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 VACATE ORDER NO. 535-249 FOR SECTIONS 11 AND 12, TOWNSHIP 5 SOUTH, RANGE 64 WEST, 6TH P.M., AND ESTABLISH AN APPROXIMATE 640-ACRE EXPLORATORY DRILLING AND SPACING UNIT WITH WELL LOCATION RULES FOR THE NIOBRARA FORMATION IN SECTION 11, TOWNSHIP 5 SOUTH, RANGE 64 WEST, 6TH P.M., AN UNNAMED FIELD, ARAPAHOE COUNTY, COLORADO

Cause No. 535

Docket No.

APPLICATION

ConocoPhillips Company ("Applicant"), by and through its attorneys, Jost & Shelton Energy Group, P.C., respectfully submits this Application to the Oil and Gas Conservation Commission of the State of Colorado (the "Commission") for an order to vacate Order No. 535-249 only as it applies to Sections 11 and 12, Township 5 South, Range 64 West, 6th P.M. establish an approximate 640-acre exploratory drilling and spacing unit and authorize up to two (2) horizontal wells in order to efficiently and economically recover the oil, gas and associated hydrocarbons within said 640-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 5 South, Range 64 West, 6th P.M.

Section 11: All Section 12: All

Arapahoe County, Colorado.

A reference map of the Application Lands is attached hereto.

3. On January 7, 2013, the Commission entered Order No. 535-249, which, among other things, established two (2) approximate 1280-acre spacing units, and approved up to two (2) horizontal wells within each unit, for the production of oil, gas and associated hydrocarbons from the Niobrara Formation, with the bottomhole

locations not less than 600 feet from the boundary of each proposed drilling unit and not less than 460 feet from any other well or treated interval of a well producing from the Niobrara Formation, without exception being granted by the Director. Section 11 and 12, Township 5 South, Range 64 West, 6th P.M., are subject to this Order for the Niobrara Formation, and are established by the Order as a single approximate 1280-acre drilling and spacing unit. Applicant requests that Order No. 535-249 be vacated only as to Sections 11 and 12, Township 5 South, Range 64 West, 6th P.M.

- 4. The records of the Commission reflect that the Harrington #1 well (API No. 05-005-06634), located in the NW/4NE/4 of Section 11, Township 5 South, Range 64 West, 6th P.M., was spud on January 24, 1974, was completed to the D Sand and J Sand formations on February 6, 1974, and is currently dry and abandoned. The records of the Commission reflect that no other wells have been drilled, are currently producing or previously produced in the Application Lands.
- 5. 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 approximate 640-acre exploratory drilling and spacing unit for Section 11, Township 5 South, Range 64 West, 6th P.M.
- 6. 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.
- 7. That the Applicant is requesting to drill and complete up to two (2) horizontal wells within the unit in order to efficiently and economically recover the oil, gas and associated hydrocarbons within the exploratory approximate 640-acre exploratory drilling and spacing unit composed of Section 11, Township 5 South, Range 64 West, 6th P.M., and that there will be no adverse effect on correlative rights of adjacent owners.
- 8. 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.
- 9. 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 920 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.
- 10. 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. 535-249 only as it applies to Sections 11 and 12, Township 5 South, Range 64 West, 6th P.M.
- B. Establishing an approximate 640-acre exploratory drilling and spacing unit for Section 11, Township 5 South, Range 64 West, 6th P.M. 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.
- C. 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 920 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.
- D. Finding that an approximate 640-acre exploratory 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 in Section 11, Township 5 South, Range 64 West, 6th P.M..
- E. 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 March 2014, 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 16th day of January, 2014.

Respectfully submitted:

ConocoPhillips Company

By:

Jamie L. Jost

James P. Parrot

Jost & Shelton Energy Group, P.C.

Attorneys for Applicant 1675 Larimer St., Suite 420 Denver, Colorado 80202

(720) 379-1812

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

VERIFICATION

STATE OF TEXAS)
)ss. COUNTY OF HARRIS)
E. Diane Schaenen, Landman - Rockies with ConocoPhillips Company, 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.
CONOCOPHILLIPS COMPANY
E. Diane Schaeren Landman, Rockies Business Unit, Niobrara Land
Subscribed and sworn to before me this 16th day of January, 2014, by E. Diane Schaenen, Landman - Rockies of ConocoPhillips Company.
Witness my hand and official seal.
My commission expires: March 28, 2017
Shaim K Horton
Notary Public

SHARON K HORTON
MY COMMISSION EXPIRES
MARCH 28, 2017

Exhibit A

ConocoPhillips Company 600 North Dairy Ashford Drive Houston, TX 77079

Chesapeake Exploration, LLC PO Box 18496 Oklahoma City, OK 73154

OOGC America Inc. 11700 Katy Freeway, Suite 280 Houston, TX 77079

Ron McDaniel and Sunya McDaniel 39302 E. Quincy Ave. Watkins, CO 80137

Harrington Family Revocable Trust No address available

Gerem Properties, a Partnership 4521 Tule Lake Dr. Littleton, CO 80123

Shirley L. Hull 3704 S. Granby Way Aurora, CO 80014

Pure Cycle Corporaton 500 E. 8th Ave., #201 Denver, CO 80203

Thomas E. Borne and Christine L. Borne 40200 E. Quincy Ave., #16 Watkins, CO 80137

Virgil M. Horton 330 Blackstone Circle Loveland, CO 80537 EOG Resources Inc 600 17th Street, Suite 1000N Denver, CO 80202

Box Elder Royalties LLC PO Box 29 Denver, CO 80201

State of Colorado Colorado State Board of Land Commissioners 1127 Sherman Street, Suite 300 Denver, CO 80203

Renegade Oil & Gas Company PO Box 400983 Aurora, CO 80044

DTH Venture #2 LTD 7472 South Odessa Circle Centennial, CO 80016

Stephen D Tebo PO Box T 1590 Broadway Boulder, CO 80302

Joline D Weiss Moran Grandchildren Trust 5194 S. Williams Circle Greenwood Village, CO 80121

Arapahoe County Colorado 9334 S Prince Street Littleton, CO 80120

Wade E Anderson 5255 Tom Bay Place Bennent, CO 80102

Estate of John Anderson No address available

Edward L. Curran and Pauline E. Curran 2346 Ash St. Denver, CO

Ann J. Bow 165 Dalton Drive Kenmore, NY 80111

Estate of Adaline M. Bergman 1909 Forest Parkway Denver, CO

D & J Murphy Properties, Ltd. P.O. Box 905 Archer City, TX 75351

Murphy Family Partnership, Ltd. 4245 Kemp Blvd., Suite 712 Wichita Falls, TX 76308

Mary Lynn Freeman 1600 Club House Dr. Dyersburg, TN 38024

Elizabeth Joyce Moss 3308 Umber Road Holiday, FL 34691

Elizabeth Josephine Lauver 267 Pebble Beach Loop Pittsburgh, CA 94565-2345

Michael J. McIntosh 416 West San Ysidro Blvd., #1026 San Ysidro, CA 92173

Estate of Gordon E. Olson, deceased c/o Gordon W. Williams Law Office of Gordon W. Williams 143 Union Boulevard, Suite 270 Lakewood, CO 80228

J. Michael Bowker 16628 West 1st Avenue Golden, CO 80401 Shannon, Gracey, Ratliff & Miller, LLP 777 Main Street, Suite 3800 Fort Worth, TX 76102

Laura Phillips Hampton, Trustee of the J.D. Phillips Trust 9108 Campbell Court Houston, TX 77055

Jennifer Murphy Morgan 36 Surrey Circle Iowa Park, TX 76367

Harold Vincent Murphy 2545 Lonestar Road Celina, TX 75009

Debbie K. Phillips, Trustee of the Evan Murphy Phillips Trust 3220 Audley Street Houston, TX 77098

Robert E. Aldrich, Jr. 1130 Fort Worth Club Tower 777 Taylor Street Fort Worth, TX 76107

William Terry and Anne Gardner, Trustees of the Terry and Anne Gardner Management Trust dated January 19, 2011 2005 Highland Oaks Fort Worth, TX 76107

Cody Glade 16628 West 1st Avenue Golden, CO 80401

Sara Glade c/o J. Michael Bowker 16628 West 1st Avenue Golden, CO 80401 Michaela Bowker c/o J. Michael Bowker 16628 West 1st Avenue Golden, CO 80401

Taylor Bowker c/o J. Michael Bowker 16628 West 1st Avenue Golden, CO 80401

Travis Gregory Gardner 502 W. 113th Street, Apt. 1d New York, NY 10025

Helen K. Barrett 852 Saddle Road Fort Worth, TX 76108 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

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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 January 23, 2014, 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 // day of

damuary, 201

Witness my hand and official seal,

My commission expires:

Notary Public

DANIELLE E CARROLL
Notary Public
State of Colorado
Notary ID 20134059312
My Commission Expires Sep 18, 2017

Reference Map ConocoPhillips Company

Section 11, Township 5 South, Range 64 West, 6th P.M.

3 -64W	2	1
10	11 5S64W	12
15		13