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

IN THE MATTER OF THE APPLICATION) Cause No. TBD
OF SOUTHWESTERN ENERGY)
PRODUCTION COMPANY FOR AN) Docket No. 1406-SP-2060
ORDER TO ESTABLISH AN)
APPROXIMATE 800-ACRE DRILLING)
AND SPACING UNIT FOR CERTAIN)
LANDS IN SECTIONS 1, 2, 11, AND 12,)
TOWNSHIP 6 NORTH, RANGE 92)
WEST, 6 th P.M., AND TO APPROVE UP)
TO TWENTY EIGHT HORIZONTAL AND)
FOUR VERTICAL WELLS WITHIN THE)
UNIT, FOR THE MANCOS AND)
NIOBRARA FORMATIONS, UNNAMED)
FIELD, MOFFAT COUNTY, COLORADO	j)

AMENDED APPLICATION

Southwestern Energy Production Company ("Southwestern"), by and through its attorneys Burns, Figa, & Will, P.C., respectfully submits this Amended Application to the Oil and Gas Conservation Commission of the State of Colorado (the "Commission") for an order to establish an approximate 800-acre drilling and spacing unit and to approve **up to twenty eight (28) horizontal and four (4) vertical wells** within the unit, for the production of oil, gas, and associated hydrocarbons from the Mancos and Niobrara Formations in the following lands:

Township 6 North, Range 92 West, 6th P.M.

Section 1: S/2SW/4 Section 2: S/2SE/4 Section 11: E/2 Section 12: W/2

Moffat County, Colorado, containing approximately 800 acres ("Application Lands"), depicted in the attached Reference Map.

In support of its Application, Southwestern states and alleges as follows:

1. Southwestern is a corporation duly authorized to do business in Colorado and is registered as an operator in good standing with the Commission.

- 2. Southwestern is an owner with the right to drill into and produce from the Application Lands.
- 3. The Application Lands are subject to Commission Rule 318.a., which provides that wells drilled in excess of two thousand five hundred (2,500) feet in depth shall be located not less than six hundred (600) 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 specific Commission orders applicable to the Application Lands.
- 4. The Mancos and Niobrara Formations compose the stratigraphic interval between 3,407 feet MD and 8,373 feet MD as found in the Bret Granbouche #24-02 well located in Section 2, Township 6 North, Range 92 West, 6th P.M., Moffat County, Colorado. The Mancos and Niobrara Formations are a common source of supply underlying the Application Lands.
- 5. The Application Lands contain no producing oil and gas wells. However, the Application Lands do include several approved locations and APDs. Southwestern intends to include these wells within the drilling and spacing unit proposed in this Application. The establishment of the proposed drilling and spacing unit will result in efficient and economic development of the Application Lands.
- 6. Southwestern requests that the Commission establish an approximate 800-acre drilling and spacing unit comprised of the Application Lands, for production of oil, gas, and associated hydrocarbons from the Mancos and Niobrara Formations. The proposed drilling and spacing unit is not smaller than the maximum area that can be economically and efficiently drained by the proposed wells.
- 7. Southwestern further requests that the Commission approve the drilling and completion of **up to twenty eight (28) horizontal and four (4) vertical wells within the unit**, from locations anywhere within the unit, as necessary to economically and efficiently recover resources from the Mancos and Niobrara Formations, with the treated interval of each well to be located not less than six hundred (600) feet from the unit boundaries, and inter-well setbacks of not less than **one hundred and fifty (150) feet** from the treated interval of any other well producing from a common source of supply, without exception being granted by the Director. These locations and setbacks will promote economic and efficient drainage, protect correlative rights, and avoid waste.
- 8. The names and addresses of the interested parties, according to Southwestern's information and belief, are set forth in the attached Exhibit A, and the undersigned certifies that copies of this Application will be served on each interested party within the next seven days, as required by Rule 503.e.

WHEREFORE, Southwestern respectfully requests that this matter be set for hearing at the next available opportunity, that notice be given as required by law, and that the Commission enter an Order to:

- A. Establish an approximate 800-acre drilling and spacing unit in the Application Lands; and
- B. Approve up to twenty eight (28) horizontal and four (4) vertical wells within the unit, from locations anywhere within the unit, as necessary to economically and efficiently recover resources from the Mancos and Niobrara Formations, with the treated interval of each well to be located not less than six hundred (600) feet from the unit boundaries, and interwell setbacks of not less than one hundred and fifty (150) feet from the treated interval of any other well producing from a common source of supply, without exception being granted by the Director.

DATED this <u>27</u> day of May, 2014.

Respectfully submitted,

SOUTHWESTERN ENERGY PRODUCTION COMPANY, INC.

By:

Steven M. Nagy, Esq

By:

Michael T. Jewell, Esq.

Burns, Figa & Will, P.C. 6400 S. Fiddler's Green Cir. #1000

Greenwood Village, CO 80111

Southwestern Energy Production Company 2350 North Sam Houston Parkway East, Suite 125 Houston, TX 77032

VERIFICATION

STATE OF TEXAS)	
)	SS
COUNTY OF HARRIS)	

The undersigned, of lawful age, having been first sworn upon his oath, deposes and states that:

- 1. He is a Senior Landman New Ventures, for Southwestern Energy Production Company, Inc., whose address 2350 North Sam Houston Parkway East, Suite 125, Houston, TX 77032.
- 2. He has read the within application, is familiar with the facts set forth therein, and states that said facts are true and correct to the best of his knowledge and belief.

Further Affiant sayeth not.

Subscribed and sworn to before me this 27thday of May, 2014.

Witness my hand and official seal.

My commission expires: Ottober 31, 2016

AERICA E. SANDERS
Notary Public, State of Texas
My Commission Expires
October 31, 2016

Cheica G. Sanden

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EXHIBIT A

Kevin Sulley Director of Land Quicksilver Resources 801 Cherry Street, Ste 3700, Unit 19 Fort Worth, TX 76102

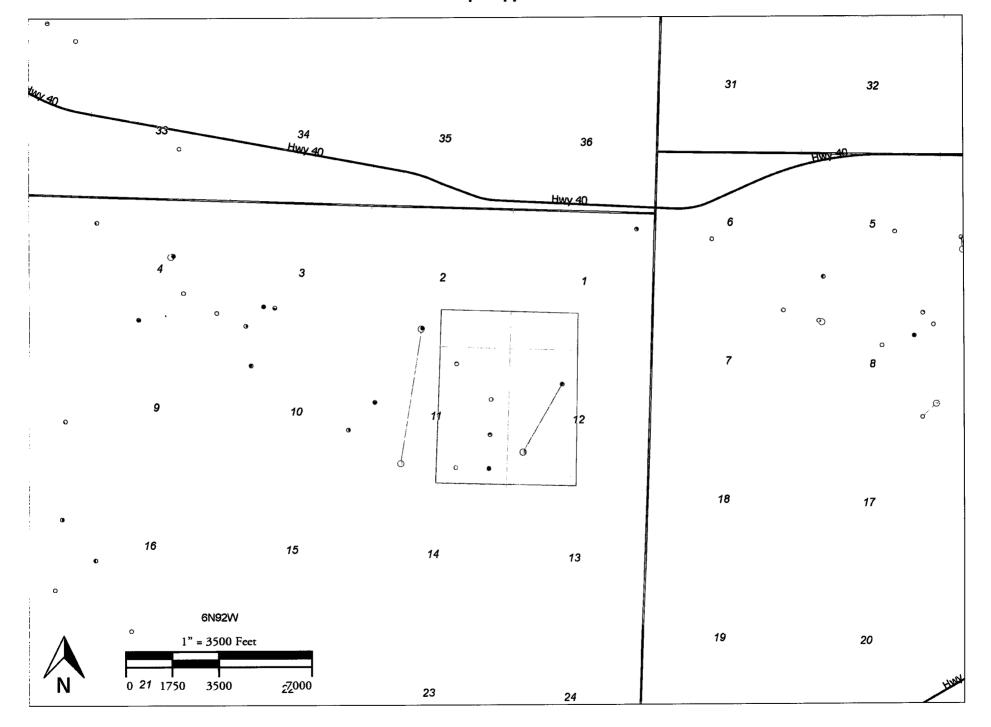
Kent Kuster Colorado Department of Public Health & Environment 4300 Cherry Creek Drive South Denver, CO 80246-1530

Jeff Cornstock Natural Resources Director Moffat County 221 W. Victor Way, Suite 130 Craig, CO 81625 Steve M. Nagy Michael T. Jewell Burns, Figa & Will, P.C. 6400 S. Fiddlers Green Cir., #1000 Greenwood Village, CO 80111

Michael Warren Energy Liaison Colorado Parks and Wildlife Northwest Regional Office 711 Independent Ave. Grand Junction, CO 81505

Jerome Baier Northwestern Mutual Life Insurance Company 720 East Wisconsin Avenue Milwaukee, WI 53202

Reference Map - Application Lands



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IN THE MATTER OF THE APPLICAT OF SOUTHWESTERN ENER)	Cause No. TBD			
PRODUCTION COMPANY FOR ORDER TO ESTABLISH APPROXIMATE 800-ACRE DRILL AND SPACING UNIT FOR CERT LANDS IN SECTIONS 1, 2, 11, AND TOWNSHIP 6 NORTH, RANGE WEST, 6th P.M., AND TO APPROVE TO TWENTY EIGHT HORIZONTAL AFOUR VERTICAL WELLS WITHIN UNIT, FOR THE MANCOS ANIOBRARA FORMATIONS, UNNAME FIELD, MOFFAT COUNTY, COLORA	AN AN ING TAIN 12, 92 E UP AND THE AND MED)))))))))))))))	Docket No.	1406-SP-2060		
STATE OF COLORADO)					
COUNTY OF ARAPAHOE)	SS.				

Steven M. Nagy, of lawful age, and being first duly sworn upon his oath, states and declares:

That he is the attorney for Southwestern Energy Production Company and that on or before May 27, 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.

Steven M. Nagy, Esq.

Subscribed and sworn to before me this 27th day of May, 2014.

Witness my hand and official seal.

My commission expires: 120412016

KIM SHANLEY NOTARY PUBLIC STATE OF COLORADO NOTARY ID # 19894000488 MY COMMISSION EXPIRES DECEMBER 04, 2016 Hom Skain Can

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