

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 640-ACRE DRILLING AND SPACING)	
UNITS ESTABLISHED FOR SECTIONS 1 & 2,)	DOCKET NO. <i>To be assigned</i>
TOWNSHIP 4 NORTH, RANGE 62 WEST, 6 TH P.M., FOR)	
HORIZONTAL WELL DEVELOPMENT OF THE)	
NIOBARRA FORMATION, AND ESTABLISHING A)	
1,078.3-ACRE UNIT FOR CERTAIN LANDS WITHIN)	
SAID SECTIONS 1 & 2, FOR HORIZONTAL WELL)	
DEVELOPMENT OF THE NIOBARRA 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: (1) vacating the approximate 640-acre drilling and spacing units established for Sections 1 and 2, Township 4 North, Range 62 West, 6th P.M., which authorize the drilling of one (1) horizontal well with each unit, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation; and (2) establishing an approximate 1,078.3-acre drilling and spacing unit for certain lands within said Sections 1 and 2, 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. 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 4 North, Range 62 West, 6th P.M.

Section 1: Lot 2, the S $\frac{1}{2}$ NW $\frac{1}{4}$, SW $\frac{1}{4}$, SW $\frac{1}{4}$ NE $\frac{1}{4}$, and those portions of Lot 4 and the W $\frac{1}{2}$ SE $\frac{1}{4}$ lying outside of the Riverside Reservoir right-of-way (420.74 acres, more or less)

Section 2: All (657.56 acres, more or less)

These lands comprise approximately 1,078.3 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.

Vacating the Established 640-acre Drilling and Spacing Units

3. On or about February 22, 2011, the Commission entered Order Nos. 407-779 and 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.

4. Applicant herein requests the establishment of an approximate 1,078.3-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 640-acre drilling and spacing units previously established for the Application Lands. At present, one horizontal well is authorized for the existing 640-acre drilling and spacing units; however, by establishing an approximate 1,078.3-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 1,078.3-acre Lay-down Drilling and Spacing Unit

5. Pursuant to §34-60-116(4), C.R.S., Applicant requests the Commission establish the Application Lands as an approximate 1,078.3-acre 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.

6. Applicant requests it be authorized to drill and complete up to sixteen (16) horizontal wells in the approximate 1,078.3-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.

7. 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.

8. 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.

* * *

9. 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.

10. 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 640-acre drilling and spacing units established for the Application Lands, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation.

B. Establishing an approximate 1,078.3-acre lay-down drilling and spacing unit for certain lands located in Sections 1 and 2, Township 4 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. 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

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

VERIFICATION

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) SS.

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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

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

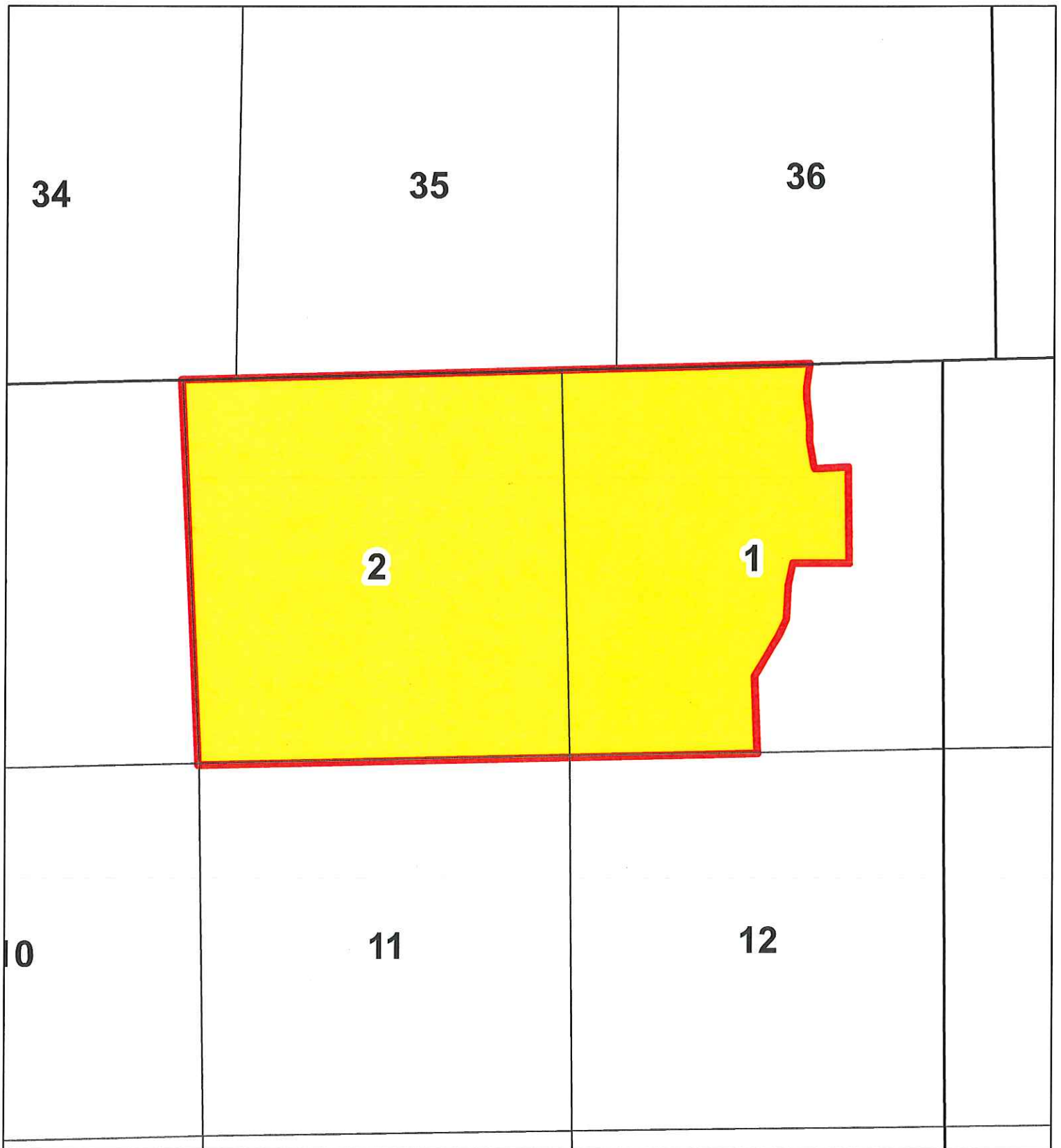
Witness my hand and official seal.

My commission expires: February 4, 2014

Meghan E O'Halloran
Notary Public



My Commission Expires 02/04/2014

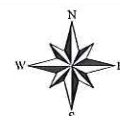


Bill Barrett Corporation

Legend



Spaced Lands



0

0.5

1

Miles

Spacing Unit Map

EXHIBIT-A

10/17/2013

4N-62W, Sec. 1&2
1078.3 Acres more or less

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AFFIDAVIT OF MAILING

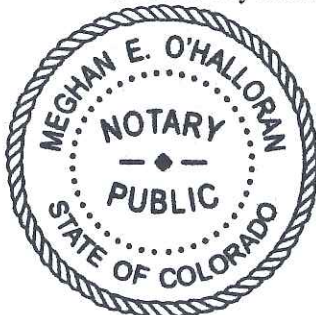
STATE OF COLORADO)
)ss.
CITY AND COUNTY OF DENVER)

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 vacating the 640-acre drilling and spacing units established for Sections 1 and 2, Township 4 North, Range 62 West, 6th P.M., for production of oil/gas from the Niobrara Formation, and establishing an approximate 1,078.3-acre drilling and spacing unit for certain portions of said Sections 1 and 2, for production of oil/gas from the Niobrara 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

My Commission Expires 02/04/2014

EXHIBIT B

INTERESTED PARTIES

Bill Barrett Corporation
1099 18th Street, Suite 2300
Denver, CO 80202

Robert A. Willis
Burleson LLP
1700 Lincoln St., Suite 1300
Denver, CO 80290

Anschutz Exploration Corporation
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United States of America
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