oil, gas and associated hydrocarbons from the Niobrara 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 61 West, 6<sup>th</sup> P.M. Section 20: 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.
- 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. 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.
- 6. 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.
- 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. drilling windows, or on adjacent lands with consent of the landowner, without exception being granted by the Director.
- 8. 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.
- 9. 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 20, Township 6 North, Range 61 West, 6<sup>th</sup> 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. 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. drilling windows, or on adjacent lands with consent of the landowner, without exception being granted by the Director.
- C. For such other findings and orders as the Commission may deem proper or advisable in the premises.

Respectfully submitted,

BILL BARRETT CORPORATION

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Robert A. Willis (Colorado Bar No. 26308)

Burleson LLP

Wells Fargo Center

1700 Lincoln Street, Suite 1300

Denver, CO 80203 (303) 801-3200

Applicant's Address:

Bill Barrett Corporation Colleen Kennedy, Senior Landman 1099 18<sup>th</sup> Street, Suite 2300 Denver, CO 80202

### **VERIFICATION**

STATE OF COLORADO ) ss.

CITY & COUNTY OF DENVER

Colleen Kennedy, Senior Landman for Bill Barrett Corporation, upon oath deposes and says that she has read the foregoing Application and that the statements contained therein are true to the best of her knowledge, information and belief.

**BILL BARRETT CORPORATION** 

Colleen Kennedy

Subscribed and sworn to before me this 28 day of August, 2013, by Colleen Kennedy, Senior Landman for Bill Barrett Corporation.

Witness my hand and official seal.

My commission expires: 1-15-201

NANCY R. WEBER

NOTARY PUBLIC

STATE OF COLORADO

NOTARY ID # 19974000612

MY COMMISSION EXPIRES JANUARY 15, 2017

Notary Public

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## EXHIBIT B

#### **INTERESTED PARTIES**

The names and addresses of the interested parties (owners within Section 20, Township 6 North, Range 61 West,  $6^{th}$  P.M.) according to the information and belief of the Applicant are set forth in this Exhibit B.

Bill Barrett Corporation 1099 18<sup>th</sup> Street, Suite 2300 Denver, CO 80202

DJ Resources Attn: Dominc Bazile 1600 Broadway Denver, CO 80202

Bonanza Creek Energy Operating Company, LLC 410 17th Street, Suite 1400 Denver, CO 80202 Robert A. Willis Burleson LLP 1700 Lincoln St., Suite 1300 Denver, CO 80290

Energy Investments, Inc. 1616 17th Street, Suite 367 Denver, CO 80202

Bayshore Royalty LP, a Texas limited liability partnership 15603 Kuykendahl, Suite 210 Houston, TX 77090