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

IN THE MATTER OF THE APPLICATION OF CONOCOPHILLIPS COMPANY FOR AN ORDER TO ESTABLISH AN EXPLORATORY 1280-ACRE DRILLING AND SPACING UNIT AND ESTABLISHING WELL LOCATION RULES FOR THE NIOBRARA FORMATION IN SECTIONS 34 AND 35, TOWNSHIP 3 SOUTH, RANGE 65 WEST, 6TH P.M., AN UNNAMED FIELD, ADAMS COUNTY, COLORADO

Cause No.

Docket No.

APPLICATION

ConocoPhillips Company ("Applicant"), by and through its attorneys, Beatty & Wozniak, P.C., respectfully submits this Application to the Oil and Gas Conservation Commission of the State of Colorado (the "Commission") for an order to establish an exploratory 1280-acre drilling and spacing unit and authorizing up to two (2) horizontal wells in order to efficiently and economically recover the oil, gas and associated hydrocarbons within said 1280-acre drilling and spacing unit from the Niobrara Formation underlying the below-described lands. In support of its Application, Applicant states and alleges as follows:

- 1. Applicant is a Delaware corporation duly organized and authorized to conduct business in the State of Colorado.
- 2. Applicant owns leasehold interests or holds the right to operate on the following lands (hereafter "Application Lands"):

Township 3 South, Range 65 West, 6th P.M.

Section 34: All Section 35: All

1,280 acres, more or less, Adams County, Colorado.

A reference map of the Application Lands is attached hereto.

- 3. Section 34 of the Application Lands is subject to Order No. 535-89 which established 18 approximate 640-acre drilling and spacing units, with up to two (2) horizontal wells allowed within each unit. Applicant requests that Order No. 535-89 be vacated only as to Section 34 of the Application Lands.
- 4. Section 35 of the Application Lands is subject to Commission Rule 318.a which provides that, on unspaced lands, a well to be drilled 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 Niobrara Formation underlying the Application Lands.

- 5. The records of the Commission reflect that no wells have been drilled, and no wells are currently producing nor have they previously produced in the Application Lands.
- 6. To promote efficient drainage within the Niobrara Formation of the Application Lands, to protect correlative rights and to avoid waste, the Commission should establish an exploratory 1280-acre drilling and spacing unit for the Application Lands.
- 7. That the above-proposed drilling and spacing unit will allow efficient drainage of the 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 wells in the unit.
- 8. That the Applicant is requesting to drill and complete up to two (2) horizontal wells in order to efficiently and economically recover the oil, gas and associated hydrocarbons within the exploratory 1280-acre drilling and spacing unit comprised of the Application Lands and that there will be no adverse effect on correlative rights of adjacent owners.
- 9. The Applicant maintains that there will be no more than two (2) well pads in the unit, unless an exception is granted by the Director.
- 10. The treated interval of each proposed horizontal well shall be no closer than 460 feet from the boundaries of the unit (regardless of the lease lines within the unit) and all horizontal wells shall be no closer than 960 feet from the treated interval of another well producing from the same source of supply within the unit, unless an exception is granted by the Director.
- 11. The undersigned certifies that copies of this Application will be served on each interested party within seven (7) days of the filing hereof, as required by Rule 503.e.

WHEREFORE, Applicant respectfully requests that this matter be set for hearing at the next available opportunity, that notice be given as required by law, and that upon such hearing this Commission enter its order:

- A. Vacating Order No. 535-89 only as it applies to Section 34 of the Application Lands.
- C. Establishing an exploratory 1280-acre drilling and spacing unit for the Application Lands and allowing up to two (2) horizontal wells in the unit in order to

efficiently and economically develop and recover the oil, gas and associated hydrocarbons from of the Niobrara Formation in the unit.

- D. Providing that the treated interval any horizontal well shall be no closer than 460 feet from the boundaries of the unit and not less than 960 feet from the treated interval of another well within the unit and authorizing two (2) well pads in the unit, unless an exception is granted by the Director.
- E. Finding that an exploratory 1280-acre drilling and spacing unit for the development of the Niobrara Formation on the Application Lands will prevent waste, protect correlative rights, and maximize the efficient and economic production of the Niobrara Formation on the Application Lands.
- F. For such other findings and orders as the Commission may deem proper or advisable in this matter.

WHEREFORE, Applicant respectfully requests that this matter be set for hearing in October 2013, that notice be given as required by law, and that upon such hearing, the Commission enter its order consistent with Applicant's request as set forth above.

DATED this 29 day of August, 2013.

Respectfully submitted:

ConocoPhillips Company

By:

Jamie L. Jost
James P. Parrot
Beatty & Wozniak, P.C.
Attorneys for Applicant
216 16th Street, Suite 1100
Denver, Colorado 80202
(303) 407-4499

Applicant's Address: ConocoPhillips Company 600 N. Dairy Ashford Road Houston, TX 77079-1069

VERIFICATION

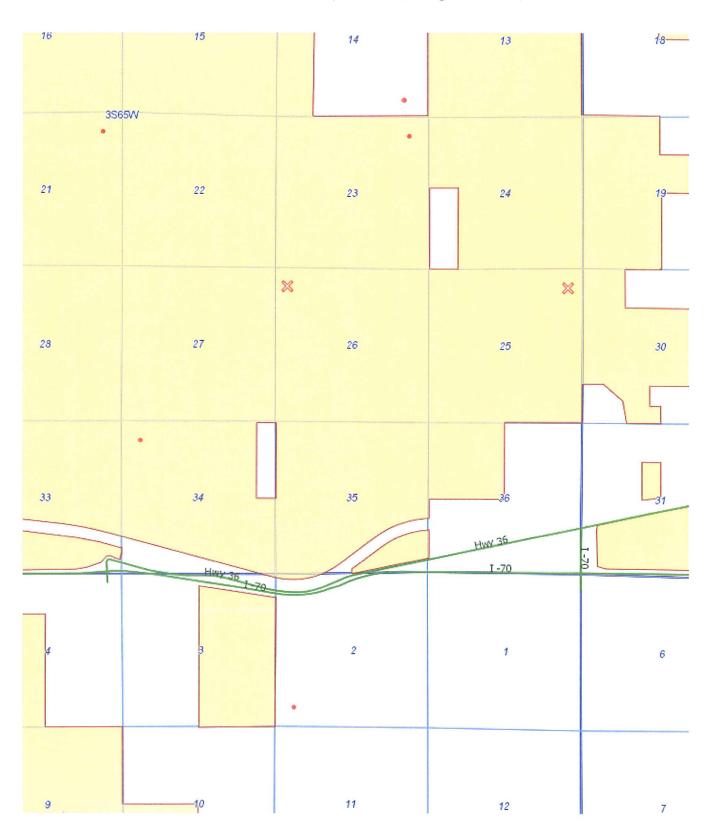
State of Texas)
County of Harris) ss.)
oath deposes and says	taff Landman - Rockies with ConocoPhillips Company, upor that he has read the foregoing Application and that the rein are true to the best of his knowledge, information and
	CONOCOPHILLIPS COMPANY
	Gary Williamson Staff Landman - Rockies
	vorn to before me this 29 th day of August, 2013, by Gary — Rockies of ConocoPhillips Company.
Witness my hand ar	
My commission expires:	March 28, 2017
Shum K Horton	

Notary Public



Reference Map ConocoPhillips Company

Sections 34 and 35, Township 3 South, Range 65 West, 6th P.M.



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IN THE MATTER OF THE APPLICATION OF CONOCOPHILLIPS COMPANY FOR AN ORDER TO ESTABLISH AN EXPLORATORY 1280-ACRE DRILLING AND SPACING UNIT ESTABLISHING WELL LOCATION AND RULES FOR THE NIOBRARA FORMATION IN SECTIONS 34 AND 35, TOWNSHIP 3 SOUTH, RANGE 65 WEST, 6TH P.M., AN UNNAMED FIELD, ADAMS COUNTY, COLORADO

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AFFIDAVIT OF MAILING

STATE OF COLORADO)
)ss.
COUNTY OF DENVER)

James P. Parrot of lawful age, and being first duly sworn upon his oath, states and declares:

That he is the attorney for ConocoPhillips Company, that on or before September 5, 2013, he caused a copy of the attached Application to be deposited in the United States Mail, postage prepaid, addressed to the parties listed on Exhibit A attached hereto.

James P. Parrot

Subscribed and sworn to before me this 29 day of August, 2013.

Witness my hand and official seal.

commission expires:_____10-0 4-

Notary Public

EXHIBIT A INTERESTED PARTIES

Conoco Phillips Company 600 N. Dairy Ashford Drive Houston, TX 77079

Alexander 1983 Drilling Program 240 West 35th Street New York, NY 10001

Anadarko E & P Onshore LLC 1099 18th Street, Suite 1800 Denver, CO 80202

Anadarko Land Corp. 1099 18th Street, Suite 1800 Denver, CO 80202

Andrew D. Scheppi Address Unknown

Barry Curtiss-Lusher 3430 East 7th Ave Parkway Denver, CO 80206

Box Elder Royalties P. O. Box 29 Denver, CO 80201-0029

Brandon 1983 Drilling Program 7 Fairview Terrace Maplewood, NJ 07040

Brent J. Morse Address Unknown

Burlington Resources Oil & Gas Company LP 600 N. Dairy Ashford Drive Houston, TX 77079

Carolyn Y. Kiser Framboyannes 1 Villa 2 Nuevo Vallaria Nayarit, Mexico 63735

Colfax Land Co. 232 W. 13th Ave. Denver, CO 80204

Department of Highways, State of Colorado 4201 East Arkansas Ave. Denver, CO 80222

Fischahs, LLC 280 Columbine Street, # 300 Denver, CO 80206 George G. Vaught, JR. P.O. Box 13557 Denver, CO 80201

Gibraltar Realty Address Unknown

Herman G. Fischahs 7636 Wind Ford Parker, CO 80134

Joseph H. Kiser 6160 Olathe Street Centennial, CO 80016

McCullis Resources Co., Inc. 620 17th Street, Suite 1320 Denver, CO 80293

Michael N. Appell 225 E. 86th Street New York, NY 10028

Morenergy Exploration Corp. 410 17th Street, Suite 810 Denver, CO 80202

PH Basic Partners 7 Fairview Terrace Maplewood, NJ 07040

Property Reserve, Inc. 15 Triad Center, Suite 650 Salt Lake City, UT 84180

R. S. J., Inc. 600 Beta Drive Cleveland, OH 44143

Roger A. Matuszcak Address Unknown

Seymour Roberts 99 Park Avenue New York, NY 10016

Snobeck Associates 99 Park Avenue New York, NY 10016

Summit Petroleum Corporation 602 North Baird Street, Suite 200 Midland, TX 79701 Terry L. Sparks and Trena J. Sparks, individually and as husband and wife 5384 S. Tom Bay Court Bennett. CO 80102 8727

Tom Brown, Inc. now EnCana 555 17th Street, Suite 1850 Denver, CO 80202

U. S. Bank, Trustee of the Herman Flader Trust, Under the Last Will and Testament of Herman Flader, for the Benefit of Laura Britt 950 17th Street, #100 Denver, CO 80202

U. S. Bank, Trustee of the Herman Flader Trust, Under the Last Will and Testament of Herman Flader, for the Benefit of Casey Reed 950 17th Street, #100 Denver, CO 80202 United States of America Office of Natural Resources P.O. Box 25627 Denver, CO 80225-0627

Wilhelmina M. Fischahs 7636 Wind Ford Parker, CO 80134

Diane Kocis Arapahoe County Public Works & Development 6924 South Lima Street Centennial, CO 80112

Tom Schreiner Colorado Parks and Wildlife 6060 Broadway Denver, CO 80526

Ken Kuster Colorado Department of State Health and Environment 4300 Cherry Creek Drive South Denver, CO 80246-1530