

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
VACATING THE 320-ACRE DRILLING AND SPACING)	
UNIT ESTABLISHED FOR THE W½ OF SECTION 1,)	DOCKET NO. <i>To be assigned</i>
TOWNSHIP 6 NORTH, RANGE 62 WEST, 6 TH P.M., FOR)	
HORIZONTAL WELL DEVELOPMENT OF THE)	
NIOBRARA FORMATION, AND ESTABLISHING AN)	
APPROXIMATE 1,280-ACRE DRILLING AND)	
SPACING UNIT FOR SECTIONS 1 & 2, TOWNSHIP 6)	
NORTH, RANGE 62 WEST, 6 TH P.M., FOR)	
HORIZONTAL WELL DEVELOPMENT OF THE)	
CODELL AND NIOBRARA FORMATIONS,)	
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)** vacating the approximate 320-acre drilling and spacing unit established for the W½ of Section 1, Township 6 North, Range 62 West, 6th P.M., which authorized the drilling of one (1) horizontal well within each unit, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation; **(2)** establishing an approximate 1,280-acre drilling and spacing unit for Sections 1 and 2, Township 6 North, Range 62 West, 6th P.M., and authorizing the drilling of up to sixteen (16) horizontal wells within the proposed unit, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation, and **(3)** establishing an approximate 1,280-acre drilling and spacing unit for Sections 1 and 2, 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. 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 1: All

Section 2: All

These lands comprise approximately 1,280 acres, and 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.

Vacating the Established 320-acre Drilling and Spacing Unit

4. On or about August 20, 2012, the Commission entered Order No. 407-704 which, among other things, established an approximate 320-acre drilling and spacing unit for the W½ of Section 1, Township 6 North, Range 62 West, 6th P.M., and approved one horizontal well for each unit, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation.

5. Applicant herein requests the establishment of an approximate 1,280-acre lay-down drilling and spacing unit for the Application Lands for horizontal well development, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation, and by so doing, it is necessary to vacate the 320-acre drilling and spacing unit previously established for the W½ of Section 1, Township 6 North, Range 62 West, 6th P.M. At present, one horizontal well is authorized for the existing 320-acre drilling and spacing unit; however, by establishing an approximate 1,280-acre lay-down drilling and spacing unit, additional horizontal wells may be drilled which will allow the Niobrara Formation underlying the Application Lands to be more efficiently and economically drained without promoting waste of the resource.

Establishment of the 1,280-acre Lay-down Drilling and Spacing Unit for Horizontal Well Development of the Niobrara Formation

6. Pursuant to §34-60-116(4), C.R.S., Applicant requests the Commission establish the Application Lands as an approximate 1,280-acre lay-down drilling and spacing unit for the production of oil, gas and associated hydrocarbons from the Niobrara Formation. 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 Niobrara Formation.

7. Applicant requests it be authorized to drill and complete up to sixteen (16) horizontal wells in the approximate 1,280-acre drilling and spacing unit for the Application Lands, for the production of oil, gas and associated hydrocarbons from the Niobrara 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.

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 250 feet from the treated interval of a well producing from the Niobrara Formation, without exception being granted by the Director.

Establishment of the 1,280-acre Lay-down Drilling and Spacing Unit for Horizontal Well Development of the Codell Formation

9. Pursuant to §34-60-116(4), C.R.S., Applicant requests the Commission establish the Application Lands as an approximate 1,280-acre lay-down drilling and spacing unit for the production of oil, gas and associated hydrocarbons from the Codell Formation. 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.

10. Applicant requests it be authorized to drill and complete up to four (4) horizontal wells in the approximate 1,280-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.

11. 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 250 feet from the treated interval of a well producing from the Codell Formation, without exception being granted by the Director.

* * *

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

13. 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.

14. 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. Vacating the approximate 320-acre drilling and spacing unit established for the W½ of Section 1, Township 6 North, Range 62 West, 6th P.M., for the production of oil, gas and associated hydrocarbons from the Niobrara Formation.

B. Establishing an approximate 1,280-acre lay-down drilling and spacing unit for Sections 1 and 2, Township 6 North, Range 62 West, 6th P.M., and authorizing the drilling of up to sixteen (16) horizontal wells within the proposed unit, 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 250 feet from the treated interval of any well being drilled or producing from the Niobrara Formation, without exception being granted by the Director.

C. Establishing an approximate 1,280-acre lay-down drilling and spacing unit for Sections 1 and 2, 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 250 feet from the treated interval of any well being drilled or producing from the Codell Formation, without exception being granted by the Director.

D. Requiring that any permitted wells to be drilled under this Application should be drilled from multi-well pads on the surface of the drilling unit, 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 17th day of October, 2013.

Respectfully submitted,

BILL BARRETT CORPORATION

By: 

Robert A. Willis (Colorado Bar No. 26308)
Burleson LLP
Wells Fargo Center
1700 Lincoln Street, Suite 1300
Denver, CO 80203
(303) 801-3200

Ken Wonstolen
Senior Vice President & General Counsel
Bill Barrett Corporation

Applicant's Address:
Bill Barrett Corporation
Colleen Kennedy, Land Manager
1099 18th Street, Suite 2300
Denver, CO 80202

VERIFICATION

STATE OF COLORADO

)

) SS.

CITY & COUNTY OF DENVER

)

Colleen Kennedy, Land Manager 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

Colleen Kennedy

Subscribed and sworn to before me this 17th day of October, 2013, by Colleen Kennedy, Land Manager for Bill Barrett Corporation.

Witness my hand and official seal.

My commission expires: February 4, 2014

Meghan E O'Halloran
Notary Public

Notary Public



My Commission Expires 02/04/2014

Application Lands - 

Sec. 1 & 2, T6N, R62W
Weld County

Exhibit A
Application Map

13	18	17	16	15	14	13	18	17
24	19	20	T7N 21 R62W 22	23	24	20	19	20
25	30	29	28	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	T6N 9 R62W 10	11	12	7	8	
13	18	17	16	15	14	13	18	17

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 VACATING) CAUSE NOS. 407 & 535
THE 320-ACRE DRILLING AND SPACING UNIT)
ESTABLISHED FOR THE W½ OF SECTION 1, TOWNSHIP) DOCKET NO. *To be assigned*
6 NORTH, RANGE 62 WEST, 6TH P.M., FOR HORIZONTAL)
WELL DEVELOPMENT OF THE NIOBRARA FORMATION,)
AND ESTABLISHING AN APPROXIMATE 1,280-ACRE)
DRILLING AND SPACING UNIT FOR SECTIONS 1 & 2,)
TOWNSHIP 6 NORTH, RANGE 62 WEST, 6TH P.M., FOR)
HORIZONTAL WELL DEVELOPMENT OF THE CODELL)
AND NIOBRARA FORMATIONS, WATTENBERG FIELD,)
WELD COUNTY, COLORADO)
)

AFFIDAVIT OF MAILING

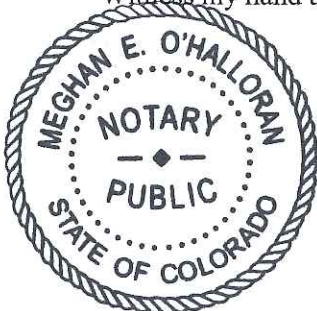
STATE OF COLORADO)
) ss.
CITY AND COUNTY OF DENVER)

Jessica Rauh, of lawful age, and being first duly sworn upon her oath, states and declares that she caused a copy of the **APPLICATION** for an order: (1) vacating the approximate 320-acre drilling and spacing unit established for the W½ of Section 1, Township 6 North, Range 62 West, 6th P.M., which authorized the drilling of one (1) horizontal well within each unit, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation; (2) establishing an approximate 1,280-acre drilling and spacing unit for Sections 1 and 2, Township 6 North, Range 62 West, 6th P.M., and authorizing the drilling of up to sixteen (16) horizontal wells within the proposed unit, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation, and (3) establishing an approximate 1,280-acre drilling and spacing unit for Sections 1 and 2, 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, in the above-captioned matter to be deposited in the United States Mail, postage prepaid, addressed to the interested parties on the attached Exhibit B on this 24 day of October, 2013.

Jessica Rauh
Jessica Rauh

Subscribed and sworn to before me on the 24th day of October, 2013.

Witness my hand and official seal.



Meghan E O'Halloran
Notary Public

My commission expires: February 4, 2014

EXHIBIT B

INTERESTED PARTIES

Bill Barrett Corporation
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Darsky, Trustee, W C DeArman, J A Gray, Rex E
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